

UNIVERSITY OF SWAZILAND

DEPARTMENT OF ACCOUNTING

FACULTY OF COMMERCE

MAIN FINAL EXAMINATION PAPER

May 2016

DEGREE / YEAR OF STUDY: B.COM LEVEL SIX (PART-TIME)

Title of Paper : ACCOUNTING THEORY

Course Code : IDE AC 515 (Part -Time)

Total Marks : 100

Time Allowed : **THREE HOURS**

Instructions

- (i) There are **FOUR** Questions Answers to All
- (ii) Begin the solutions to each Question on a New page
- (iii) The marks awarded for each question are indicated at the end of the question
- (iv) Show all your workings
- (v) Calculations are to be made to zero decimal places of accuracy, unless otherwise Instructed.

RECOMMENDATION: Reading time should not exceed fifteen minutes

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.

**THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR
OR SUPERVISOR**

SPECIAL REQUIREMENTS : CALCULATOR

QUESTION NO .1

- i. Explain the “system approach” and examine the reasons for its application in the study of accounting. (Marks:10)
- ii. What is potential positive and potential negative Payoff for a better reporting system in accounting theory method? (Marks:15)

QUESTION NO. 2

- i. What recommendations made by the Cadbury committee of financial reporting practice? (Marks:10)
- ii. Describe the advantages and disadvantages of International Accounting Standards. (Marks:15)

QUESTION NO.3

- i. Describe International Accounting Standards Committee (IASB) for the purpose of framework preparation and presentation of financial statements. (Marks:14)
- ii. What are the accounting concepts and qualitative characteristics of financial information? (Marks:11)

QUESTION NO.4

- i. What is value- added disclosure? Explain the advantages and disadvantages of disclosure of information during collective bargaining. (Marks:13)
- ii. What is the scope of Corporate Social Responsibility as defined by Ernest and Ernest? (Marks:12)