

## **21- Fixed Assets System**

Since all DISCOs are registered under Companies Act 2017 and are governed by the said Act and instructions issued by SECP from time to time. The accounting framework prescribed for a public sector company is IFRS issued by IASB as per Clause 224 read with 3<sup>rd</sup> schedule 1(b) of Companies Act-2017.

Foregoing in view all DISCOs have to adopt IAS 16 for the accounting of property, plant and equipment (fixed assets). IAS16 has been classified under following categories:-

- i) Scope
- ii) Recognition.
- iii) Initial measurement.
- iv) Cost Model.
- v) Revaluation Model.
- vi) Depreciation (cost & revaluation model)
- vii) Recovery of the carrying amount.
- viii) De-recognition (retire and disposal).
- ix) Disclosures.
  - a. Information about each class of property, plants and equipment.
- x) Additional disclosures.
- xi) Revaluation of property, plants and equipment.