

Business and Academic Reports

1. Discussion questions

- What are reports?
- Why do we write reports?
- What kinds of reports are you familiar with?

Types of report

2. Match the reasons for writing the report with the type of report.

Type of report	Reason for writing
Informational report	To provide information, analyse it and present conclusions
Analytical report	To present information, analyse it and advocate a course of action
Recommendation report	To provide facts to understand a situation

Key features of a report

3. Look at the following information about reports and decide which is right. Suggest alternatives for the ones you don't agree with.

Features of a report	Yes	No
Follows a specific structure		
Has divisions and sub-divisions with clear titles		
Based on facts		
Written with a specific purpose and a reader in mind		
Bullet points cannot be used		
Tables and graphs may be included		
Lengthy explanations		
Includes recommendations for future action		

Structure of a report

4. Why are reports divided into sections with clearly labeled headings and sub-headings?

5. Match the sections of a report with the descriptions.

Section	Description
1. Title	a. Gives the data of the research or investigation
2. Executive summary	b. Provides a brief summary of the report including main conclusions and recommendations
3. Introduction	c. Discusses in detail what is revealed by the investigation
4. Findings/results	d. States the topic of the report
5. Discussion of findings	e. States the aim of the report, defines key terms and limitations of the investigation
6. Conclusions	f. Attachments that support the findings
7. Recommendations	g. Details of work referred to in the report
8. Sources/references	h. Sums up the main points of the investigation
9. Appendices	i. Suggests action needed on what is revealed by the findings

6. Answer these questions.

- (i) Under which headings is the purpose of the report stated?
- (ii) Select from the points below the information that goes into the introduction.
- a. Sources
 - b. Purpose of the report
 - c. A summary of the report
 - d. Scope of the report
 - e. Findings
 - f. Why the report was commissioned
- (iii) Which of these are common to both the executive summary and the introduction?
- a. Aim of the report
 - b. Main findings and conclusions
 - c. Methods of investigation
- (iv) What are recommendations?
- a. The most important findings
 - b. What resulted from the findings
 - c. Action that follows the findings
- (v) How does the executive summary differ from the introduction?

7. Label the extracts of a report (A – E) below. Then rearrange them to form a coherent report.

A

<p>Outdoor Equipment Ltd is not in a very secure financial position. Improvements in every area of the company are needed if the company is, in the first instance, to survive and then grow.</p>	<p><i>findings of the report</i></p>
<p>The key areas of reform are the liquidity of the company and the quantity and quality of working capital, profitability, and financial stability. Management must address these areas simultaneously if the company is to overcome its present poor record.</p>	<p><i>recommendations</i></p>
<p>It must be remembered that this analysis is limited - a greater depth of understanding and evaluation can only occur with utilisation of other resources such as comparisons with budget forecasts and the statement of changes in financial position. Only after this process can a full appreciation of the company's current situation and possible future occur.</p>	<p><i>(limitations of report)*</i></p>

B

<p>1: Introduction</p>	<p>1</p>
<p>2: Analysis</p>	<p>2</p>
<p> 2.1 Earning power.....</p>	<p>3</p>
<p> 2.2. Liquidity and credit management.....</p>	<p>4</p>
<p> 2.3 Inventory management.....</p>	<p>5</p>

C

<p>At this point the company does not have strong future prospects in the areas of profitability, liquidity or stability if it continues on its current path. Investors should be concerned with current rates of return and management and creditors should be concerned with the liquidity of the company as indicated in the ratio analysis.</p>	<p><i>findings</i></p>
<ul style="list-style-type: none"> • Improve the average collection period for accounts receivable • do not extend credit to slow payers • reduce credit terms • improve efforts to collect debts i.e. hire a debt collection agency • offer discounts to early payers <p><i>(excerpt only from recommendations)</i></p>	<p><i>recommendations (to do list)</i></p>

D

This report provides information obtained through ratio analysis, regarding the profitability, liquidity and financial stability of Outdoor Equipment Ltd for the years 1993-1995.

terms of reference

This report will pay particular attention to the earning power, liquidity and credit management, inventory management and debt management, and will highlight major strengths and weaknesses while offering some explanation for observed changes.

*terms of reference
and outline of
report's structure*

The report will comment on the prospects of the company and make recommendations that would improve Outdoor Equipment's Ltd's current performance. These observations do have limitations which will be noted. This report will explain how a cash flow statement and a prospectus could enhance analysis.

*outline of report's
structure*

E

This report provides an analysis and evaluation of the current and prospective profitability, liquidity and financial stability of Outdoor Equipment Ltd. Methods of analysis include trend horizontal and vertical analyses as well as ratios such as Debt, Current and Quick ratios. Other calculations include rates of return on Shareholders Equity and Total Assets and earnings per share to name a few. All calculations can be found in the appendices. Results of data analysed show that all ratios are below industry averages. In particular, comparative performance is poor in the areas of profit margins, liquidity, credit control, and inventory management.

*subject matter
methods of
analysis*

findings

The report finds the prospects of the company in its current position are not positive. The major areas of weakness require further investigation and remedial action by management. Recommendations discussed include:

*conclusions and
recommendations
(note that
conclusions and
recommendations
can be bulleted)*

- improving the average collection period for accounts receivable
- improving/increasing inventory turnover
- reducing prepayments and perhaps increasing inventory levels

The report also investigates the fact that the analysis conducted has limitations. Some of the limitations include:

- forecasting figures are not provided
- nature and type of company is not known nor the current economic conditions
- data limitations as not enough information is provided or enough detail i.e. monthly details not known
- results are based on past performances not present

8. Read the above report and answer the questions.

a. What is the purpose of the report?

b. What are the instruments of analysis that have been used?

c. What do the results of the investigation reveal?

d. What are the limitations of the investigation?

e. What courses of action have been recommended?