



**The Institute of
Chartered Accountants
of Pakistan**

**CA
PAKISTAN**

HEAD OFFICE

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ALL MEMBERS OF THE INSTITUTE

Dear Member

Publication of Financial Reporting Guidance

Accounting considerations for lenders and borrowers under the State Bank of Pakistan introduced Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns (the Refinance Scheme)

In continuation of the Institute's series of publications on the financial reporting implications under COVID-19 situation, the Technical Services team has prepared the guidance material to facilitate members and preparers of the financial statements in understanding the accounting implications of the State Bank of Pakistan introduced temporary Refinance Scheme.

The publication:

- Highlights key accounting considerations for borrowers and lenders, in accordance with the SBP directives and International Financial Reporting Standards (IFRS 9 *Financial Instruments* and IFRS 20 *Accounting for Government Grants and Disclosure of Government Assistance*).
- Also explains the accounting of the Refinance Scheme under International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and Revised Accounting and Financial Reporting Standard for Small-sized Entities (AFRS for SSEs).

You can also access the publication at <https://www.icap.net.pk/accounting-guidancetools>

We hope you find the guidance helpful.

Yours truly

Sohail Malik
Director Technical Services

Encls: As above

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