

# AS 25 - Interim Financial Reporting

1) "Interim Financial Results" as per Clause 41 of Listing Agreement Under SEBI Rules.

AS 25 is not applicable on this.

Interim Fin. Reporting is different from Interim Fin. Results of SEBI Clause 41

2) IFR (AS 25) :- Report it is Financial Statements of Interim period

Choice

Complete Set (08) OF IFR

Same as Annual Fin. Statement

i.e. disclose & present everything in details

Same as Annual F/S.

i.e. follow Full Schedule III

Condensed Set OF IFR

IFR

(Short cut) Less info

(Do Not Repeat the same info. of Annual F/S)

Disclose only those events which are new & occurred during the relevant

Interim period



No need to give  
Notes for each  
& every B/s p&l  
item

instead provide  
only selected  
Notes

Only VO wales Notes  
to A/c Show Karo  
Jinko agar Show  
nahi to IFR  
mislead HO Jayega  
(User to decision to  
affect Hoga)

Q2 Adv. Exp Billing Scr. (4 cr. Paid)

Q2 Adv. Exp Scr.

To Bank 4 cr.

To O/S Advexp 1 cr.

Q2

P&I Dr.

To Adv. exp

~~15~~ 5  
~~15~~ 5

Class

Ex:-1 (Tax)

We are currently preparing Q1 P&I

Q1 Profit is 300000

Estimated Q2 + Q3 + Q4 Profit will be 10,00,000

Tax slab :-

0 - 3 lac.	=	Nil
3 - 7 lac.	=	5%
7 - 10 lac	=	10%
10 - 12 lac	=	15%
12 - 15 lac	=	20%
above 15 lac	=	30%

ignore 4% loss

Calculate Tax exp. of Q1 to be presented

Sol) :- Total Tax = on 1300000 Income  
1000,00

$$\text{effective Tax \%} = \frac{100000}{1300000} \times 100 = 7.69\%$$

on Normal Income only.

$$Q_1 \quad PBT = 300000$$

$$(-) \text{ Tax exp} = 23070 \\ @ 7.69\%$$

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$$276930$$

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Class Ex:2 (Tax)

Fy 24-25

C/F Business losses = 200000  
(to be set off in  
Cy)

	<u>Income</u>
Q <sub>1</sub> (Actual)	300000
Q <sub>2</sub> (Estimated)	200000
Q <sub>3</sub> (— " —)	400000
Q <sub>4</sub> (— " —)	600000

Q<sub>1</sub> includes

Special Income of 50000 Taxable  
at 15%.

Tax slab :- Nil upto 250000  
 (Normal Income) 10% 250000 - 500000  
 20% 500000 - 800000  
 30% above 800000

Calculate Tax Exp of Q1

Sol) :- Consider Annual Worsmg

Normal	Special
250 + 200 + 400 + 600	
1450000	50000
(-) 200000 Loss Setoff	x 15%
Net = 1250000	7500 Q1

Net = 1250000  
 Income

Tax = 220000

$$\% = \frac{220000}{1450000} \times 100$$

$$= 15.17\%$$

Q1  $\Rightarrow$  Tax exp.

$$\text{Normal Tax} = 250000 \times 15.17\% = 37925$$

$$\text{Special Tax} = 50000 \times 15\% = 7500$$

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Class Ex:-3

Fy 24-25

During Q1  $\Rightarrow$  Budgeted Annual F. OH = 150000  
Normal Capacity = 50000 units

During Q1 = Actual Production = 12000 Units

How much Fixed OH will be absorbed in Q1 ?

Sol:-

1) FOH Absorption Rate =  $\frac{150000}{50000} = 30/-$

2) FOH absorbed in Q1 =  $12000 \times 30 = 360000/-$   
in Cost of Inventory.

Now suppose, During Q2 Annual Budget of F OH is changed to Rs. 16,50,000

Normal Capacity also changed to 60000

Actual production in Q2 = 19000 units

Solution

$$\begin{aligned} 1) \text{ Revised FOM Absorption Rate} &= \frac{1650000}{60000} \\ &= 27.50/- \end{aligned}$$

2) Cumulative FOM to be absorbed! -

$$\begin{aligned} \text{Actual production till date} &= 31000 \\ (\times) \text{ Revised Rate} &= 27.50 \\ \hline &852500 \\ (-) \text{ FOM absorbed earlier} &= (360000) \\ \hline \text{FOM Absorbed in} &= 492500 \\ \text{Q2} & \end{aligned}$$

V'Smart Academy