Unraveling the controversy: Assessing the role of accounting theories in defining accounting tenets

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***Abstract*— In the ever-evolving accounting landscape, accounting theory's role in defining the fundamental principles, known as accounting tenets, is a subject of ongoing debate and exploration. This paper embarks on a compelling journey to assess the profound impact of accounting theory on the development of these crucial tenets. As we delve into this intricate realm, it becomes apparent that accounting theorists share a consensus: no all-encompassing accounting theory has yet emerged to establish comprehensive accounting tenets. This realization sets the stage for a profound exploration into the intricate relationship between accounting theory, academic research, and real-world accounting practice. The heart of this paper lies in recognizing accounting tenets as not merely products of academic inquiry, but as living entities shaped by contemporary accounting practices, especially through the standard-setting processes. These processes play a pivotal role in shaping and advancing accounting tenets, highlighting the dynamic interplay between theory and practice in the accounting domain. At its core, this research endeavors to unravel the very essence of accounting theory—a driving force behind the ongoing academic discourse. To achieve this, the paper employs a multifaceted approach, drawing from normative, descriptive, and positive propositions in the realm of accounting theory. It explores the concept of a "decision-useful theory of accounting" and delves into the world of interpretative accounting, offering a comprehensive understanding of the multifarious dimensions of accounting theory. Throughout this journey, the paper illuminates the manifold advantages bestowed upon the field of accounting by these theoretical advancements. It underscores how various accounting research propositions collectively elevate the quality and depth of accounting research, potentially even reshaping the contours of accounting theory itself. Yet, amid this intriguing voyage, a lingering question emerges: what is the true role of these developments in establishing the much-needed, suitable accounting tenets? This enigma remains at the heart of academic discussion and concern, inviting scholars, practitioners, and stakeholders alike to contemplate the intricate balance between theory and practice in shaping the future of accounting. This paper navigates the uncharted waters of accounting theory, shedding light on its profound influence on accounting tenets, while leaving room for continued exploration and discourse. It invites readers to embark on a captivating intellectual journey, where the fusion of theory and practice holds the key to shaping the destiny of accounting in the years to come.**

Keywords— Controversial Accounting Theories, Defining Accounting Tenets, Theory-Driven Accounting Standards, Debate in Accounting Research, Tenets of Modern Accounting, Accounting Theory Assessment, Contemporary Accounting Practices, Theoretical Frameworks in Accounting.

I. INTRODUCTION

The emergence of rail lines and the enactment of the first Companies Act in 19th-century England marked a pivotal moment in the history of accounting professions and institutions in both England and the United States. During the nascent stages of these professional bodies, their primary role was often limited to addressing immediate accounting challenges through ad hoc solutions. At best, they attempted to consolidate existing best accounting practices into a coherent framework. However, the systematic development of accounting theory was not a primary focus at this juncture. These early accounting bodies were ill-prepared to construct a comprehensive accounting theory. While their ad hoc proposals addressed specific technical issues, they lacked a solid theoretical foundation, rendering the overall state of accounting precarious. There was an increasing recognition of the need for a fundamental theory that could serve as a conceptual framework for the discipline. Such a theory would define and guide the actions of accounting practitioners in identifying,

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measuring, and communicating economic information (Scott, 2006). It was not until the early 1930s that a deliberate effort to systematically advance accounting theory began to take shape. During this period, significant strides were made towards establishing basic postulates and tenets of accounting. The scope of accounting widened by incorporating insights from disciplines such as economics, behavioral science, and measurement theory. This effort aimed to formalize accounting theory into a more abstract form and provide a solid conceptual foundation for the practice of accounting. These developments marked a turning point in the evolution of accounting theory. The impetus for these advancements primarily stemmed from the research endeavors of prominent professional accounting bodies and contributions from the burgeoning accounting literature. For instance, the International Accounting Standards Board (IASB) has steadfastly committed to creating standards grounded in fundamental accounting principles (IASB, 2008). This commitment raises two fundamental questions. Firstly, there is the question of whether the established fundamental accounting tenets are sufficiently robust to underpin the formulation of suitable accounting standards. Secondly, there is the inquiry into whether the ongoing advancement of accounting theory can effectively accommodate the overarching principles that define the accounting field. The evolution of accounting theory has seen a remarkable transformation from the early days of ad hoc problem-solving to the establishment of fundamental principles. The journey has been characterized by a concerted effort to create a theoretical framework that aligns with the expanding scope of accounting. This transition has been driven by the dedicated research efforts of professional bodies and the rich contributions of accounting literature, with the IASB playing a pivotal role in advocating for fundamental-based accounting standards.

The development and rediscovery of theory often occur through the research process (Wolk, Dodd, & Rozycki, 2008). Therefore, it is imperative to question whether the foundational accounting principles are adequately established and continuously refined through research procedures. It becomes evident that accounting tenets do not solely evolve through academic research but are significantly shaped by the practical implementation of the standard-setting process, a prominent driver in shaping the tenets of accounting. Accounting research's role in advancing accounting tenets and informing the standard-setting process is critical to academic inquiry (Coetsee, 2010). The statements and theories on accounting endorsed by professional associations reflect the state of accounting research and its practical applicability at specific historical junctures. Given the inherent complexity of measurement methods within the accounting system, it was a formidable challenge for accounting practitioners to advocate for a single uniform measurement approach, as highlighted by the American Accounting Association in 1973 (Wolk et al., 2008). Notably, Watts and Zimmerman (1979) contended that no widely accepted accounting theory could dictate accounting standards, suggesting the impracticality of such an endeavor. Conversely, Belkaoui (2014) asserted that a single overarching accounting theory did not influence the evolution of accounting theory; instead, diverse theories emerged from various propositions, contributing to the construction of accounting theory. Due to the absence of a universally accepted comprehensive theory to guide accounting theory's progress, a fundamental question arises: upon what foundations are the theoretical tenets of accounting constructed? This inquiry is multifaceted, with diverse perspectives offering potential solutions to this complex puzzle. The origin and development of accounting tenets are multifaceted and encompass both research-driven insights and practical applications through the standard-setting process. The role of accounting research in shaping these tenets and its influence on the standard-setting process raises important questions for academic exploration. The absence of a widely accepted overarching theory further complicates the landscape, underscoring the need for continued inquiry into the foundations of accounting tenets.

Intrigued by the complex landscape of accounting theories, this study embarked on a quest to unravel two compelling objectives: (i) to delve into the essence and evolution of accounting theories and (ii) to dissect the significant breakthroughs in accounting theory, including the realms of positive theory, decision-usefulness theory, and the intriguing domain of accounting interpretation theory.

II. LITERATURE REVIEW:

I. Conceptual review:

Accounting theory, a cornerstone of the accounting profession, can be defined as a structured framework comprising a set of broad principles that serve as a fundamental reference point for evaluating accounting practices and guiding the evolution of contemporary procedures (Hendriksen, 1992). Moreover, accounting theory employs the intricacies of existing practices to demand a deeper comprehension of their underpinnings. At its core, the primary objective of accounting theory is to furnish a coherent set of logical principles that form the foundational structure for the assessment and advancement of sound accounting practices (Hendriksen, 1992). Accounting, often referred to as the universal language of business, plays a pivotal role in disseminating periodic financial disclosures. These disclosures serve to mitigate information asymmetry, bridging the gap between those with access to information and those without. Notably, the quality of this information can vary, yet it remains vital for stakeholders (Jordan & Messner, 2012; Andon, Baxter, & Chua, 2014; Boedker & Chua, 2013).

The realm of accounting theory encompasses a myriad of basic propositions, definitions, principles, and concepts, outlining how they are derived and utilized to elucidate existing practices and procedures. Its overarching purpose is to enhance understanding in areas characterized by diverse interests among users of financial reports (Dodd & Ruzycki, 2008). Organizations such as the American Association (1996), AICPA (1970), and Anao (1996) concur in defining accounting theories as cohesive sets of conceptual, hypothetical, and practical assumptions. These assumptions serve as guides, elucidating the actions of practitioners in the identification, analysis, measurement, interpretation, and communication of economic data within annual reports and accounts. Accounting theory can be described as a compilation of widely accepted ideas that offer insights into accounting practices (Ram & Tapria, 2019). It is integral to the practice of accounting, as theoretical constructs are rooted in consistent observation, systematic problem analysis, and theoretically framed procedures. Consequently, theories are now universally regarded as the bedrock upon which the discipline of accounting is built (Osho & Adebambo, 2018).

II. Characteristics of Accounting Theory:

Accounting theory possesses several essential characteristics that shed light on its pivotal role within the field of accounting (Ram & Tapria, 2019):

1) Origination and Elaboration of Practices: Accounting theory plays a dual role by both originating and refining accounting practices. It is rooted in real-world challenges, serving as the foundation for the development of contemporary theories. Simultaneously, it offers explanations for existing practices, providing a comprehensive understanding of their rationale and purpose.
2) Logical Support and Adaptability: Sound accounting theory provides logical support for accounting practices, establishing them as general principles used to evaluate and guide current practices. Furthermore, it enables the adaptation of these practices to address evolving environmental challenges. Accounting theories serve as a dynamic framework capable of accommodating changes in the business landscape.
3) Incorporation of Philosophical Theories: Accounting theories are not universally accepted until they incorporate elements of various philosophical theories. This inherent adaptability allows accounting theories to evolve and align with the ever-changing business environment. They serve as a lens through which the transformation of accounting practices becomes possible.
4) Verification and Modification: Accounting theories are subjected to rigorous verification, testing, and assessment within the realm of accounting practice. Any deviations between theory and practice are carefully examined. Consequently, accounting theories are modified and refined to incorporate new phenomena and tenets. This iterative process ensures that accounting theory remains relevant and responsive to the evolving needs of the accounting profession.
5) Systematic Logical Postulates: Accounting theories offer a structured set of logical postulates and principles. These postulates provide a methodical basis for understanding and justifying existing accounting practices. They serve as a logical foundation, facilitating the application of reasoning to the complex world of accounting.

Accounting theory serves as the backbone of the accounting profession, encompassing a range of characteristics that underline its significance. These characteristics include its role in both originating and explaining practices, providing logical support and adaptability, integrating philosophical theories, undergoing continuous verification and modification, and offering systematic logical postulates. Accounting theory is not a static concept but a dynamic framework that evolves alongside the ever-changing business and accounting practices landscape.

III. The Essence of Accounting Theory and Progress in Theoretical Developments:

Accounting theory has been examined through distinct schools of thought, each offering a unique perspective. The first school emphasizes the role of accounting theory as both the foundation and guiding force for accounting practices. It defines accounting theory as a coherent rationale behind a comprehensive set of overarching principles. These principles serve a dual purpose: (i) providing a broad framework for assessing accounting practices and (ii) steering the development of contemporary practices and procedures (Hendriksen, 1992). Another school of thought views accounting theory as an intellectual endeavor to elucidate and predict accounting practices. The primary objective here is to establish a foundation for predicting and describing accounting behaviors and activities. This perspective perceives accounting theory as a tool for understanding the intricacies of accounting practice (Belkaoui, 2014). These differing viewpoints illustrate the multifaceted nature of accounting theory, highlighting its significance as both a guiding framework and a tool for comprehending and forecasting accounting practices.

The realm of accounting theory encompasses two distinct schools of thought, each with its unique focus and methodologies. The first school emphasizes the role of accounting theory in defining the fundamental principles of accounting, while the second school is more concerned with assessing the practical application of these principles (Wolk et al., 2008). The first school posits that accounting theory employs existing accounting practices to better understand their underlying principles (Hendriksen, 1992). It seeks to determine the theoretical foundations of accounting and emphasizes the normative and descriptive methodologies as key approaches for advancing the theory. The normative methodology questions existing theories to define what accounting should be, while the descriptive methodology aims to explain the fundamental ideas and what accounting actually is (Hendriksen, 1992; Belkaoui, 2014). Within the normative approach, there is a prescriptive focus on determining how financial transactions should be recognized and measured in accounting, with an emphasis on reporting standards (Deegan & Unerman, 2006; MacNeal, 1970; Paton & Littleton, 1940). This approach attaches significance to the terminology and entities described in accounting (Jensen, 1976).

The descriptive approach seeks to narrate, elucidate, and predict real-world accounting practices (Deegan & Unerman, 2006). It takes an inductive approach, based on observations of actual practices, and focuses on documenting and understanding the principles underlying these practices (Coetsee, 2010). It's worth noting that there is a third, more dynamic approach referred to as positive research methodology. This approach goes beyond mere observation and description, elaborating and predicting real-world accounting phenomena. The positive research methodology is characterized by its continuous and forward-looking nature (Deegan & Unerman, 2006). The two schools of thought in accounting theory offer divergent perspectives. The first school is concerned with defining accounting principles and employs normative and descriptive methodologies. The second school focuses on practical application and understanding of these principles. Additionally, the positive research methodology serves as a complementary approach that aims to predict and elaborate on real-world accounting phenomena.

In the realm of accounting theory, two distinct schools of thought have emerged, each with its unique focus and methodologies. The second school of thought delves into the realm of elaboration and forecasting, notably characterized by its positive nature, while the first school primarily revolves around descriptive observations and understanding of the fundamental accounting landscape. The distinction between these two schools lies in their fundamental objectives. The normative approach, which is inherent in the first school, is prescriptive in nature. It outlines what accounting practices should entail and sets forth the tenets of what ought to be done (Inanga & Schneider, 2005). This approach is characterized by the formulation of propositions and deductions, aiming to establish a theoretical framework that guides accounting practices. Conversely, the descriptive approach, which aligns with the second school of thought, focuses on narrating and explaining the real-world accounting landscape. It seeks to predict and elaborate on existing accounting phenomena, providing insights into how accounting operates in practice (Inanga & Schneider, 2005).

Within the realm of the descriptive approach, positive accounting theory takes center stage. This approach is concerned with elucidating accountants' behavior and seeks to answer questions such as why certain accounting data is essential to stakeholders, what accounting methods are suitable for addressing managerial challenges, and whether fair value accounting is a logical choice (Watts & Zimmerman, 1986; Barth, Beaver, & Landsman, 2001). Positive accounting theory is deeply rooted in empirical research and observations, aiming to explain real-world accounting issues as they unfold. However, critics of positive accounting theory have raised concerns about its application. They argue that the methodologies employed resemble those of the natural sciences, potentially limiting its suitability for addressing the diverse and evolving business environments and contexts (Ball, Robin, & Wu, 2003). Accounting theory encompasses diverse perspectives, including normative, descriptive, and positive approaches. While normative theory prescribes what should be done in accounting, descriptive and positive theories delve into understanding and explaining real-world accounting phenomena. Positive accounting theory, in particular, seeks to provide insights into accountants' behavior and decision-making processes, but its application may face limitations in addressing the complexities of varying business environments and contexts.

IV. Advancement in Accounting Theory:

In the pivotal years between the 1960s and 1970s, the field of accounting witnessed two profound advancements that have left an indelible mark on the trajectory of accounting theory and research. These transformative shifts gave rise to the prominence of positive accounting methodology and paved the way for the emergence of decision-usefulness accounting. During the normative era, spanning from 1956 to 1970, the focus was primarily on establishing values and beliefs that underpinned best accounting practices (Godfrey, Hodgson, Holmes, & Tarca, 2006). The normative approach was characterized by its emphasis on displaying valid facts and findings derived from normative prescriptions. However, by 1970, it became evident that the postulated principles of this era had become outdated (Wolk et al., 2008). The normative approach was often critiqued for its non-scientific nature, leading to uncertainties about which specific normative theories would be accepted by accounting researchers (Godfrey et al., 2006). This critical juncture marked the transition from normative to positive accounting research, signifying a significant shift in accounting research paradigms. Positive accounting research focused on adopting more scientific methods to describe and predict accounting practices (Wolk et al., 2008). The profession sought a more normative proposition that could align accounting practice with greater significance (Godfrey et al., 2006). However, it raises the question of whether the practice itself is actively contributing to theory formulation, as this transition is not purely normative.

In the 1960s, another pivotal advancement occurred with the inception of decision-usefulness accounting. This paradigm shift was underscored by the release of the Statement of Basic Accounting Theory by the American Accounting Association in 1966, serving as a foundational milestone (Hicks, 1966). Belkaoui (2014) encapsulated the essence of accounting as the generation of data pertaining to economic activities emanating from a company's operations within its immediate environment. The decision-usefulness orientation heralded a shift in focus from the tenets of accounting to the accounting procedures and the information they provided. Eminent scholars expanded the boundaries of accounting by drawing upon comprehensive research from the social sciences over the past two decades. They posited that accounting was fundamentally a human activity, encompassing a wide array of research propositions, including interpretative and behavioral research (Reiter & Williams, 2002). The evolution of accounting research paradigms, from normative to positive and decision-usefulness accounting, reflects the dynamic nature of the field. These transformative shifts have shaped the direction of accounting theory and research and expanded the horizons of what accounting can encompass, embracing a multidisciplinary approach.

V. The Positive Accounting Theory:

Positive accounting research, grounded in the principles of positivism, has emerged as a robust methodology that plays a pivotal role in advancing our understanding of accounting practices. Drawing from the methodologies of social sciences, positivism offers a rejection of metaphysics and strives to unveil truth through empirical means. Its essence lies in describing, designing, and predicting real-world phenomena, with a focus on observable and measurable aspects (Henning, Van Rensburg & Smit, 2004). In the realm of accounting, the primary goal of positive accounting theory is to elucidate the truth by narrating reality through empirical evidence and findings. This empirical approach bestows validity upon the research process, fostering a deeper comprehension of accounting practices (Godfrey et al., 2006). The descriptive proposition, central to positive accounting research, commences by employing rigorously tested instruments to expand our understanding and forecast real-world situations, firmly anchoring itself in the tenets of positivism. Under this proposition, accounting theory is meticulously developed by creating and testing models. While these models may not be absolute truths, they are deemed as such since they withstand scrutiny and validation through rigorous research. Moreover, positive accounting theories have evolved to encompass both the act of describing and predicting. This theory predominantly concentrates on elucidating the rationale behind current accounting practices and forecasting the role that accounting and associated data play in facilitating informed decision-making (Godfrey et al., 2006). Positive accounting research transcends theoretical abstraction and is a tangible, practical research technique that finds real-world applications in accounting research (Boland & Gordon, 1992). However, the landscape of accounting research has faced certain challenges. Inanga and Schneider (2005) underscored a critical gap in accounting research—the absence of a solid theoretical foundation to guide the formulation of hypotheses and research design. This absence has hindered the progress of accounting theory. The dearth of established theory, both in academia and practice, coupled with a lack of comprehensive knowledge and research expertise, often results in incomplete and inadequately researched outcomes that fail to meet the professional needs of practitioners.

To overcome these challenges and elevate their role in shaping accounting tenets, accounting researchers must recognize the fundamental importance of grounding positive research methodologies in well-established accounting theories. This strategic shift will enable researchers to provide valuable insights to standard setters, helping them better understand the ramifications of changes in accounting principles. The predominant application of positive accounting research extends beyond advancing accounting tenets. Instead, it serves as a foundational framework from which basic accounting researchers can embark on journeys that influence the very essence of accounting. This is a reflection of a research context dominated by empiricism rather than theory. Positive accounting research, firmly rooted in positivism, is a potent force in shaping our understanding of accounting practices. It provides a systematic and empirical approach to describing and predicting real-world phenomena in the field of accounting. While challenges persist, particularly the absence of a robust theoretical foundation, embracing established accounting theories can enhance the impact of positive accounting research on the evolution of accounting practices.

III. Decision Usefulness Theory:

Decision usefulness theories form the bedrock of efforts to assess and evaluate the impact of accounting methods and financial reporting on individual and collective users of accounting information. The concept of data relevance in decision making is inherently subjective and hinges on two critical factors: the identity of the information users and the decision models employed by them (Ram & Tarpria, 2019). Financial reports serve as concise summaries of an organization's financial and non-financial status over a specified period, typically a year. The assessment of present-day decision usefulness and its interpretation must align with the diverse set of stakeholders that persistently engage with financial information. This encompasses a shift toward "softer" decision usefulness and an increased emphasis on stewardship, particularly benefiting finance providers. This shift has been notably influential in shaping standard-setting practices in the United Kingdom (Laughlin, 2007).

The core premise of decision usefulness theories lies in their ability to enhance accounting practices by tailoring financial reporting to meet various stakeholders' specific needs and objectives. Recognizing that different users require distinct types of information for decision-making, decision usefulness theories advocate for a customized approach in financial reporting. These theories emphasize the dynamic nature of accounting information. Rather than viewing financial reports as static documents, decision usefulness theories underscore their role as dynamic tools for aiding decision-making processes across a spectrum of users. This adaptability ensures that accounting practices remain relevant and responsive to the evolving needs of stakeholders. The Decision usefulness theories represent a pivotal framework within the accounting domain, shaping the way financial information is generated, communicated, and utilized. By placing stakeholders' needs at the forefront and acknowledging the subjectivity of data relevance, these theories drive continuous improvement in accounting practices, facilitating more informed and effective decision-making for diverse users.

IV. Deciphering the Essence of Accounting Theory

Interpretative theories represent a vital facet of classical accounting theory, with their primary aim being to elucidate and refine the interpretations and meanings associated with accounting practices. These theories serve as a crucial bridge between what producers convey through accounting information and what users perceive and understand. As the adage goes, "It is not what you say but what people understand." The realm of interpretative accounting theory delves deep into the rationale behind traditional accounting practices. While contributors to interpretational theories are primarily concerned with discerning the consequences of prevailing accounting practices and evaluating their impact (Paton & Littleton, 1940; Sterling, 1975), their focus extends beyond mere description and elaboration. Interpretational theorists endeavor to craft theories that can aid accounting practitioners in resolving intricate accounting dilemmas. Their work spans a broader spectrum than merely describing and elucidating positive techniques associated with underlying ideals or events. Instead, it offers insights into how individuals, in specific contexts, make sense of given ideals or events. This approach does not revolve around setting and testing hypotheses; instead, it reports on the theories identified through research.

Furthermore, interpretative accounting research navigates the practical and political dimensions of standards setting, shedding light on the rationale that underpins the guidance offered in this process (Ahrens et al., 2008). Recognizing the need for a clear understanding of the nature and intellectual position of interpretative research in accounting, this study seeks to create opportunities for researchers to investigate the underlying rationale of accounting practices, thereby contributing to the existing body of knowledge. One fundamental premise of interpretative research is acknowledging that social practices and management accounting are not immutable aspects of the natural world. Instead, they are socially structured and, consequently, subject to transformation by the very social actors engaged in them (Ryan, Scapens, & Theobald, 2002). As a result, the primary objective of interpretative research is not to instigate a transformation of the social order but to diligently document data without bias. Interpretative accounting theory plays a pivotal role in deciphering the complexities of accounting practices and the nuances of interpretation surrounding them. By bridging the gap between accounting information producers and users, interpretative theories enhance our understanding of accounting's practical and intellectual dimensions.

V. CONCLUSION & RECOMMENDATION:

This paper conducts a comprehensive assessment to unveil the potential relevance that different types of accounting theory and research bring to the development of accounting tenets. It acknowledges the absence of a universally accepted accounting theory and underscores that accounting tenets result from academic research and contemporary accounting practices facilitated by the standard-setting process, which has significantly contributed to their evolution. The paper critically examines the interplay between accounting theory, research, and the standard-setting process, probing into their intricate relationships. In analyzing the pivotal roles played by accounting theory and research, the paper delves into the normative and descriptive propositions that underpin the growth of accounting theory. It also explores the realm of positive accounting research, the decision-usefulness accounting theory, and the contributions made by interpretative accounting research. By scrutinizing these diverse theoretical perspectives, the paper aims to shed light on the multifaceted landscape of accounting theory and its profound impact on the evolution of accounting tenets.

There has been a notable shift towards embracing social sciences in the realm of accounting research. This shift stems from the recognition that accounting, at its core, is a social activity deeply intertwined with human interactions. Accounting tenets, the foundational principles that guide this profession, are not formulated in isolation but rather emerge from practical and political processes shaped by human intervention. In this context, interpretative research emerges as a potent tool with the potential to influence the creation of accounting tenets by providing the necessary theoretical underpinnings. Interpretative research extends its reach beyond the confines of traditional accounting practices, encompassing a broader social perspective. Its applicability goes beyond mere observation and description; it can be instrumental in assessing the very foundations of accounting itself. This raises important questions about how interpretative research can be seamlessly integrated into the fabric of accounting principles. By bridging the gap between accounting theory and the practical world of standard-setters, interpretative research contributes to the advancement of consistent accounting tenets. This evolution is crucial as it marks a departure from the stringent positivistic era, opening up avenues for diverse research propositions that collectively enrich the landscape of accounting research and potentially enhance accounting theory. However, a significant question lingers: Will these advances in accounting theory translate into tangible improvements in accounting tenets? Or will the gap between accounting practice and research continue to widen? This paper delves into these critical questions, aiming to scrutinize the impact of various accounting theories on the establishment of accounting tenets. While this study provides valuable insights, it is essential to acknowledge its limitations. It does not delve into grounded theory or connect interpretive research with critical research accounting. Furthermore, the study does not rely on empirical evidence, which may introduce subjectivity. Future research endeavors should focus on empirical studies to better understand the interplay between accounting theory, interpretative research, and the evolution of accounting tenets. Interpretative research holds the potential to play a transformative role in shaping accounting tenets by providing a solid theoretical foundation. This shift towards a more socially oriented approach may lead to substantial improvements in the synergy between accounting practice and research, ultimately benefiting the accounting profession as a whole.

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