

Unit FM318 Supplying Information for Management Control
SQA Unit Code FG7D 04

This unit is imported from the Accountancy Occupational Standards Group (Unit 4)

This unit is about recognising and providing basic management information. This involves information relating to both costs and income and includes the comparison of actual costs and income against the previous period's data.

This unit involves recognising cost centres. It should be noted that in some organisations profit centres or investment centres will be used in place of cost centres, and these will differ depending upon the organisation. It also involves recognising elements of costs, coding income and expenditure and identifying and reporting obvious errors such as the wrong code or excessive volumes. You are required to extract information relating to the three elements of costs: materials, labour and expenses. The unit however does not specifically relate to manufacturing as materials will include items such as consumables in service industries, and the majority of costs will probably be labour in those circumstances.

The unit is also concerned with extracting information from a particular source, for example the previous period's data, and comparing that information with actual costs and income, in line with the organisation's requirements. You are required to report discrepancies between the two in the appropriate format, ensuring confidentiality requirements are adhered to.

Performance Criteria

You must be able to do the following:

1. Recognise appropriate cost centres and elements of costs
2. extract income and expenditure details from the relevant sources
3. code income and expenditure correctly
4. refer any problems in obtaining the necessary information to the appropriate person
5. identify and report errors to the appropriate person
6. clarify information requirements with the appropriate person
7. compare information extracted from a particular source with actual results
8. identify discrepancies
9. provide comparisons to the appropriate person in the required format
10. follow organisational requirements for confidentiality strictly

Knowledge and understanding

You must know and understand the following:

The business environment:

1. types of costs centres including profit centres and investment centres
2. costs, including wages, salaries, services and consumables

Accounting Methods:

3. Identifying costs centres
4. the purpose of management information: decision making, planning and control
5. the make up of gross pay
6. the relationship between financial and management accounting
7. methods of analysing information in spreadsheets
8. methods of presenting information, including word processed documents
9. handling confidential information
10. the role of management information in the organisation
11. awareness of the relationship between financial and management accounting

The organisation:

12. relevant understanding of the organisation's accounting systems and administrative systems and procedures
13. the nature of the organisation's business transactions
14. the goods and services produced, bought and delivered by the organisation
15. the cost centres within the organisation
16. organisational coding structures
17. the organisation's confidentiality requirements
18. house style for presentation of different types of documents, including word processed documents