

LANRUOJ TNATNUOCCA DERETRAHC YABMOB EHT (JACB)

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Chartered Accountant

SPECIAL EDITORIAL

We bring you a **special edition** of the **JACB** journal.

The January, 2019 editorial carried these words of wisdom:

*“Friends, the word of the year declared by two prominent dictionaries recently gives it away: **Toxic and Misinformation**. Both words articulate the stark realities of our times”.*

This feature is based on the above theme.

If you have any comments/views on this feature please feel free to draft a mail to us, and keep it in your draft folder. Even if you send it, it makes no difference. To quote George Bernard Shaw, *“The single biggest problem in communication is the illusion that it has taken place”.*

Happy Golden Jubilee reading!

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GOLDEN CONTENTS AND ITS ECONOMIC IMPACT – EXTRACTS FROM WHITE PAPER

JACB brought to its esteemed readers **Golden Contents** over the course of the last twelve months to commemorate its golden jubilee. We have been overwhelmed with the responses received thereby encouraging us to come out with a white paper. We provide below extracts from the white paper that will shortly be published in full in resplendent colors. You may place orders for the same at your own risk.

Abstract of White Paper - “Golden Contents and Its Economic Impact”

Introduction

Economic development is understood in many different ways but it is clear that there has always been a close correlation and vital linkage between human endeavor

and civilisation's economic relationships.

Golden Contents and Its Direct and Indirect Impacts

- *Cost Effective*

No making charges on golden content

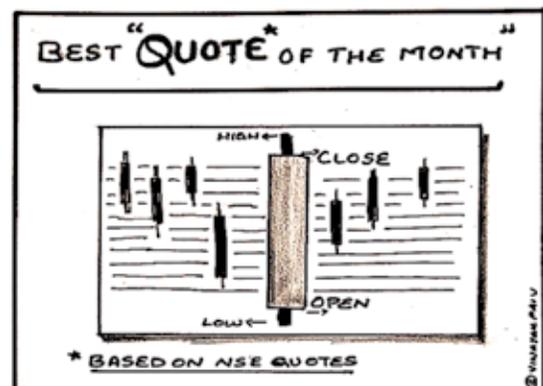
- *Economic Impact*

Since the golden content cannot be used as a collateral to raise high-cost loans, subscribers have benefited significantly by not paying huge interest costs on such non-availed loans. There is significant social benefit too since these non-availed funds can now be utilised by banks to provide loans to critical sectors of the economy. This in turn leads to economy, efficiency and transparency in functioning of our financial institutions and markets and reinforces investor confidence, thereby reducing the cost of capital and boosting private consumption expenditure and private investment positively impacting economic growth rates. This is expected to add 50 basis points to the economy's GDP growth rate on a secular basis over the next 5 years. Tax revenues are also expected to increase marginally, in line with the contributory increase to GDP.

Conclusion

The velocity of an economy is limited by the speed at which innovation can take place. The Golden Contents, a path-breaking innovation, is expected to propel the economy towards its potential growth trajectory.

QUOTE OF THE MONTH



FROM THE DESK OF THE PRESIDENT

Subscribers to our JACB journal receive mailers "From the Desk of the President" much before they get to see the printed version of it in the journal. Readers have all along been eager to know what exactly is in that desk.

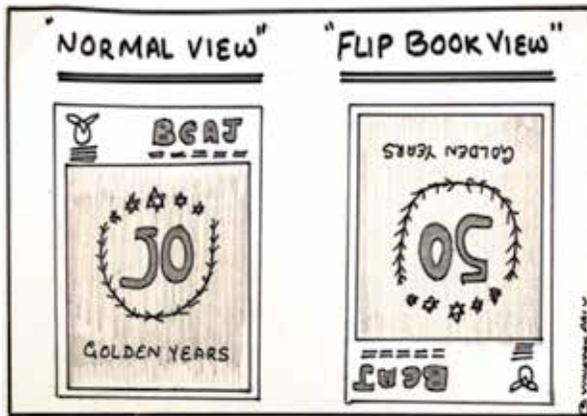
What we got from the desk of the President:

- ◆ Old calculator (not functioning).
- ◆ A blue ballpoint pen (functioning).
- ◆ Income tax ready reckoner (AY 1987-88).
- ◆ JACB journal (April, 2001 without front cover).
- ◆ Old spectacle case of a former president.

(sd/- Forensic auditors)

KNOW YOUR JOURNAL

The BCA Journal is also available in two formats, offering twin benefits.



GOLDEN CONTENT INTERVIEW: EMINENT PERSONALITY, YOUNGEST CA

JACB: Tell us a bit about yourself.

MM: I am CA Mutandis.....*Mutatis Mutandis*. Youngest CA. 83 years old.

JACB: How do you see the profession developing?

MM: *Nemo debet esse iudex in propria causa*. (No one can be a judge in his own cause)

JACB: Huh! Could you please share your views on ethics in profession?

MM: *Ubi jus, ibi officium* (Where there is a right, there is also a duty)

JACB: What are your views on usage of fair values in financial reporting?

MM: *Nemo tenetur ad impossibile*. (No one is required to do what is impossible)

JACB: Sir, your responses using legal maxims makes it very difficult for me to understand. Since when did you get into this habit?

MM: *Ab initio*.

JACB: I do not understand what you are saying sir.

MM: *Ignorantia legis jurisneminem excusat*.

JACB: ***&%.....How long do you think we can go on like this?

MM: *Ceteres paribus, in praesenti*.

JACB: I better close this, Sir. Thank you very much for sparing your valuable time. In closing could you explain in plain English how you claim to be the youngest CA when you are claiming super senior citizen tax benefits.

MM: I cleared yesterday.... CA Results were announced yesterday you see.

TAX PLANNING – HOW TO SAVE TAXES (INDIVIDUAL ASSESSEES)

◆ Resign from high-paying job and one saves taxes on income under the head salaries. The tax savings will be on monthly fixed salary, bonuses, perquisites, as well as on stock options.

◆ If one has a second house, demolish it (if it is say an apartment on the 14th floor, we do understand you have a challenge) that is self-occupied so that you do not pay tax on notional income. Note: Our sympathies are with those who took our advice and demolished their second home considering the interim budget proposals. But take heart, it is just an interim budget.

◆ We have refrained from providing any inputs for Business income since we understand all have expertise in saving taxes under the income head of business and professional income.

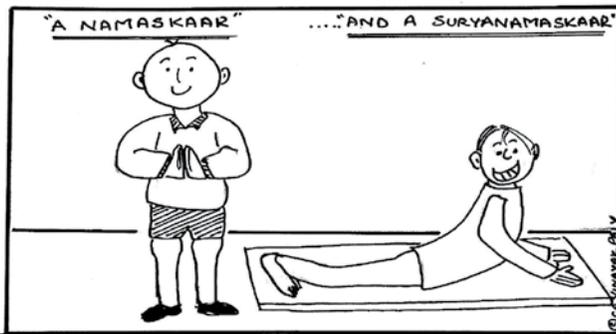
◆ Attend AGMs of companies where you hold shares and vociferously protest dividend payments and exercise your right to disapprove board-recommended dividends. You save dividend taxes at 10% if your dividend income was expected to be above threshold.

GLIMPSES FROM SUPREME COURT

In Camera - In this issue we bring you photographs shot from various angles from different perspectives and using drones that provide good **glimpses** from the Supreme Court.

**ditorial note: Glimpse photos not published since the matter is sub-judice.*

NAMASKAAR



FROM UNPUBLISHED ACCOUNTS

Compilation From Notes

Basis of Preparation of Financial Statements

◆ These financial statements are prepared in accordance with the whims and fancies of our management under the historical cost convention on accrual basis except for most transactions and events that are reported on a convenience accounting basis.

Use of Judgments and Assumptions

- ◆ The preparation of financial statements in conformity with the applicable accounting framework requires management to make estimates, judgments and assumptions. Management has made an assumption that users of financial statements can easily be tricked into believing the contents of the financial statements.
- ◆ Management estimates used in the preparation of

financial statements are aimed at underestimating expenses and liabilities and overestimating income and assets.

Disclosures

- ◆ Included in land is a large parcel of land amounting to Rs. 14,000 crore measured using the revaluation model that actually belongs to our neighbouring company.
- ◆ The fair valuation of our assets is based on stooping to levels that are lower than Level 3.
- ◆ We have not disclosed many liabilities as well as contingent liabilities considering the material impact that it could have on our investors' well-being and on the health of their investment portfolio.

NEW FEATURES THAT WE EXPECT TO INTRODUCE SHORTLY IN YOUR JOURNAL

- ◆ Birth Taxation
- ◆ Inheritance Taxation
- ◆ Inter-planetary Taxation
- ◆ Internal audit of statutory audit
- ◆ Independence movement of Independent Directors
- ◆ And more!!!

JACB GOLDEN JUBILEE SPECIAL ANNOUNCEMENT



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