

K.T.S.P. Mandal's
HutatmaRajguruMahavidyalaya
Rajgurunagar – 410505

Second Year B.Com

IIIrd– Sem (CBCS 2019 Pattern)
As per the new Syllabus

Subject – Corporate Accounting

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Topic 3 – Company Final Account

SCHEDULE – III

PART I — BALANCE SHEET

Name of the Company.....

Balance Sheet as at

(Rupees in.....)

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of the previous reporting period
1		2	3	4
I.	EQUITY AND LIABILITIES			
	(1) Shareholders' funds a. Share capital b. Reserves and surplus c. Money received against share warrants			
	(2) Share application money pending allotment			
	(3) Non-current liabilities a. Long-term borrowings b. Deferred tax liabilities (Net) c. Other Long-term liabilities d. Long-term provisions			
	(4) Current liabilities a. Short-term borrowings b. Trade payables c. Other current liabilities d. Short-term provisions			
	TOTAL			
II.	ASSETS			
	Non-current assets			

(1)			
<ul style="list-style-type: none"> a. Fixed assets <ul style="list-style-type: none"> i. Tangible assets ii. Intangible assets iii. Capital work-in-progress iv. Intangible assets under development b. Non-current investments c. Deferred tax assets (net) d. Long-term loans and advances e. Other non-current assets 			
(2) Current assets			
<ul style="list-style-type: none"> a. Current investments b. Inventories c. Trade receivables d. Cash and cash equivalents e. Short-term loans and advances f. Other current assets 			
TOTAL			

A. Share Capital

For each class of share capital (different classes of preference shares to be treated separately):

- a. Authorized
- b. Issued, subscribed and fully paid, and subscribed but not fully paid;
- c. Par value per share
- d. Calls unpaid
 - By Directors
 - By Officers
- e. Forfeited shares (amount originally paid-up).
- f. A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;
- g. The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;
- h. Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;
- i. Shares in the company held by each share holder holding more than 5 per cent shares specifying the number of shares held;

- j. Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts;
- k. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:
 - A. Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.
 - B. Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.
 - C. Aggregate number and class of shares bought back.
- l. Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date;

B. Reserves and Surplus

- i. Reserves and Surplus shall be classified as:
 - a. Capital Reserves;
 - b. Capital Redemption Reserve;
 - c. Securities Premium Reserve;
 - d. Debenture Redemption Reserve;
 - e. Revaluation Reserve;
 - f. Share Options Outstanding Account;
 - g. Other Reserves—(specify the nature and purpose of each reserve and the amount in respect thereof);
 - h. Surplus i.e., balance in Statement of Profit and Loss disclosing allocations and appropriations such as dividend, bonus shares and transfer to/ from reserves, etc.;

(Additions and deductions since last balance sheet to be shown under each of the specified heads);
- ii. A reserve specifically represented by earmarked investments shall be termed as a “fund”.
- iii. Debit balance of statement of profit and loss shall be shown as a negative figure under the head “Surplus”. Similarly, the balance of “Reserves and Surplus”, after adjusting negative balance of surplus, if any, shall be shown under the head “Reserves and Surplus” even if the resulting figure is in the negative.

C. Long-term Borrowings

- i. Long-term borrowings shall be classified as:
 - a. Bonds/debentures;
 - b. Term loans:
 - A. From banks.
 - B. From other parties.
 - c. Deferred payment liabilities;
 - d. Deposits;
 - e. Loans and advances from related parties;
 - f. Long-term maturities of finance lease obligations;
 - g. Other loans and advances (specify nature).
- ii. Borrowings shall further be sub-classified as secured and unsecured. Nature of security shall be specified separately in each case.

- iii. Where loans have been guaranteed by directors or others, the aggregate amount of such loans under each head shall be disclosed.
- iv. Bonds/debentures (along with the rate of interest and particulars of redemption or conversion, as the case may be) shall be stated in descending order of maturity or conversion, starting from farthest redemption or conversion date, as the case may be. Where bonds/debentures are redeemable by instalments, the date of maturity for this purpose must be reckoned as the date on which the first instalment becomes due.
- v. Particulars of any redeemed bonds/debentures which the company has power to reissue shall be disclosed.
- vi. Terms of repayment of term loans and other loans shall be stated.
- vii. Period and amount of continuing default as on the balance sheet date in repayment of loans and interest, shall be specified separately in each case.

D. Other Long-term Liabilities

Other Long-term Liabilities shall be classified as:

- a. Trade payables;
- b. Others.

E. Long-term provisions

The amounts shall be classified as:

- a. Provision for employee benefits;
- b. Others (specify nature).

F. Short-term borrowings

- i. Short-term borrowings shall be classified as:
 - a. Loans repayable on demand;
 - A. From banks.
 - B. From other parties.
 - b. Loans and advances from related parties;
 - c. Deposits;
 - d. Other loans and advances (specify nature).
- ii. Borrowings shall further be sub-classified as secured and unsecured. Nature of security shall be specified separately in each case.
- iii. Where loans have been guaranteed by directors or others, the aggregate amount of such loans under each head shall be disclosed.
- iv. Period and amount of default as on the balance sheet date in repayment of loans and interest, shall be specified separately in each case.

G. Other current liabilities

The amounts shall be classified as:

- a. Current maturities of long-term debt;
- b. Current maturities of finance lease obligations;

- c. Interest accrued but not due on borrowings;
- d. Interest accrued and due on borrowings;
- e. Income received in advance;
- f. Unpaid dividends;
- g. Application money received for allotment of securities and due for refund and interest accrued thereon. Share application money includes advances towards allotment of share capital. The terms and conditions including the number of shares proposed to be issued, the amount of premium, if any, and the period before which shares shall be allotted shall be disclosed. It shall also be disclosed whether the company has sufficient authorised capital to cover the share capital amount resulting from allotment of shares out of such share application money. Further, the period for which the share application money has been pending beyond the period for allotment as mentioned in the document inviting application for shares along with the reason for such share application money being pending shall be disclosed. Share application money not exceeding the issued capital and to the extent not refundable shall be shown under the head Equity and share application money to the extent refundable, i.e., the amount in excess of subscription or in case the requirements of minimum subscription are not met, shall be separately shown under "Other current liabilities";
- h. Unpaid matured deposits and interest accrued thereon;
- i. Unpaid matured debentures and interest accrued thereon;
- j. Other payables (specify nature).

H. Short-term provisions

The amounts shall be classified as:

- a. Provision for employee benefits.
- b. Others (specify nature).

I. Tangible assets

- i. Classification shall be given as:
 - a. Land;
 - b. Buildings;
 - c. Plant and Equipment;
 - d. Furniture and Fixtures;
 - e. Vehicles;
 - f. Office equipment;
 - g. Others (specify nature).
- ii. Assets under lease shall be separately specified under each class of asset.
- iii. A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related depreciation and impairment losses/reversals shall be disclosed separately.
- iv. Where sums have been written-off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets, every balance sheet subsequent to date of such write-off, or addition shall show the reduced or increased figures as applicable and shall by way of a note also show the amount of the reduction or increase

as applicable together with the date thereof for the first five years subsequent to the date of such reduction or increase.

J. Intangible assets

- i. Classification shall be given as:
 - a. Goodwill;
 - b. Brands/trademarks;
 - c. Computer software;
 - d. Mastheads and publishing titles;
 - e. Mining rights;
 - f. Copyrights, and patents and other intellectual property rights, services and operating rights;
 - g. Recipes, formulae, models, designs and prototypes;
 - h. Licenses and franchise;
 - i. Others (specify nature).
- ii. A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related amortization and impairment losses/reversals shall be disclosed separately.
- iii. Where sums have been written-off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets, every balance sheet subsequent to date of such write-off, or addition shall show the reduced or increased figures as applicable and shall by way of a note also show the amount of the reduction or increase as applicable together with the date thereof for the first five years subsequent to the date of such reduction or increase.

K. Non-current investments

- i. Non-current investments shall be classified as trade investments and other investments and further classified as:
 - a. Investment property;
 - b. Investments in Equity Instruments;
 - c. Investments in preference shares;
 - d. Investments in Government or trust securities;
 - e. Investments in debentures or bonds;
 - f. Investments in Mutual Funds;
 - g. Investments in partnership firms;
 - h. Other non-current investments (specify nature).

Under each classification, details shall be given of names of the bodies corporate indicating separately whether such bodies are (i) subsidiaries, (ii) associates, (iii) joint ventures, or (iv) controlled special purpose entities in whom investments have been made and the nature and extent of the investment so made in each such body corporate (showing separately investments which are partly paid). In regard to investments in the capital of partnership firms, the names of the firms (with the names of all their partners, total capital and the shares of each partner) shall be given.
- ii. Investments carried at other than at cost should be separately stated specifying the basis for valuation thereof;

- iii. The following shall also be disclosed:
 - a. Aggregate amount of quoted investments and market value thereof;
 - b. Aggregate amount of unquoted investments;
 - c. Aggregate provision for diminution in value of investments.

L. Long-term loans and advances

- i. Long-term loans and advances shall be classified as:
 - a. Capital Advances;
 - b. Security Deposits;
 - c. Loans and advances to related parties (giving details thereof);
 - d. Other loans and advances (specify nature).
- ii. The above shall also be separately sub-classified as:
 - a. Secured, considered good;
 - b. Unsecured, considered good;
 - c. Doubtful.
- iii. Allowance for bad and doubtful loans and advances shall be disclosed under the relevant heads separately.
- iv. Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

M. Other non-current assets

Other non-current assets shall be classified as:

- i. Long-term Trade Receivables (including trade receivables on deferred credit terms);
- ii. Others (specify nature);
- iii. Long-term Trade Receivables, shall be sub-classified as:
 - A. Secured, considered good;
 - B. Unsecured, considered good;
 - C. Doubtful.
 - i. Allowance for bad and doubtful debts shall be disclosed under the relevant heads separately.
 - ii. Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

N. Current Investments

- i. Current investments shall be classified as:
 - a. Investments in Equity Instruments;
 - b. Investment in Preference Shares;
 - c. Investments in Government or trust securities;
 - d. Investments in debentures or bonds;
 - e. Investments in Mutual Funds;
 - f. Investments in partnership firms;

- g. Other investments (specify nature).
Under each classification, details shall be given of names of the bodies corporate [indicating separately whether such bodies are: (i) subsidiaries, (ii) associates, (iii) joint ventures, or (iv) controlled special purpose entities] in whom investments have been made and the nature and extent of the investment so made in each such body corporate (showing separately investments which are partly paid). In regard to investments in the capital of partnership firms, the names of the firms (with the names of all their partners, total capital and the shares of each partner) shall be given.
- ii. The following shall also be disclosed:
 - a. The basis of valuation of individual investments;
 - b. Aggregate amount of quoted investments and market value thereof;
 - c. Aggregate amount of unquoted investments;
 - d. Aggregate provision made for diminution in value of investments.

O. Inventories

- i. Inventories shall be classified as:
 - a. Raw materials;
 - b. Work-in-progress;
 - c. Finished goods;
 - d. Stock-in-trade (in respect of goods acquired for trading);
 - e. Stores and spares;
 - f. Loose tools;
 - g. Others (specify nature).
- ii. Goods-in-transit shall be disclosed under the relevant sub-head of inventories.
- iii. Mode of valuation shall be stated.

P. Trade Receivables

- i. Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment should be separately stated.
- ii. Trade receivables shall be sub-classified as:
 - a. Secured, considered good;
 - b. Unsecured, considered good;
 - c. Doubtful.
- iii. Allowance for bad and doubtful debts shall be disclosed under the relevant heads separately.
- iv. Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

Q. Cash and cash equivalents

- i. Cash and cash equivalents shall be classified as:
 - a. Balances with banks;
 - b. Cheques, drafts on hand;
 - c. Cash on hand;
 - d. Others (specify nature).

- ii. Earmarked balances with banks (for example, for unpaid dividend) shall be separately stated.
- iii. Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments shall be disclosed separately.
- iv. Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.
- v. Bank deposits with more than twelve months maturity shall be disclosed separately.

R. Short-term loans and advances

- i. Short-term loans and advances shall be classified as:
 - a. Loans and advances to related parties (giving details thereof);
 - b. Others (specify nature).
- ii. The above shall also be sub-classified as:
 - a. Secured, considered good;
 - b. Unsecured, considered good;
 - c. Doubtful.
- iii. Allowance for bad and doubtful loans and advances shall be disclosed under the relevant heads separately.
- iv. Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member shall be separately stated.

S. Other current assets (specify nature)

This is an all-inclusive heading, which incorporates current assets that do not fit into any other asset categories.

T. Contingent liabilities and commitments (to the extent not provided for)

- i. (i) Contingent liabilities shall be classified as:
 - a. (a) Claims against the company not acknowledged as debt;
 - b. (b) Guarantees;
 - c. (c) Other money for which the company is contingently liable.
- ii. (ii) Commitments shall be classified as:
 - a. (a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
 - b. (b) Uncalled liability on shares and other investments partly paid;
 - c. (c) Other commitments (specify nature).

U. The amount of dividends proposed to be distributed to equity and preference shareholders for the period and the related amount per share shall be disclosed separately. Arrears of fixed cumulative dividends on preference shares shall also be disclosed separately.

V. Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, there shall be indicated by way of note how such unutilised amounts have been used or invested.

W. If, in the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

PART II – STATEMENT OF PROFIT AND LOSS

Name of the Company.....

Profit and loss statement for the year ended

(Rupees in.....)

Particulars 1	Note No. 2	Figures as at the end of current reporting period 3	Figures as at the end of the previous reporting period 4
I. Revenue from operations 1. A. In respect of a company other than a finance company revenue from operations shall disclose separately in the notes, revenue from— a. Sale of products; b. Sale of services; c. Other operating revenues; Less: d. Excise duty. B. In respect of a finance company, revenue from operations shall include revenue from— a. Interest; and b. Other financial services. Revenue under each of the above heads shall be disclosed separately by way of notes to accounts to the extent applicable.		xxx	xxx
II. Other income Other income shall be classified as: a. Interest Income (in case of a company other than a finance company);		xxx	xxx

<ul style="list-style-type: none"> b. Dividend Income; c. Net gain/loss on sale of investments; d. Other non-operating income (net of expenses directly attributable to such income). 			
III. Total Revenue (I + II)		xxx	xxx
IV. Expenses: <ul style="list-style-type: none"> I. Cost of materials consumed II. Purchases of Stock-in-Trade III. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade 		xxx	xxx
<ul style="list-style-type: none"> IV. Employee benefits expense - [showing separately (i) salaries and wages, (ii) contribution to provident and other funds, (iii) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), (iv) staff welfare expenses]. V. Finance costs– Finance costs shall be classified as: <ul style="list-style-type: none"> a. Interest expense; b. Other borrowing costs; c. Applicable net gain/loss on foreign currency transactions and translation. VI. Depreciation and amortization expense VII. Other expenses – <ul style="list-style-type: none"> a. Consumption of stores and spare parts; b. Power and fuel; c. Rent; d. Repairs to buildings; e. Repairs to machinery; f. Insurance; g. Rates and taxes, excluding, taxes on income; h. Miscellaneous expenses 		xxx	xxx
Total expenses			
V. Profit before exceptional and extraordinary items and tax (III-IV)		xxx	xxx
VI. Exceptional items		xxx	xxx
VII. Profit before extraordinary items and tax (V-VI)		xxx	xxx
VIII. Extraordinary items		xxx	xxx
IX. Profit before tax (VII-VIII)		xxx	xxx

X. Tax expense:			
a. Current tax expenses		xxx	xxx
b. (Less) MAT credit (where applicable)			
c. Current tax expenses relating to prior period		xxx	xxx
d. Net current tax expenses			
e. Deferred tax			
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		xxx	xxx
XII. Profit/(loss) from discontinuing operations		xxx	xxx
XIII. Tax expense of discontinuing operations		xxx	xxx
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		xxx	xxx
XV. Profit (Loss) for the period (XI+XIV)		xxx	xxx
XVI. Earnings per equity share:			
1. Basic		xxx	xxx
2. Diluted		xxx	xxx

Reference –

Institute of Chartered Accountants of India