

PRIOR PERIOD ERROR DISCLOSURE REQUIREMENT

An entity shall disclose the following about prior period errors:

1. The nature of the prior period error;
2. For each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected;
3. To the extent practicable, the amount of the correction at the beginning of the earliest prior period presented; and
4. An explanation if it is not practicable to determine the amounts to be disclosed in (2) and (3) above.

Illustrative Disclosure: (If there is an error related to the any expense which is overstated in the previous B.S.)

Note No. XX – Correction of errors

During the year 2016, the entity has discovered that the XXXX expenses had been erroneously entered as AED 4,000. However, it was AED 1,699. Consequently, XXXX expenses and its related assets & liabilities have been overstated. The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following table summarise the impacts on the entity's financial statements.

1. Statement of financial position:

As on 31st December 2016

Total Assets	As previously reported	Adjustment	As restated
Cash & cash & Equivalent	10,000	2,301	12,301
Total Liabilities			
Retained Earnings	(10,086,274.29)	2,301	(10,084,274.29)

2. Statement of Comprehensive income:

For the year ended 31st December 2016

Total Assets	As previously reported	Adjustment	As restated
XXXX Expenses	(10,000)	2,301	7,699

There is no material impact on the entity's earning and no impact on total operating, investing or financial cash flows for the year ended 31st December 2016.

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