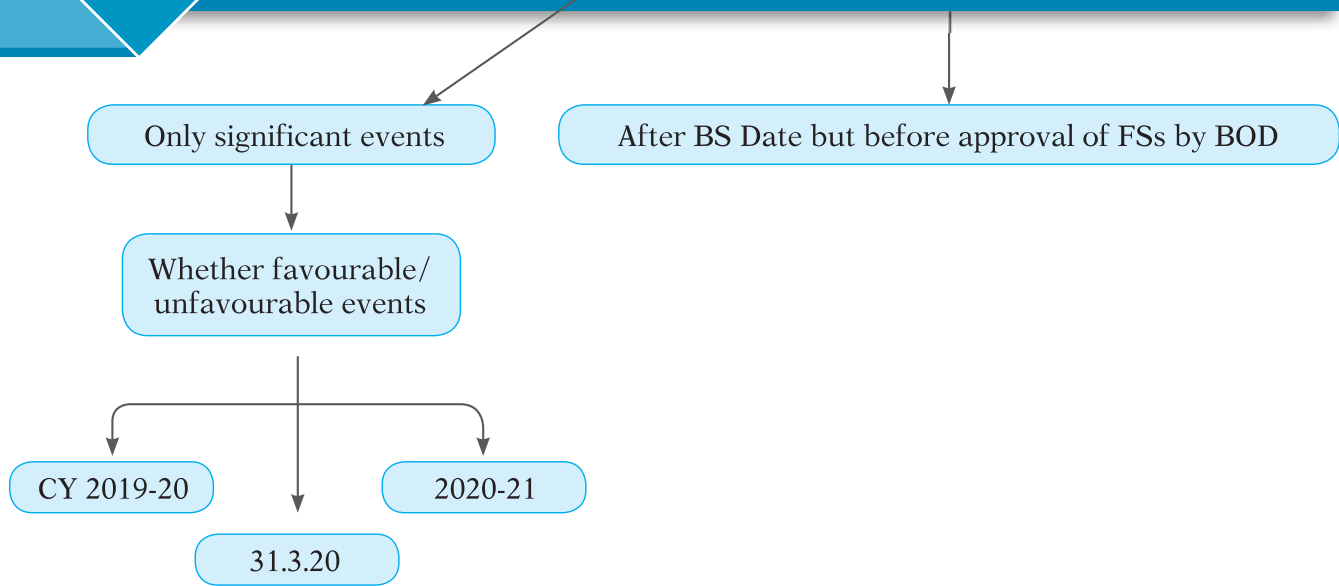


2

IND AS 10—EVENTS OCCURRING AFTER THE REPORTING PERIOD



Events are classified into

Adjusting events

- ◆ Conditions exist as on BS Date;
- ◆ No Complete/Correct information as on BS Date. (If it was available on the BS date, it could have been adjusted);
- ◆ Subsequent events give additional/correct information about the condition exist on BS Date

Record it as if it was available on BS Date

Pass necessary journal entries as on 31st March

Non-adjusting events

- ◆ No conditions exist as on BS Date;
- ◆ Subsequent events are not related to BS conditions;

Record in FY 2020-21

If material, **disclose in FSs** of 2019-20
(Not in BOD's Report)

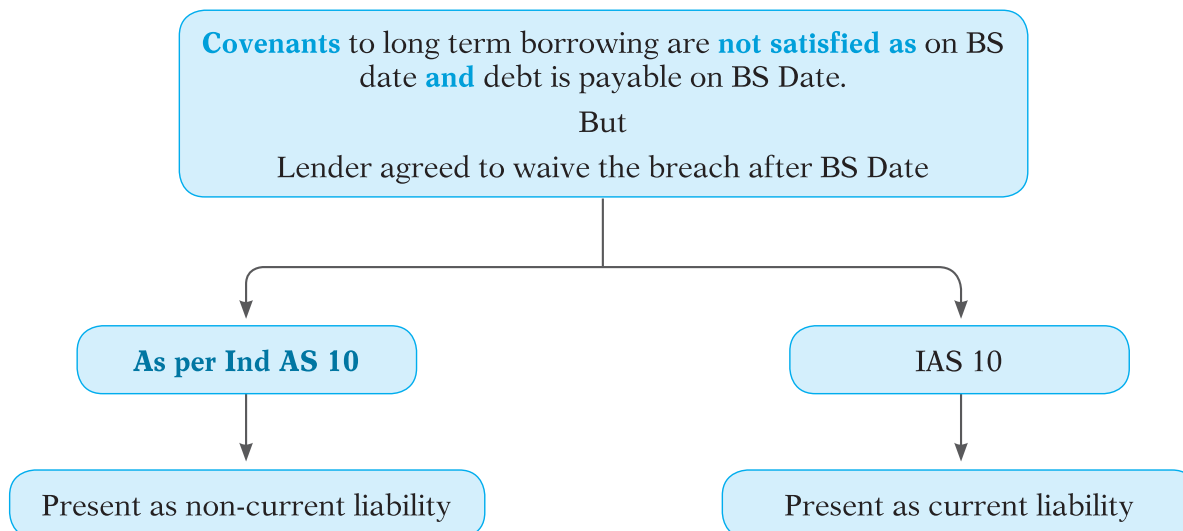
Nature & Financial effect

Exceptions

Subsequent event affecting going concern assumption even though it is Non-Adjusting-consider as an Adjusting extent and Account for and Disclose as required by Ind AS 1;

Proposed dividend:

Dividend to Equity instruments – Not a liability as on BS Date

Carve out IAS 10 Vs Ind AS 10

Summary of few important concept capsules	Hint answer
◆ Debtor position become bad after 31 st March	■ Non adjusting event
◆ Debtor position had on 31 st March but got to know subsequently	■ Adjusting
◆ Negotiation on BS Date (Does not bind anyone) subsequently acquired stake in another camp	■ Non-Adjusting
◆ Cheque dated 31 st March but received after 31 st March	■ Non-Adjusting
◆ Subsequent fluctuation in Market value of equity shares/securities	■ Non-Adjusting
◆ Fresh notice received after 31 st March	■ Non-Adjusting
◆ Cash theft/Inventory theft identified after 31 st March	■ Adjusting
◆ Salaries is and wages Increments due and negotiation, finalised after 31 st March	■ Adjusting
◆ Fire accident on 4 th April and lost Inventory	■ Non-Adjusting
◆ Legal care pending as on 31 st March and unfavourable judgment in out after 31 st March	■ Adjusting