

Course No: ACC 4323
 Course Title: Contemporary
 Accounting Issues
 Date: 17/04/2017
 No. of Questions: (3)
 Time: 1 hours
 Using Calculator (Yes)

University of Palestine



Midterm Exam
 Second Semester
 2016/2017

Instructor Name: _____
 Student No.: _____
 Student Name: _____
 College Name: Business & Finance
 Dep. / Specialist: Accounting
 Using Dictionary (No)

Answer all the following questions

Question One: 5 Marks)

A- True or False

1	()	Share prices are highly aligned with net income
2	()	Managing earnings by managing operational decisions, is only accounting policies or accruals
3	()	Under the best circumstances managers should act as though they had contributed the capital
4	()	Cash base accounting Allows entities to delay or accelerate recognition of income and expense
5	()	It is generally acknowledged that there is no 'one' system of corporate governance.
6	()	In most countries, corporate governance involves various combinations of both the rules and principles-based approaches
7	()	Income generation is premised on the belief that shareholders prefer to invest in an entity that exhibits consistent growth patterns.
8	()	Governmental accounting provides a significant part of the information on which company operations will be decided.
9	()	
10	()	The failure of many corporations to manage and control risk has no relationship with the cause of the financial crisis.

Question Two: (11 Marks)

1. Different definitions of what is earnings management

- 1-
- 2-
- 3-

2. Some common performance measures that directly relate to earnings include:

- 1-
- 2-
- 3-
- 4-
- 5-

3. Earnings are managed for the benefit of the entity to:

- 1-
- 2-
- 3-
- 4-

4. Interest in corporate governance appears to be driven by

- 1-
- 2-
- 3-

5- Poor governance is linked to

- 1-
- 2-
- 3-
- 4-
- 5-

