SCHEDULE VI (Sec 211)

PART I
Form of Balance Sheet

Name of Company……………………
Balance Sheet as at……………………..

(In Rs.)

	Particulars	Notes	Current year	Previous year
I	**EQUITY AND LIABILITIES**			
1	**Shareholder's Funds**			
	Share Capital		xx	xx
	Reserve & Surplus		xx	xx
	Share warrants		xx	xx
2	**Share application money**		xx	xx
3	**Non-current liabilities**			
	Long term borrowings		xx	xx
	Deferred tax liabilities (Net)		xx	xx
	Other Long term liabilities (Creditors)		xx	xx
	Long term provisions (Provisions for Retirement benefit)		xx	xx
4	**Current liabilities**			
	Short term borrowings		xx	xx
	Trade payables		xx	xx
	Expense payable		xx	xx
	Short term provisions		xx	xx
	TOTAL		**xx**	**xx**
II	**ASSETS**			
1	**Non-current assets**			
	Fixed assets		xx	xx
	Investment (Long term)		xx	xx
	Deferred tax asset		xx	xx
	Long term advances		xx	xx
	Long term receivables		xx	xx
2	**Current assets**			
	Investment (Short term)		xx	xx
	Inventory		xx	xx

	Cash & Cash equivalent Short term receivables Short term loans & advances Prepaid expense		xx xx xx xx	xx xx xx xx
	TOTAL		**xx**	**xx**

- Contingent liability

Notes

a) **Misc. expenditure head is not to be shown in New Schedule VI.** As para 56 of AS-26, now Deferred revenue expenditure is not allowed in Balance Sheet.

   Exam tip: If in exam Def. revenue exp. Are to be shown as asset, then follow question and show it in Non current asset.

   Exam tip: There are certain items to be shown in asset, though they are not assets for example "Amalgamation Adjustment in AS-14". Such items will be shown in Non Current asset.

b) Debit Balance of P & L A/c, which represent losses will be shown in **Reserve & Surplus** as Negative Value.

c) **Proposed Dividend is not liability**, hence it should be shown as part of **Reserve & Surplus.**
   ***Dividend payable/Unclaimed dividend (approved in AGM+ payment outstanding beyond 30 days) are liability and hence shown as part of Current liability.

d) Share Capital will be shown as follows **in notes**:
   <u>Share Capital</u>

Particulars	**Current year**	**Previous year**
Authorized Capital	xxx	xxx
Equity Share………of Rs…each		
Pref. Share……..of Rs…….each		
Issued & Subscribed Cap.	xxx	xxx
Equity Share……called up		
Less: Calls in arears	xxx	xxx
Add: Share forfeiture		
	xxx	xxx
	xxx	xxx
Share Capital	xxx	xxx
Add: Calls in Advance	xxx	xxx
	xxx	xxx

e) **Reserve & Surplus** are shown as follows:

Particulars	Current year	Previous year
General Reserve Security Premium Capital Reserve Capital Redemption Reserve Debenture Redemption Reserve Revaluation Reserve Profit & loss (Dr. /Cr.) Proposed dividend Tax reserve (Sec 33 of IT Act, 1961)		

f) Always show Op. Balance, addition, deletion and closing balance of all items of Reserve & Surplus.

g) Share warrant represent Capital whose holder are bearers.

h) Share application money represent amount received for allotment of shares, whose allotment is still pending.

i) Non Current liability are reported as follows:-

- Borrowings

Loans	Secured	Unsecured	Remarks (about security)
Debenture	XXX	XXX	XXX
Term loan	XXX	XXX	XXX
Loan	XXX	XXX	XXX

- Deferred tax liability will be reported as per AS-22. (Refer AS-22 of class)
- Other Long term liab. Includes

	C.Y.	P.Y.
Creditors (long term) Expenditure payable (long term)		

- **Long term provision** includes Provision for retirement benefit.

j) <u>Current liab.</u>
Borrowings (short term)

	C.Y.	P.Y.
Deb. Bank OD Other loan		

- <u>Trade payable</u>
  Creditors

- <u>Expense payable</u>

	C.Y.	P.Y.
Interest due Interest undue but accrued Audit fee outstanding Rent outstanding		

- Provision short term

	C.Y.	P.Y.
Provision for income tax Provision for legal damages		

k) Non-Current Assets
- Fixed assets

l) Current assets
- Investment (Short term)

Type	Trade	Non trade	In	Valuation base

- <u>Other Current asset</u>

Debtors exceeding 6 months Other Debtors Less: provision for doubtful debts	

Meaning of Current assets

Any asset is current asset if it qualify any of following conditions:-

i. Asset is expected to be realized / consumed within 12 months from reporting date(Balance Sheet date).
ii. Asset is expected to be realized/consumed within operating cycle.

   Operating cycle

Average holding period of RM Average holding period of FG Average collection period of Debtors	

iii. Cash & Cash equivalent (Cash, Bank balance, Very short term investment)
iv. Asset held for trade in nature of financial instruments. (option, future)

Exercise

Assets	**Operating cycle**	**Expected realization**	**Ans.**
Debtors	9 M	7 M	
	9 M	14 M	
	19 M	14 M	
	19 M	9 M	

Meaning of Current liab.

Any liab. is classified as current liability if it satisfy any of following condition:-

i. Liability is expected to be settled within 12 months from reporting date.
ii. Liability is expected to be settled within operating cycle.
iii. Liability is in nature of trade arising due to financial instrument (option premium received by writer).

Note: - If any entity has right to defer any liability beyond 12 months from reporting date, then it is assumed that right to defer will be availed.

PART II
Form for Statement of Profit & loss A/c

Name of Company…………………………….

Profit & loss statement for the year ended……………………..

(In Rs.)

Particulars	Notes	Current year	Previous year
Revenue from operation (Net Sales)		xx	xx
Other income (Dividend, Interest, Profit on sale of fixed asset or investment)		xx	xx
TOTAL		**xx**	**xx**
Cost of goods sold		xx	xx
Adm, Selling & distrib. Exp.		xx	xx
Finance expenses		xx	xx
Depreciation		xx	xx
TOTAL		**xx**	**xx**
Profit before extraordinary/ Exceptional items		xx	xx
-/+ EOI/ Exceptional		xx	xx
Profit before tax		xx	xx
Less: Tax expenses		xx	xx
PAT		**xx**	**xx**

- Auditors remuneration should be disclosed as follows:
  - ✓ In capacity of auditor
  - ✓ In capacity of consultant
  - ✓ In capacity of Tax auditor
- Profit & loss appropriation is not required; all appropriation will be shown **“Below the line”.**