

Accounting – 3 main streams

Preview from Notesale.co.uk
Page 2 of 16

(1) Financial Accounting

- Focus on **historical results**
- Mainly for **external stakeholders**
- Income Statement (Profit and Loss Account)
- Balance Sheet (Statement of Financial Position)
- Cash Flow Statement



Accounting – 3 main streams

Preview from Notesale.co.uk
page 4 of 16

(3) Financial Management

- Ensure **liquidity**
- Balance **short term and long term funds**
- **Efficient investment** of any surplus funds