

# ACCOUNTING VS FINANCE

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Focuses on recording, classifying, and interpreting financial transactions.

## Definition

Concentrates on managing assets and liabilities, making investment decisions, and studying market trends.

Prepares financial statements.  
Manages bookkeeping, accounts payable/receivable, and financial record-keeping.

## Core Functions

Manages budgets and financial planning. Evaluates investment opportunities, conducts risk analysis, & makes strategic financial decisions.

Historical in nature, dealing with past transactions and financial events.

## Focus on Time

Forward-looking, concentrating on future financial planning, investment, and risk management

Broad, covering all financial transactions within an organization.

## Scope

Strategic, focusing on optimizing the financial health and wealth of the organization.

Generates reports for internal and external stakeholders, ensuring accuracy & compliance.

## Reporting

Produces reports for management, investors, and regulatory bodies, focusing on financial strategy and decision-making.

Uses standardized principles and accounting standards.

## Tools and Techniques

Involves financial modeling, forecasting, and various valuation techniques.

Careers include roles such as CPA, auditor, or forensic accountant.

## Career Paths

Careers span financial analyst, investment banker, financial planner, and risk manager.

Governed by accounting standards like GAAP.

## Regulation

Adheres to regulatory frameworks and financial market rules.

Provides accurate and reliable financial information for decision-making.

## Main Goal

Maximizes shareholder value, manages risks, and ensures financial sustainability.