

UNIVERSITY OF BRADFORD

CONTEMPORARY ISSUES IN ACCOUNTING AND FINANCE

MAN4266M

13<sup>th</sup> May 2014

09:15 – 10:45 hours

*Main*

This is a **CLOSED BOOK** examination

Answer any **TWO** questions  
All questions carry equal marks

Use explicit and concise wording in your answer.

**Answer any 2 questions.**  
**All questions carry equal marks.**

**Question 1**

Explain what is meant by the positive accounting theory and discuss its relationship to corporate governance.

**(50 marks)**

**Question 2**

- a) Discuss the meaning of sustainability and outline why corporations might consider it in their business operations.

**(20 marks)**

- b) Identify four corporate stakeholders and document how an organisation might engage with them about sustainability issues.

**(30 marks)**

**(Total 50 marks)**

**Question 3**

- a) Critically evaluate how the notion of legitimacy and a social contract relate to corporate disclosure policies?

**(15 marks)**

- b) Critically analyse the alternative perspectives of when information should be produced by an organisation, in respect of the two different branches of stakeholder theory.

**(35 marks)**

**(Total 50 marks)**

#### **Question 4**

*"The board of directors play an important role in improving the quality of the financial reporting process and firm performance".*

Discuss this statement in the light of recent research evidence.

**(Total 50 marks)**