**QUESTION 8**

**Stock Valuation**

**Dublin Examination**

**Board**

**Break down of previous year questions**

**2018**

**2013**

**Past Questions**

2018

Outline two differences in focus between Management and Financial Accounting

(6 marks)

2013

Outline three differences in focus between Management and Financial accounting

(7 marks)

**2018**

**Question**

**Outline two differences in focus between Management and Financial Accounting**

**Answer**

1. Management Accounting plans for the future and provides information for planning and budgeting, whereas Financial Accounting records past events in the form of a profit and loss account, balance sheet and cash flow statement
2. Management Accounting has an internal focus and provides information to aid planning and decision making whereas Financial Accounting has both an internal and external focus and provides information to stakeholders such as managers, shareholders and creditors
3. Management Accounting is not governed or restricted by legislation or legal requirements whereas Financial Accounting is governed and regulated by both legislation and accounting standards such as FRSs
4. Management Accounting prepares reports as often as managers require them whereas Financial Accounting usually prepares reports once a year
5. Management Accounting prepares reports for cost-centres / departments whereas Financial Accounting prepares reports for the whole business

**2013**

**Question**

**Outline three differences in focus between Management and Financial**

**Answer**

1. Management Accounting plans for the future and provides information for planning and budgeting. Financial Accounting records past events in the form of a profit and loss account, balance sheet and cash flow statement
2. Management Accounting has an internal focus and provides information to aid planning and decision making. Financial Accounting has both an internal and external focus and provides information to stakeholders such as managers, shareholders and creditors
3. Management Accounting is not governed or restricted by legislation or legal requirements. Financial Accounting is governed and regulated by both legislation and accounting standards such as FRSs
4. Management Accounting prepares reports as often as managers require them. Financial Accounting usually prepares reports once a year
5. Management Accounting prepares reports for cost-centres / departments. Financial Accounting prepares reports for the whole business