

Difference between accounting and finance

Accounting is the procedure of generating and handling financial statements which record the day to day dealings of the business. Finance has a wider space and is accountable for commencing transactions to help in cash, investment and other long term finance and short term finance.

Accounting and finance are both forms of handling the money of business, but they are used for two different purposes. One of the ways to differentiate between the two is to appreciate that accounting is portion of finance, and that finance has a much wider scope than accounting.

Accounting is the preparation of preparing accounting records, including measuring, research, examining, and the interpretation of financial statements. These records are used to progress and provide data measuring the performance of the firm, assessing its financial position, and disbursing taxes. Finance, on the other hand, is the well-organized and productive management of assets and liabilities built on existing information.

Finance is management and controller of assets and investments, which emphasizes on individual decisions, financial and other institutions as they choose securities for their investments portfolios.