

**Applicability of Standards/Guidance Notes/Legislative Amendments etc.
for November, 2015 – Final Examination**

Paper 1: Financial Reporting

- I. Framework for the Preparation and Presentation of Financial Statements.
- II. Accounting Standards

| <i>AS No.</i> | <i>AS Title</i> |
|---------------|------------------------------------------------------------------------------------------|
| 1 | Disclosure of Accounting Policies |
| 2 | Valuation of Inventories |
| 3 | Cash Flow Statements |
| 4 | Contingencies and Events Occurring after the Balance Sheet Date |
| 5 | Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies |
| 6 | Depreciation Accounting |
| 7 | Construction Contracts (Revised 2002) |
| 9 | Revenue Recognition |
| 10 | Accounting for Fixed Assets |
| 11 | The Effects of Changes in Foreign Exchange Rates (Revised 2003) |
| 12 | Accounting for Government Grants |
| 13 | Accounting for Investments |
| 14 | Accounting for Amalgamations |
| 15 | Employee Benefits |
| 16 | Borrowing Costs |
| 17 | Segment Reporting |
| 18 | Related Party Disclosures |
| 19 | Leases |
| 20 | Earnings Per Share |
| 21 | Consolidated Financial Statements |
| 22 | Accounting for Taxes on Income |
| 23 | Accounting for Investment in Associates in Consolidated Financial Statements |
| 24 | Discontinuing Operations |
| 25 | Interim Financial Reporting |
| 26 | Intangible Assets |
| 27 | Financial Reporting of Interests in Joint Ventures |
| 28 | Impairment of Assets |
| 29 | Provisions, Contingent Liabilities and Contingent Assets |
| 30 | Financial Instruments: Recognition and Measurement |

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| 31 | Financial Instruments: Presentation |
| 32 | Financial Instruments: Disclosure |

III. Guidance Notes on Accounting Aspects

1. Guidance Note on Accrual Basis of Accounting.
2. Guidance Note on Accounting Treatment for Excise Duty.
3. Guidance Note on Terms Used in Financial Statements.
4. Guidance Note on Availability of Revaluation Reserve for Issue of Bonus Shares.
5. Guidance Note on Accounting Treatment for MODVAT/CENVAT.
6. Guidance Note on Accounting for Corporate Dividend Tax.
7. Guidance Note on Accounting for Employee Share-based Payments.
8. Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.
9. Guidance Note on Measurement of Income Tax for Interim Financial Reporting in the context of AS 25.
10. Guidance Note on Applicability of Accounting Standard (AS) 20, Earnings per Share.
11. Guidance Note on Remuneration paid to key management personnel – whether a related party transaction.
12. Guidance Note on Applicability of AS 25 to Interim Financial Results.
13. Guidance Note on Turnover in case of Contractors.
14. Guidance Note on the Revised Schedule VI to the Companies Act, 1956*

[*Schedule III to the Companies Act, 2013.]

IV. Applicability of the Companies Act, 2013 and other Legislative Amendments

The relevant notified Sections of the Companies Act, 2013 up to 31st March, 2015 and other legislative amendments including relevant Notifications / Circulars / Rules / Guidelines issued by Regulating Authority up to 30th April, 2015.

Non-Applicability of Ind ASs:

The Ministry of Corporate Affairs has notified Roadmap for applicability of Indian Accounting Standards (Ind AS) vide Notification No. G.S.R.....(E) dated 16 February, 2015, for compliance by the class of companies specified in the said roadmap. The notification has been uploaded on www.mca.gov.in along with the thirty nine (39) Indian Accounting Standards (Ind AS). **Students may note that these Ind ASs are not applicable for November, 2015 Examination.**

Paper 3: Advanced Auditing and Professional Ethics

I. Statements and Standards

1. Statement on Reporting under Section 227(1A) of the Companies Act, 1956 (Section 143 of the Companies Act, 2013).
2. Framework for Assurance Engagements.

II. Engagements and Quality Control Standards on Auditing

| S.No | SA | Title of Standard on Auditing |
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| 1 | SQC 1 | Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements |
| 2 | SA 200 | Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing |
| 3 | SA 210 | Agreeing the Terms of Audit Engagements |
| 4 | SA 220 | Quality Control for Audit of Financial Statements |
| 5 | SA 230 | Audit Documentation |
| 6 | SA 240 | The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements |
| 7 | SA 250 | Consideration of Laws and Regulations in An Audit of Financial Statements |
| 8 | SA 260 | Communication with Those Charged with Governance |
| 9 | SA 265 | Communicating Deficiencies in Internal Control to Those Charged with Governance and Management |
| 10 | SA 299 | Responsibility of Joint Auditors |
| 11 | SA 300 | Planning an Audit of Financial Statements |
| 12 | SA 315 | Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment |
| 13 | SA 320 | Materiality in Planning and Performing an Audit |
| 14 | SA 330 | The Auditor's Responses to Assessed Risks |
| 15 | SA 402 | Audit Considerations Relating to an Entity Using a Service Organization |
| 16 | SA 450 | Evaluation of Misstatements Identified during the Audits |
| 17 | SA 500 | Audit Evidence |
| 18 | SA 501 | Audit Evidence - Specific Considerations for Selected Items |
| 19 | SA 505 | External Confirmations |
| 20 | SA 510 | Initial Audit Engagements-Opening Balances |
| 21 | SA 520 | Analytical Procedures |
| 22 | SA 530 | Audit Sampling |
| 23 | SA 540 | Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures |
| 24 | SA 550 | Related Parties |
| 25 | SA 560 | Subsequent Events |
| 26 | SA 570 | Going Concern |
| 27 | SA 580 | Written Representations |
| 28 | SA 600 | Using the Work of Another Auditor |
| 29 | SA 610 | Using the Work of Internal Auditors |

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| 30 | SA 620 | Using the Work of an Auditor's Expert |
| 31 | SA 700 | Forming an Opinion and Reporting on Financial Statements |
| 32 | SA 705 | Modifications to the Opinion in the Independent Auditor's Report |
| 33 | SA 706 | Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report |
| 34 | SA 710 | Comparative Information – Corresponding Figures and Comparative Financial Statements |
| 35 | SA 720 | The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements |
| 36 | SA 800 | Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Framework |
| 37 | SA 805 | Special Considerations-Audits of Single Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement |
| 38 | SA 810 | Engagements to Report on Summary Financial Statements |
| 39 | SRE 2400 | Engagements to Review Financial Statements |
| 40 | SRE 2410 | Review of Interim Financial Information Performed by the Independent Auditor of the Entity |
| 41 | SAE 3400 | The Examination of Prospective Financial Information |
| 42 | SAE 3402 | Assurance Reports on Controls At a Service Organisation |
| 43 | SRS 4400 | Engagements to Perform Agreed Upon Procedures Regarding Financial Information |
| 44 | SRS 4410 | Engagements to Compile Financial Information |

III. Guidance Notes and other publications

1. Code of Ethics
2. Guidance Note on Independence of Auditors.
3. Guidance Note on Audit Reports and Certificates for Special Purposes.
4. Guidance Note on Audit under Section 44AB of the Income-tax Act (Revised in view of Latest Form 3CA, 3CB and 3CD notified on 25th July).
5. Guidance Note on Audit of Inventories.
6. Guidance Note on Audit of Debtors, Loans and Advances.
7. Guidance Note on Audit of Investments.
8. Guidance Note on Audit of Cash and Bank Balances.
9. Guidance Note on Audit of Liabilities.
10. Guidance Note on Audit of Revenue.
11. Guidance Note on Audit of Expenses.
12. Guidance Note on Computer Assisted Audit Techniques (CAATs).
13. Guidance Note on Audit of Payment of Dividend.
14. Guidance Note on Audit of Capital and Reserves.

IV **Applicability of the Companies Act, 2013 and Other Legislative Amendments:**

(i) The relevant notified Sections of the Companies Act, 2013 up to 31st March, 2015 alongwith other legislative amendments including relevant Notifications / Circulars / Rules / Guidelines issued by Regulating Authorities cut-off date will be 30th April, 2015.

(ii) Companies (Auditor's Report) Order, 2015 [CARO] issued by Ministry of Corporate Affairs on 10th April, 2015 is applicable for November 2015 Examination.

Paper 4 : Corporate and Allied Laws

I **Applicability of Relevant Amendments/Circulars/ Notifications/Regulations etc.**

1. **The Companies Act, 2013**

The relevant sections of the Companies Act, 2013, notified up to 31st March, 2015 along with relevant Rules/ Notifications/ Circulars/ Clarification/ Orders issued by the Ministry of Corporate Affairs upto 30th April, 2015.

2. **SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009**

SEBI vide Notification dated 24th March, 2015 has issued SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2015.

The amendments have been carried out in regulation 4 and 54 of SEBI (ICDR) Regulations, 2009.

3. **The Insurance Act, 1938 and the Insurance Regulatory and Development Authority Act, 1999**

Vide Notification dated 23rd March, 2015, Ministry of Law and Justice further amended the Insurance Act, 1938 and the Insurance Regulatory and Development Authority Act, 1999 by enacting the Insurance Laws (Amendment) Act, 2015. It shall be deemed to have come into force on the 26th day of December, 2014.

II **Non-Applicability of the following Amendments/Circulars/Notifications**

| S.No. | Subject Matter |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Chapter 9 of the study material (October, 2014 edition) covering provisions relating to Revival and Rehabilitation of Sick-Industrial Companies. |
| 2. | Chapter 15 of the study material (October, 2014 edition) covering provisions relating to the National Company Law Tribunal and Appellate Tribunal. |

Paper 7 : Direct Tax Laws & Paper 8 : Indirect Tax Laws

Applicability of Finance Act, Assessment Year etc. for November, 2015 Examination

The provisions of direct and indirect tax laws, as amended by the Finance (No.2) Act, 2014, including notifications and circulars issued up to 30th April, 2015, are applicable for November, 2015 examination. The relevant assessment year for Paper 7: Direct Tax Laws is A.Y.2015-16.

In Paper 7: Direct Tax Laws, the Wealth-tax Act, 1957 and Rules thereunder are **not** applicable for November 2015 examination.