

Company Final Accounts

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Schedule III – Companies Act, 2013

- Concept of operating cycle
- Current assets – Sale/consumption/realisation in operating cycle OR Held for trading OR Realisation in 12 months OR Cash & cash equivalent
- All other assets treated as Non current
- Current liability – expected settlement in operating cycle OR Held for trading OR due for settlement in 12 months OR no unconditional right to defer settlement beyond 12 months
- All other liabilities treated as Non current

Share capital

- Authorised , issued , subscribed , called up & paid up capital
- Reconciliation of no of shares – opening bal , fresh issue , redemption , closing balance
- Rights , preferences , restrictions including those for dividend & repayment of capital
- Share holding by holding company
- Shares reserved for issue under options , disinvestment etc including T&Cs
- Shareholder details if holding exceeds 5%
- Shares allotted for consideration other than cash including bonus shares
- T&C s for Conversion of shares
- Money received against warrants & share application money

Reserves & Surplus

- Capital reserve
- Capital redemption reserve
- Securities premium a/c
- Debenture redemption reserve
- Revaluation reserve
- Others
- Surplus in P&L a/c with appropriations
- Debit balance in P&L a/c
- Presentation for each reserve
- Concept of Fund & Reserve

Long term Borrowings

- Classification as
 - Bonds/debentures
 - Term loans – banks, others
 - Deferred payment liabilities
 - Deposits
 - Loans from related parties
 - Others
- Secured & unsecured loans – nature of security
- Loans guaranteed by directors etc
- Terms of repayment including interest , redemption & reissue etc
- Defaults in repayment , if any

- Other Long term liabilities – Trade Payables , others
- Long term Provisions – Employee benefits , others
- Short term borrowings -
- Classification as
 - Bonds/debentures
 - Term loans – banks, others
 - Deferred payment liabilities
 - Deposits
 - Loans from related parties
 - Others
- Secured & unsecured loans – nature of security
- Loans guaranteed by directors etc
- Terms of repayment including interest , redemption & reissue etc
- Defaults in repayment , if any

- Trade Payables – MSME disclosures
- Other Current liabilities –
 - Current maturity of long term debt
 - Income received in advance
 - Interest accrued but not due
 - Interest accrued & due
 - Unpaid dividends
 - Refunds on account of share application money
 - Unpaid deposits & interest (matured)
 - Unpaid debentures & interest (matured)
 - Others
- Short term provisions – Employee benefits , others

Non current assets - Fixed assets

- Tangible – Land , Building, Plant & Equipment , Furniture & fixtures , Vehicles , Office Equipments , Others
- Intangible assets – Goodwill , Brands/Trademarks , Computer software , Mining rights , Copy rights, Patents , IPR , Designs , Prototypes , Models , Licenses , Franchise , others
- For each class of assets . Gross amount , additions , disposals , closing balance , Depreciation or amortization
- Revaluation

Non Current Investments

- Property
- Equity
- Preference shares
- Govt or Trust securities
- Units , debentures , bonds
- Mutual Funds
- Partnership firms
- Others
- Details for investment in companies & partnership firms
- Details of Quoted investments with market value
- Details of Unquoted investments
- Provision for diminution in value
- Details of partly paid investments

Long Term Loans & Advances

- Capital advances
- Security deposits
- Loans/advances to related parties
- Others
- Secured & unsecured loans/advances
- Loans/advances considered as Good or doubtful for recovery, provisions if any
- Loans/advances to directors/other officers or related parties

Other Non current assets

- Long term Trade receivables including Deferred payment receivables
- Others
- Secured & unsecured , Considered good for recovery or doubtful , provisions if any
- Dues from directors/other officers or related parties

Current investments

- Equity
- Preference shares
- Govt or Trust securities
- Units , debentures , bonds
- Mutual Funds
- Partnership firms
- Others
- Details for investment in companies & partnership firms
- Details of Quoted investments with market value
- Details of Unquoted investments
- Provision for diminution in value
- Details of partly paid investments

Inventories

- Raw materials
- Work in progress
- Finished goods
- Stock in trade
- Stores & spares
- Loose tools
- Others
- Details of basis of valuation
- Goods in transit

Trade receivables

- Due for a period exceeding six months and others
- Secured / Unsecured
- Considered good for recovery or doubtful
- Provisions
- Dues from related parties

Cash & Cash Equivalents

- Balance with banks
- Cheques , drafts in hand
- Cash in hand
- Others
- Any bank balances earmarked for a purpose
- Bank Balances held as security
- Repatriation restrictions , if any
- Bank deposits for period exceeding 6 months

Short term loans & advances

- Given to related parties
 - Given to others
 - Secured / Unsecured
 - Considered good for recovery or doubtful
 - Provisions
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- **Any other current assets**

Contingencies & commitments

- Contingent liability
 - Claims against company not acknowledged as debts
 - Guarantees
 - Others
- Commitments
 - Estimated contracts to be executed on capital accounts
 - Uncalled liability for partly paid up shares etc
 - Others
- Proposed dividend
- Unutilized proceeds of issue of shares

Statement of Profit & Loss GN SCH III PL

ACCOUNT.pdf

Income

- Revenue from Operations – other than finance company
 - Sale of products
 - Sale of services
 - Other operating revenue
 - Less Excise duty
- Revenue from Operations – finance company
 - Interest
 - Other financial services
- Other income – Rent , dividend , profit/loss on sale of investments, other non operating income

Employee benefit expenses

- Salaries & wages
- Contribution to PF & other funds
- Expenses on ESOP
- Staff welfare expenses

Finance costs

- Interest expense
- Other borrowing costs
- Gain/loss on Fx transactions

Certain disclosures for expenses

- Payment to auditor – audit fees , taxation , company law matters , management services , other services , reimbursement of expenses
- Consumption of stores & spare parts
- Power & fuel
- Rent
- Repairs to building
- Repairs to machinery
- Insurance
- Rates & taxes , taxes on income
- Miscellaneous expenses

- Exceptional items – income/ expenses from ordinary activities but its size or nature or incidence makes it relevant to explain performance of the company for eg. Write down stocks to NRV , provision for restructuring costs , major disposal of fixed assets or LT investments , legal changes with retrospective application , settlement of legal cases
- Extra ordinary items – those related to activities distinct from normal business activities , not expected to recur frequently
- Prior period items – those arise in current period due to errors or omissions in earlier period

Accounting for Tax provisions

- Payment of tax – advance tax , TDS
- Provision for tax – current tax
- Completion of assessment – no tax payments
- Completion of assessment – further tax payments
- Completion of assessment – refund of tax

Any Questions ?