



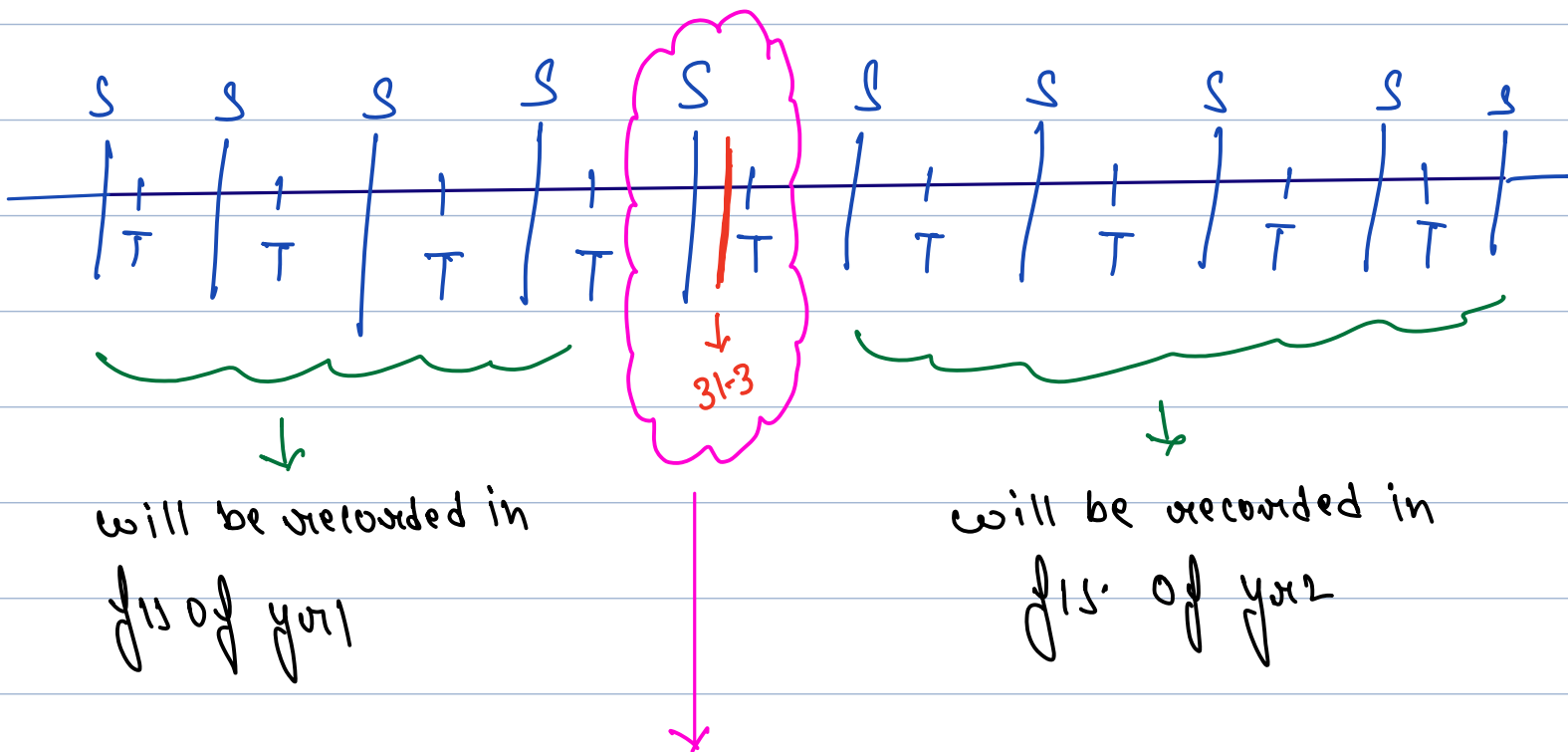
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IND AS 10

Events occurring after Reporting date

#1 Background



where to record those transactions  
where situations existed on B1s date  
but Transactions occurred after B1s date



So if ↓

Situation existed on BIS date.

No

Then No such situation would be dealt in next fin. year

Yes

Events based on above situation occurred after BIS date.

Are known as contingencies or evidences.

Yes

AS-4 / IND AS 10

Accounting for event

No

AS 29 / IND AS 37

Accounting for situation

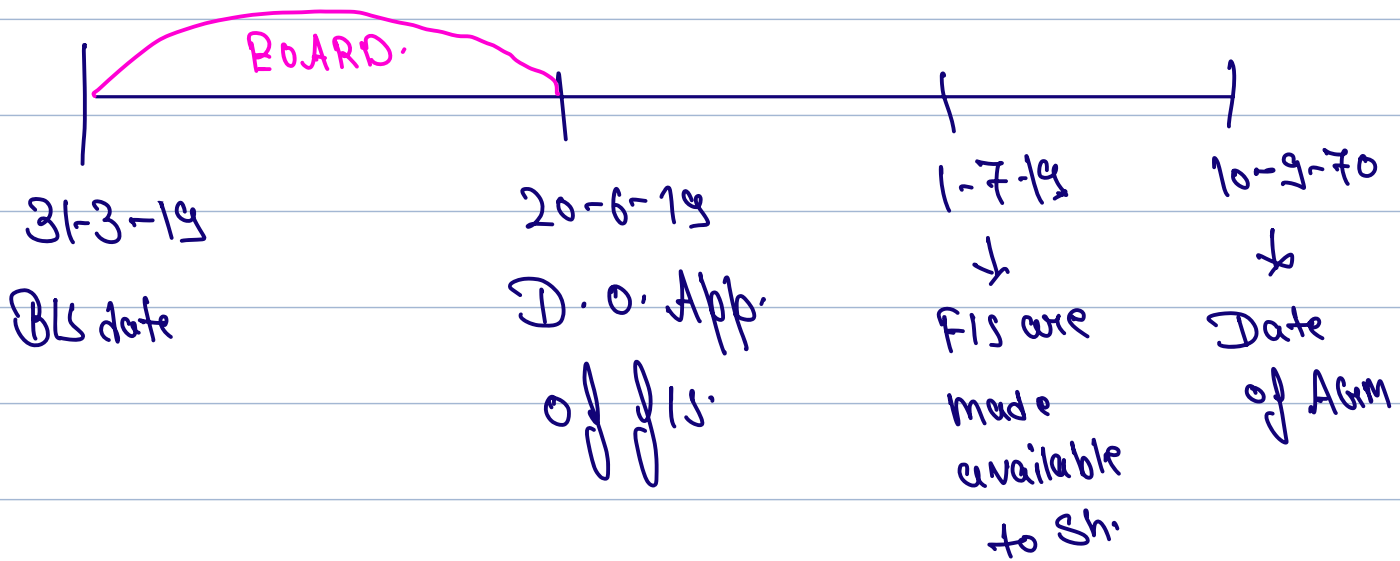
- 1) Event b/w Y.E. & App. of AS.
- 2) Evidence / Indicator
- 3) Event / Trans. } → Non adj.

↓  
Adj. Event.

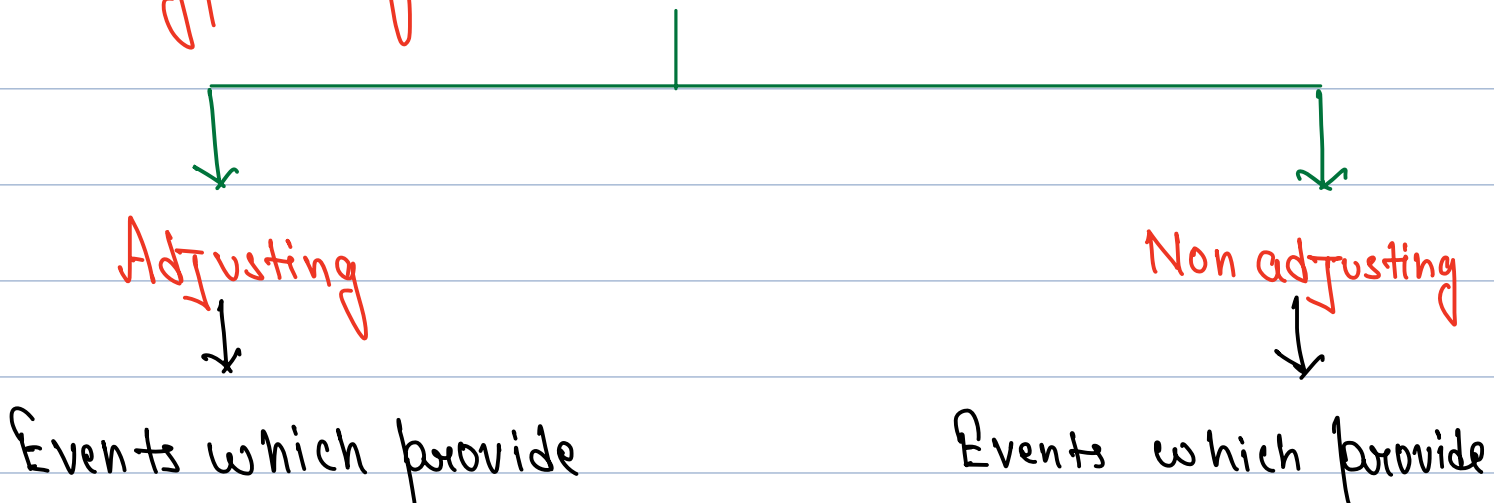
## #2 Meaning of E.O.A.R.D :-

Those events after R.O., favourable / unfavourable that occur between end of Reporting date & date of f/s are approved by approving authority  
↓  
B.O.D.

eg →



## #3 Types of E.O.A.R.D & its treatment.





## evidence of conditions

existing on B/S date.

Treatment

Adjust the respective amount in f/ls.

eg → i) Settlement of Court case existed on B/S date.

ii) Debtors suffered heavy losses before B/S date & has become Bankrupt after R. Date.

iii) Discount provided after B/S date on goods sold before B/S date.

iv) Determination of cost after B/S date for asset purchased (delivery) before B/S date.

v) Excise demand recd. after B/S date for every goods mfg. before R.D.

vi) Determination of Bonus amount

## indication of conditions

which arise after R.D.

Treatment.

Do not adjust the amount in f/ls.

But if Non adjusting event is material then disclose it in f/ls as **Notes to ac.**

eg →

i)  $\Delta$  in f.v. of invt after B/S date.

ii) Negotiations to acquire asset started before B/S date but transactions completed after B/S date.

iii) loss by fire after B/S date.

iv) Major Biz. combinations.



after BIS date but obligation before BIS date.

vii) Discovery of frauds after BIS date but fraud happened before BIS date.

v) Sale of subsidiary

vi) plan to discontinue operation.

vii) huge  $\Delta$  in price of assets or forex rates.

Note:- point (iv) to (vii)  $\rightarrow$  after BIS date.

viii) entering into significant commitments.

## #4 Special Issues

i)  $\Delta$  in NRV of inventory after R.D. but before approval of fis due to

$\Delta$  in S.P.



Adj. Events.

(already sold & we know about it)

Damage of inventory



Non Adjusting events

(No evidence on BIS date.)

ii) Dividend declared after BIS date but before approval of fis  $\rightarrow$  Non Adjusting event

(Disclose in Notes to ac)



(bcuz there is no obligation existed on BLS date)  
(S obligation arises after BLS date)



iii) if entity intends to liquidate (major loss) the biz. after BLS date but before approval of f/s, then entity should prepare its f/s following **Non going concern** basis

iv) Breach of loan → Refer **IND AS 1**