

# Notes to Financial Statements

For the Year Ended December 31, 20XX

## 1. General Information

XYZ Corporation ("the Company") is incorporated in Country A. The principal activities of the Company include manufacturing and sales of consumer electronics.

## 2. Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

## 3. Significant Accounting Policies

**Revenue Recognition:** Revenue is recognized when control of the goods or services has transferred to the customer.

**Property, Plant, and Equipment:** Stated at cost less accumulated depreciation and impairment losses.

**Inventories:** Valued at the lower of cost or net realizable value.

**Foreign Currency Transactions:** Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions.

For a comprehensive list of significant accounting policies, refer to the detailed accounting policy notes.

## 4. Cash and Cash Equivalents

Details	As at Dec 31, 20XX	As at Dec 31, 20XW
Cash in banks	1,000,000	850,000
Short-term deposits	200,000	250,000
Total	1,200,000	1,100,000

## 5. Share Capital

Details	No. of Shares	Amount
Authorized	10,000,000	10,000,000
Issued and Fully Paid	5,000,000	5,000,000

## 6. Contingent Liabilities

As of December 31, 20XX, the Company has no significant contingent liabilities.

## 7. Events After the Reporting Period

There were no material events after the reporting period that require disclosure in the financial statements.

## 8. Related Party Transactions

Details of transactions with directors and key management personnel are disclosed in this note.

## **Important Notes**

- Notes to financial statements provide detailed disclosures for transparency and compliance purposes.
- They explain the accounting policies, assumptions, and uncertainties underlying the numbers in the financial statements.
- Users should read these notes for an accurate understanding of the company's financial position.
- Notes may also include legal matters, risks, and future commitments.