

You will prepare financial statements for external purposes in line with the appropriate regulations, accounting standards and guidelines. This includes obtaining relevant information and checking its completeness and accuracy. The financial statements and other supporting information you compile must be in an appropriate format (which may vary depending on whether you work in the public, private or voluntary sectors).

TO PERFORM EFFECTIVELY YOU NEED TO:

- collect complete and accurate information in order to compile financial statements
- compile financial statements and accounts in line with appropriate standards and guidelines
- provide supporting information to make statements and accounts more understandable to users.

Achievement of this performance objective requires consistent performance over a period of time.

EXAMPLES OF RELEVANT ACTIVITIES INCLUDE:

- compiling financial statements and/or accounts
- compiling supporting schedules/notes to accounts
- compiling cover statements for bank reports
- compiling statements of affairs.

These examples illustrate how you might demonstrate this performance objective. They are not obligatory – you may prefer to think of other ways that show how you perform effectively in this area.

KEY KNOWLEDGE AND UNDERSTANDING: FINANCIAL ACCOUNTING AND REPORTING

- Recognise and apply the external legal and professional framework and regulations to financial reporting
- Record and understand financial transactions for single companies and combined entities
- Prepare financial statements for single and combined entities.

LINKED EXAM PAPERS

Paper F3, Financial Accounting

Paper F7, Financial Reporting

Paper P2, Corporate Reporting.