

Notes to Accounts

For the Year Ended 31st March 20XX

1. Corporate Information

ABC Limited (‘‘The Company’’) is engaged in the business of manufacturing and trading of consumer goods. The Company is a public limited company incorporated and domiciled in [Country Name].

2. Significant Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared as per Generally Accepted Accounting Principles and in accordance with the applicable accounting standards.

(b) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities.

(c) Revenue Recognition

Revenue is recognized upon transfer of control of goods or services, at fair value of consideration received or receivable.

(d) Property, Plant, & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

(e) Depreciation

Depreciation is provided on straight line basis over the estimated useful life of the assets.

3. Share Capital

Particulars	As at 31 Mar 20XX	As at 31 Mar 20(X-1)
Authorized Share Capital	100,000 Equity Shares of \$10 each	100,000 Equity Shares of \$10 each
Issued, Subscribed & Paid up	80,000 Equity Shares of \$10 each	80,000 Equity Shares of \$10 each

4. Contingent Liabilities & Commitments

- Claims against the company not acknowledged as debt: \$10,000
- Other contingent liabilities: Nil
- Estimated amount of contracts remaining to be executed: \$30,000

5. Related Party Disclosures

Disclosure in respect of transactions with related parties as per applicable accounting standard:

Name	Relationship	Nature of Transaction	Amount (\$)
John Doe	Director	Remuneration	15,000

XYZ Pvt Ltd	Subsidiary	Sale of Goods	30,000
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6. Earnings Per Share (EPS)

Particulars	As at 31 Mar 20XX
Profit after Tax (\$)	100,000
Weighted Average Number of Equity Shares	80,000
Basic and Diluted EPS (\$)	1.25

7. Other Notes

- There are no events occurring after the balance sheet date that require disclosure.
- Previous year’s figures have been regrouped/rearranged wherever necessary to conform to the current year’s classification.

Important Notes

- Notes to Accounts provide essential disclosures and explanations supporting the numbers in the financial statements.
- They ensure transparency, compliance, and help stakeholders interpret the company’s financial position accurately.
- Notes should be prepared in accordance with applicable laws, regulations, and accounting standards.
- Key accounting policies, contingent liabilities, and related party transactions must always be disclosed.
- Notes should be clear, concise, and easy to understand for all users of the annual report.