

CA FINAL - AMENDMENTS FOR NOVEMBER 2018 EXAMS (OLD SYLLABUS)

1. IND AS:

In the syllabus of IND AS students are required to study only the differences between Existing AS and IND AS. However the following changes are incorporated in IND AS which are to be covered.

A. IND AS 7: Cash Flow Statement :

In the Cash flow statement a company has to show a reconciliation of liabilities (opening, addition, deduction ,closing) arising out of financing activities and the changes we should show both the changes arising from cash flow and non-cash changes. This is to be given as Notes in the cash flow statement.

Such changes are also required to be disclosed for financial assets provided they are disclosed as items of financing activities in the cash flow statement.

B. IND AS 102: Share Based Payments:

(i) TDS on share based payment:

When a company is required to deduct TDS on equity settled stock options (ESOO), the TDS part was being recorded as Cash Settled options and rest was being treated as equity Settled options.

Now the TDS portion is also to be treated as if it is part of equity settled options.

(ii) Modification from Cash settled option to equity settled options:

First remeasure the cash settled option on the modification date as usual and transfer the difference to PL account

Then find the fair value of equity settled option on the modification date to be recorded.

Then pass the following journal:

Share Based Payment (Liability)	Dr		
To Share Based Payment Reserve (Equity)			
To Profit and Loss Account (Difference) (This may be Debit also)			

2. GUIDANCE NOTES:

Guidance note on Accounting for Real Estate Transactions is applicable for NOVEMBER 2018 examinations. So cover it. It is already dealt in earlier in the past.

The following Guidance Notes are not applicable for NOVEMBER 2018 EXAMS:

A. Treatment of Excise duty

B. Treatment of MODVAT/CENVAT

C. Accounting for Depreciation in the context of Schedule II of companies Act.

3. IND AS 115 on "REVENUE" is not applicable for NOVEMBER 2018 EXAMINATIONS.