

Ch - Accounts [Sec 128-138]

- ① Books of A/c = Sh-holders utilizⁿ + Sh-holders \neq Mgt + Annual Rep + Annual A/c's
- ② Place of Books = Regd-Office + Any Other Place (in India) + (BR + AOC-5 to ROC in 7 days).
- ③ Transacⁿ to be recorded = Receipts + Payments + Sales + Purchase + Assets + Liabilities + Cost records (producⁿ, mining etc.).
- ④ System of A/cing = Accrual basis + Double Entry System
- ⑤ Inspection of Books of A/c = Dir only + During Business + Books & Papers w/s 2(12) + Any Director + Info by Co. in 15 days + No attorney or agent + May seek info (Foreign branch) + Subsi A/c's (Prior BR of Holding Co.).
- ⑥ Period of Preservation of Books of A/c = 8 yrs. or Existence (whichever is less) + CG may direct for a longer period.
- ⑦ Persons responsible for maintaining books of A/c = MD + CFO + WTD (in charge of finance) or Any other person authorized (BR).
- ⑧ Maintenance of Books in Elec records = C-law permits + Optional + Manner prescribed by Audit Com, if any + No disposal unless permitted by law.
- ⑨ Branch Office A/c = In India or outside India + BO to RO (Quarterly A/c's)
- ⑩ Financial Statement [Sec 129] = Sec 2(41) Fin Year \rightarrow 31st March + Excepⁿ for different fin yr. (H/S/A) incorporated outside India + Tribunal CR + Sec 2(40) FS \rightarrow (B/S + P/L + Change in Eq_r + CFS) INC-28 to RD. ROC in 30 days OPC + Small + Dormant + Put. (Start Up) \neq CFS. B/S + P/L = Sch III + Laid down in AGM Consolidated Fin Statement = Sub/Associates = CFS + CR may exempt class of Co. + Form AOC-1 (Features of FS of Sub/Assoc) + Excepⁿ (WOS + Prior consent of other members) \rightarrow No CFS + If H files CFS as per AS.
- ⑪ [Sec 130] - Re-opening of Accounts = Court/NCLT (Fraud or Doubt on reliability) or Max 8 yrs. CR/I Tax/SEBI/Sectoral regulator (\uparrow) unless CR specified.

⑫ [Sec 131] - Voluntary revision of FS or Board Report

Dir (FS or BRep) = Sec 129 or Sec 134X + Applicⁿ to NCLT in 2 weeks of BR + NCLT will issue notice to ITax deptt + Reasons in Board Rep + GM after NCLT approval + (E+V) newspaper + Adopⁿ of revised A/Cs in GM + Filed to ROC in 30 days (Revised FS + NCLT order + Revised Audit report + Last 3 yrs voluntarily FS revise)

⑬ [Sec 132] - NFRA (National Financial Reporting Authority)

1956 - Sec 210A (NACAS)X + 2013 - Sec 132 (NFRA) + Quasi Judicial Body + Recommend AS + Compliances (AS+SA) + Recommendatory Body + NFRA appeal to NCLT. + Investigⁿ of misconducts (CA+Firms).

Objective = Formulate (A/C + Audit) policies + Oversee quality of Prof-services.

NFRA = CA (+) CS (+) CMA (+) Indep Dir (+) Audit Com

Constitution = Chairperson + Max 15 members + (Ch + FTR) no audit firm (During & after 2 yrs of cessation) + H.O in New Delhi

Powers = DAPIS

NFRA A/Cs = To be audited by CA/1.

⑭ [Sec 133] - CA to prescribe Accounting Standards = NFRA + CA = AS.

⑮ [Sec 134] - Authentication of FS & Board Report

BOD approve + Audit + BOD approve + (BRep + Auditor's Rep)

Contents of BRep = Annual Return web address + Director's Responsibility Statement + 143(12) frauds explanation upto ₹1 Crore +

Dec by ID + NRC consⁿ & Company's remuneration policy + Sec 186 + Sec 188 (AOC-2) + Statement of Co's affairs + Amt (Reserve + Div) + Material Changes (31st March to Date of Board Rep) + CSR initiatives + Conservation of energy, tech, Foreign x Δ + Annual Performance Evalⁿ of BOD (Listed + Public 25cs p.u. Gp).

Additional Contents = Fin Summary + Change in nature of Business + Details of Dir & KMP (app & resigned) + Case (H/S/A) + Deposits + Div (unpaid) + Significant achievements + Adequate internal financial controls.

Sign of FS & BReport

Chairperson
or
2 Dir (At least 1 MD, if any) + CEO + CFO, if any + CS, if any
Contents = OPC + SC = Abridged Board Report

