

# **AAT ICAS Report Quick Start Guide**

**Produced for Birmingham branch students**

**December 2012: Student Revision Workshop**

## **Background introduction**

Once you have started writing your ICAS report you will soon find out that writing a report of only 4,000 words is very easy. The hard part is actually keeping within the guidelines and meeting all the assessment criteria needed to complete the unit successfully.

This document has a total word count of 1,763 words excluding the appendices covering eight pages with only seven numbered as the title page would not be numbered.

This should provide a good example of the type of layout and numbering system that could be used if this presentation format is new to you. Further examples can be found online such as: <http://www.youtube.com/watch?v=NGzz2ZmLrFw>

This basic framework could then provide the basis for the first draft outline of your own 4,000 word AAT- ICAS business report.

Under the relevant section headings suggestions are shown where it would be possible to satisfy the mapping requirements for the unit from the coverage of your work and findings under these individual sections.

After allowing for a new page for the start of each section heading this should result in a completed document of around 14 plus pages (excluding any appendices and your completed mapping document).

For the purposes of this report as this is an AAT business simulation report, starting with the end mapping requirements for the unit in mind would be highly recommended as part of your initial preparations. This is to help ensure all assessment criteria areas are fully covered and mapped from your finished report.

**Note: 251 words used so far just in this background introduction**

To help you write your report in the **third person**, you either use **names** or the **third person pronouns**. One way to think of it is "I" come first; "You" come second, and everybody else comes in third.

## Title page

The title should give a clear indication of the subject and scope of the work. This page should not be **numbered**

### **Example**

**A review of the sales ledger processes of ABC Limited.**

**An analysis of the stock control systems of DEF Limited.**

**An investigation into the purchase ledger system of XYZ and partners.**

**Recommendations to improve the payroll system of QC Charity.**

You also need to note within your title page the total word count (excluding appendices) and show your full name, AAT number and training centre providers details.

**Total word count: 3720 words**

**Submitted by: A Happy Student**

**AAT Registration Number: 63457**

**Birmingham Training Provider**

**Submission date: XX/12/2012**

## Contents page

Include all the main headings and sub-headings with page numbers.

### Executive summary (Report abstract)

Its purpose is to give an overview of the report so that anyone reading it gets a good idea as to the content.

It appears before the body of the report and is usually a very short section of around **100/150** words.

**This can only be written once the report has been completed.**

You would structure this to include: **Introduction/Main body/Conclusion:**

- (a) One sentence for the weakness identified.
- (b) One sentence for the recommendation.
- (c) One sentence for the costs and benefits of implementation etc.

Do **NOT** add new information – this is a summary.

## 1 Terms of reference

1.1 Explain the report covers the AAT ICAS Unit requirements.

1.2 Explain the report reviews the xx accounting area and makes recommendations.

## **2 Methodology**

2.1 Only section of the report where you can write in the first person to describe what **YOU** did to research and write the report, you only need to write about half a page 150/200 words.

2.2 There are two main types of research and it is important to understand the distinction between them.

2.2.1 **Primary research** is information which you collate yourself.

2.2.2 **Secondary research** is information that has been gathered by someone else.

2.2.3 Primary research can be separated into **Qualitative** which is subjective and mainly people's opinions and **Quantitative** which is objective and based on numerical calculations such as the results of surveys, questionnaires and interviews.

2.2.4 **Secondary research** which has already been prepared and collected by someone else can also be used to create primary data.

2.3 You can also make acknowledgements here to people who have helped you in the preparation of the report.

2.3.1 All the help and support of my tutors and work colleagues etc.

## **3 Introduction**

3.1 This should be a clear statement, indicating the scope of the work and the subject of the report.

3.2 This section covers **4 areas** and should be written about the organisation as a whole **NOT** just the key area you will focus on later.

3.2.1 **Overview of the business - mapping coverage: PIC 1.1, 1.3, 1.4.**

- What do they do?
- How big are they?
  - You could include a chart/table in the section i.e. Chart 1.
- What external relationships do they have?
- Who are the key stakeholders?
  - Customers, suppliers staff, shareholders, Banks etc.

3.3 Describe the accounts department structure

3.3.1 You could include an organisational chart as an appendix.

3.4. How do they link with other departments?

3.4.1 **Financial statements - mapping coverage: PIC 1.2.**

- What Financial Statements do they produce?
- Why? and What is the purpose of each of these?
- What regulations are followed when preparing them?
  - Internal policy, Company Act, UK GAAP, IFS, FRSSE.

### 3.4.2 Regulations - mapping coverage: PIC 2.1, 1.5

- What other regulations do they comply with?
- Tax, data protection, industry specific legislation?
- What happens when regulations change?

### 3.4.3 Software - mapping coverage: PIC 3.3, 3.4

3.4.4 Describe the accounting packages used, include details of what training is given to staff, do they have operational manuals or other written information, do they have help menus.

- Why do they use these systems?
- What are the alternatives if any are they better or worse?

## 4 Review of XX system

4.1 This section reviews one area of the accounting system. Pick one where there are weaknesses with potential for errors in the accounts and effect these have on the organisation and or staff.

4.2 This section has **three areas** to be covered.

### 4.2.1 System requirements - mapping coverage: EAS 1.1

4.2.2 Describe the system requirements. For example if you are reviewing a sales system you would explain that the organisation wants a system that will record all sales, at the correct date, quantity, price, etc. (See Appendix I)

4.2.3 Describe the reports that will be useful e.g. aged debt reports, sales by product, branch, manager etc.

### 4.2.4 Potential fraud - mapping coverage: EAS 1.2, 1.4, PIC 2.1, 2.2, 3.1

- Describe what fraud is and what regulations there are over fraud.
- Describe what potential there is for the **common types** of fraud and what controls are in place to help mitigate and detect **monetary, inventory and time** based fraud.
- Is the resulting fraud risk; low, medium or high or equally gradable 1-5?

4.2.5 You can include a fraud grid outlining the level/grade of risk as an **appendix**. in the report.

4.2.6 You should write explaining about each area in full paragraphs.

### 4.2.7 Other weaknesses - mapping coverage: PIC 3.1, 3.3, EAS 1.2, 1.3, 1.5

4.2.8 Describe weaknesses where **errors** are made in the accounts (£x).

4.2.9 This could be due to poor training, jobs being rushed, work not adequately supervised or checked, lack of motivation for staff, or poor process and lack of controls.

4.2.10 Describe the impact to the business - £x error, time wasted, reputation etc.

## **5 Recommendations for improvement**

5.1 Based on the results of your investigations, make recommendations as to future action or policy and the resultant effect on the organisation and or staff.

5.1.1 **Mapping coverage: PIC 1.5, 2.4, 3.3, EAS 2.1, 2.2, 2.3, 2.4**

5.2 It may be advisable to categorise your recommendations as:

a) short term, b) medium term, and c) long term.

5.3 You should have one recommendation for each weakness.

5.3.1 For each one describe the changes who will do what, how often, how long will it take.

5.3.2 What training will be required, will a manual be written, how will the new policy/procedure be communicated to staff so they know what to do?

5.3.3 What are the cost £x and time taken to set up the new procedure.

5.3.4 The cost of training staff is a “lost opportunity cost” for the employer of their time together with the additional costs of providing the training resources.

5.3.5 What are the benefits from these actions – save time, reduce risk of errors/fraud, quicker information, better information and improved customer service?

5.4 If you have **only** identified one weakness you will need to compare **2/3** remedial options and review these in order to indentify the best solution with justification for it.

5.4.1 Compare the advantages and disadvantages of each solution. This information could then be included in an appendix.

5.5 Provide a **cost benefit analysis** with **detailed** workings shown in an **appendix**.

5.5.1 Do not forget to include any hidden costs, for example a new employee starting, apart from salary costs there will be employers National Insurance and any other benefits as well as any additional training requirements.

5.5.2 Will this training be able to be carried out internally or will this need to be completed externally?

5.5.3 Keep your cost benefit analysis findings **realistic**.

5.5.4 Guesstimates and assumptions are acceptable if hard evidence is not available to support this.

## **6 References and Bibliography**

6.1 List all material you have referred to in the text and any publications you have used as background reading including any websites visited using for example the **Harvard method** and these should follow in alphabetical order at the end of your report.

## **7 Appendices**

7.1 The appendices should be appropriate to your report and should appear in the order to which you refer to them in the report.

7.2 An appendix is also a useful **resting** place for background material that is not needed while the report is being read.

7.2.1 Suggested appendices could include:

- Organisation chart and account department chart.
- An extract or copy balance sheet/profit and loss account etc.
- Details of interviews with colleagues/managers, sample questionnaires.
- Fraud matrix.
- Accounting software cost comparison tables.
- Cost benefit analysis calculations.
- SWOT analysis of the system reviewed.

7.3 Appendices are usually numbered using **Roman Numerals**.

7.3.1 To get the right effect select the font style '**Times New Roman**'

7.3.2 Use capital letters e.g. **Appendix I, Appendix II, Appendix III, Appendix IV, Appendix V and Appendix VI** etc .

# **ICAS Project Completed!**

## Appendix I

# Report writing

Analysing the assessment criteria and learning outcomes

Looking at the mapping requirements, for your evidence to demonstrate your competence in the ICAS project unit.

You will need to read the assessment criteria for each section carefully and consider its meaning and what is being asked of you in the production of your evidence.

These points have been carefully worded so that you can respond to them to fulfil the aims and assessment requirements of the course.

When writing your report you need to make sure you pay attention to the “Key Words” used in the assessment criteria outcomes to allow for full coverage of all of these points in your report’s findings for mapping purposes.

### Example:

**Explain** – Make plain, account for; make clear the course, origins or meaning of.....

**Describe**- What is it? how does it work?, give a detailed account of...

**Review**- Make a survey of, examine the subject critically.

**Overview**- Give a summary of the main points omitting minor details

**Identify** – To recognise as being a particular person or thing, to determine what group this should belong to.

**Enable**- To make ready, equip, make possible or easy, give power means or competence.

**Evaluate**- How valid is it?, how good is it?, make an appraisal of the worth of something, in light of its utility, give your own conclusions.

**Demonstrate**- Describe and explain with the help of other data or evidence as appropriate.