

PCER GUIDANCE NOTES

# Corporate reporting and financial management

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## Unit PC11 – Prepare financial and other statements and accounts for external purposes

This unit relates to preparing and presenting accounts for external purposes in line with regulations and accounting standards and guidelines. The overall focus is on higher level accounts work involving the analysis and interpretation of accounts information to assist with clients' decision making and future strategies.

Element reference	Demonstrated behaviour and examples
<b>Element 26</b> <b>Appraise information for the preparation of financial and other statements and accounts</b>	<p>Collate complete and accurate information for the preparation of accounts, investigating areas where there is doubt about the completeness, accuracy and validity of the information</p> <p>Structure the information to enable efficient compilation of the accounts, highlighting any gaps or incomplete information</p> <p>Ensure that any estimates or provisions are reasonable and supportable</p> <p>Investigate any unusual trends or variances, giving explanations where appropriate</p> <p>Appraising financial information against industry averages</p> <p>Identify issues shown by the accounts and provide possible solutions which need to be discussed with clients</p>
<b>Element 27</b> <b>Prepare and present financial and other statements and accounts</b>	<p>Prepare statements and accounts in an appropriate format</p> <p>Determine and apply the relevant accounting standards and legislation</p> <p>Provide variance analysis and explanations and supporting information where appropriate</p> <p>Identify issues shown by the accounts and, in particular, any adverse financial position</p> <p>Discuss the accounts and associated issues with clients</p>

## Unit PC12 – Prepare financial information for management

This unit is about providing valid and accurate information to clients in an appropriate format to assist them in their decision-making processes. It requires an understanding of clients' businesses in order to offer advice to assist them to make judgments about their businesses.

Element reference	Demonstrated behaviour and examples
<b>Element 28</b> <b>Appraise financial information for the preparation of management information</b>	<p>Identify the financial information requirements of management</p> <p>Collect accurate and relevant data to prepare management information</p> <p>Structure the information to enable the completion of effective management reports and information</p> <p>Review variations between actual and anticipated major ratios and give explanations, where appropriate</p> <p>Prepare graphs of key statistics and analyse trends</p> <p>Obtain and compare market, industry and organisational statistics for a share valuation</p> <p>Discuss variations with clients</p>
<b>Element 29</b> <b>Prepare and present financial information for management purposes</b>	<p>Present information for management purposes (eg periodic management accounts and management reporting packages)</p> <p>Provide any supporting documentation</p> <p>Prepare written reports or presentations to clients</p> <p>Provide advice to clients to enable them to understand the information and make business decisions</p> <p>Highlight any issues affecting clients and recommend appropriate action</p>