

AC 515 (S) JULY 2015

Page 1 of 2

UNIVERSITY OF SWAZILAND
DEPARTMENT OF ACCOUNTING
SUPPLIMENTARY EXAMINATION PAPER JULY 2015

DEGREE/ DIPLOMA AND

YEAR OF STUDY : B.COM V

TITLE OF PAPER : ACCOUNTING THEORY

COURSE CODE : AC 515 (S) JULY 2015

TOTAL MARKS : 100 MARKS

TIME ALLOWED : THREE (3) HOURS

- INSTRUCTIONS
- 1 There are (4) questions, answer all.
 - 2 Begin the solution to each question on a new page.
 - 3 The marks awarded for a question are indicated at the end of each question.
 - 4 Show the necessary working.

Note: You are reminded that in assessing your work, account will be taken of accuracy of the language and general quality of expression, together with layout and presentation of your answer.

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QUESTION 1

What are the advantages and criticism of International Accounting standards? 25 Marks

QUESTION 2

- a) State the groups of persons having vested interest in the business organization and examine the nature of their information needs 15 Marks
- b) Evaluate the role of accounting information in the allocation of resources. 10 Marks

QUESTION 3

- a) Contrast the descriptive and normative approaches to theory construction. 10 Marks
- b) In accounting theory method what is potential positive and potential negative payoff of better reporting system? 10 Marks

QUESTION 4

- a) What are elements? Define Concepts, and procedures in the conceptual framework? 10 Marks
- b) Explain “relevance and reliability”. What makes information relevant and reliable? 15 Marks
- c) What is periodic maintenance? 5 Marks