



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था

The Institute of Chartered Accountants of Nepal

(Established under The Nepal Chartered Accountants Act - 1997)

ICAN Marga, Satdobato Lalitpur / Post Box Number : 5289,

Phone : 5530832, 5530730, Website: <http://www.ican.org.np>, Email: ican@ntc.net.np

ICAN E-News

Bhadra 01, 2075

(17th August, 2018)

Volume-16

Examination Result Published

The Institute has published the result of the CAP I, CAP II, CAP III level and membership examination conducted in June, 2018. As per the result, 445 students passed CAP I, 210 students passed CAP II (Both Groups and Individual Group), 32 students passed CAP III (Both Groups and Individual Group) and 16 CAs having membership of foreign Professional Accounting Organizations passed the membership examination of the Institute. Altogether, **28 candidates qualified for the ICAN membership**. Students having reservations on the results published by the Institute can apply for retotaling within 30 days from the date of publication of result i.e. 14 August, 2018.

In this context, Institute has also published notice regarding General Management and Communication Skill (GMCS) training which is scheduled to start from **23rd August, 2018**.

Meeting with Federal Affairs and General Administration Minister

A meeting was held with Honorable Minister of Federal Affairs and General Administration Mr. Lal Babu Pandit on Shrawan 29, 2075 to **discuss on various professional issues faced by ICAN members in federalized context, particularly the requirements laid by various local level Government authorities by imposing conditions to get listed with the local Authorities to obtain audits of organizations being monitored by the local Authority**. To have more clarity on this issue President of the Institute highlighted on the existing modality being followed by the Institute while issuing certificate of practice to the auditors and the procedure for maintaining list of the practicing auditors to allow only eligible auditors to audit the financial statements. **Institute can provide these lists on demand to any of local authorities**. He further briefed the Honorable Minister that all ICAN members have their firm registered with respective government authorities of their firm's location and hence, registration in all local level authorities is not required.

President CA. Jagannath Upadhyay (Niraula) together with Vice President CA. Krishna Prasad Acharya, Council Member RA. Kedar Nath Poudel, President of Auditors Association of Nepal (AUDAN) RA. Mohan Raj Regmi and other officials of AUDAN had attended this meeting.

Meeting with Public Service Commission

A meeting was held with the Honorable Chairman of Public Service Commission Mr. Umesh Prasad Mainali and officials of the Public Service Commission on Shrawan 27, 2075 **to discuss on the possibilities and manner of employing ICAN members by Government of**

Nepal at various areas requiring expertise of ICAN members that includes revenue administration, policy formation, audit of government offices, advisory services, public financial management etc. President CA. Jagannath Upadhyay (Niraula), Joint Director Shyam Mani Dahal attended this meeting. President of ICAN committed that ICAN is always keen on extending necessary support to the government for the development of Nation by providing expertise of its members or itself.

NFRS Implementation in Insurance Companies

A meeting was organized by Insurance Board to discuss on **pathway to be adopted by Insurance Board for proper implementation of NFRS in Insurance Companies**. The meeting focused on ways of addressing the reporting format of financial statement of insurance companies in line with directives issued by Insurance Board and with Nepal Financial Reporting Standards (NFRS). The meeting held on Shrawan 24, 2075 was attended by representatives from Non-Life Insurance Companies, the Institute of Chartered Accountants of Nepal, consultants of Insurance Board and employees of Insurance Board.

Participation in Interaction Program

An interaction program was organized by National Bureau of Professional Services Nepal on the **Role of auditors in Tax Administration in federalized context** on Shrawan 22, 2075. The program focused on role of ICAN members to support effectively in revenue administration function of Government of Nepal, particularly in federalized context. The program also discussed on roles and responsibilities of ICAN, being the regulatory of accounting and auditing profession in Nepal to help Government in effective functioning of revenue department. The program was chaired by Honorable Auditor General of Nepal Mr. Tanka Mani Sharma Dangal. President CA. Jagannath Upadhyay (Niraula) represented the Institute as guest of the program where he mentioned that ICAN members are always committed to advocate for the compliance to taxation laws by their clients and encourage fair representation of financial statement as well as tax returns. He further mentioned that ICAN is always ready to extend necessary support for success of revenue administration in provincial set up.

Similarly, SEBON organized an Interaction Program to have discussion on draft of **Alternative Investment Fund Regulation, 2075** on Shrawan 31, 2075. President of ICAN CA. Jagannath Upadhyay (Niraula) represented ICAN as Special Guest in the program and committed to extend necessary support for the development of capital market in the country. The program was attended by Chairman of SEBON Dr. Rewat Bahadur Karki, SEBON Board Member CA. Nil Bahadur Saru Magar, SEBON Board Member and ICAN Vice President CA. Krishna Prasad Acharya, other officials of SEBON, Executive Director of Nepal Rastra Bank (Bank and Financial Institution Regulation Department) Mr. Narayan Prasad Poudel and representatives from other stakeholders.

Context of Program

Recently released budget of Government of Nepal for fiscal year 2075/76 has envisioned to introduce the private equity, venture capital and hedge fund institutions in the capital market. Similarly, SEBON has also planned to mobilize capital fund from National, Non-Resident Nepalese and International Sources by included such plans in its policy and programs. To view the draft of this regulation open for comments, please [click here](#).

Meeting at PEFA Secretariat

The Institute had a meeting with Public Expenditure and Financial Accountability (PEFA) Secretariat Nepal on Shrawan 25, 2074 to discuss about the steps to be taken for **effective implementation of the Integrated Public Financial Management Reform Project**. Similarly, a discussion was held for the possibilities of further cooperation between ICAN and PEFA secretariat to further strengthen Public Financial Management System in Nepal. ICAN President assured to extend necessary support to Government for strengthening Public Sector Financial Management system in Nepal. The meeting was participated by President CA. Jagannath Upadhyay (Niraula) and Executive Director CA. Sanjay Kumar Sinha.

On the same day President together with the Executive Director also had a meeting with Finance Comptroller General Mr. Suresh Pradhan and explored the possibilities of further coordination between ICAN and Financial Comptroller General Office (FCGO).

ISA Result Published

Institute has published the result of Information System Audit - Assessment Test of June 23, 2018. Altogether 6 students qualified the examination.

Upcoming Events

NCASA Election Approaches

The election of 4th Executive Committee of Nepal Chartered Accountants Students Association (NCASA) is taking place on Bhadra 02, 2075. For this purpose, election commission office under the leadership of CA. Suresh Devkota has been formed by the Institute consisting of three members from ICAN and two members nominated by NCASA. Election is going to be held to elect four members from CAP III level and two members from CAP II level.

As per operational procedure NCASA Executive Committee consists of 6 elected members – 4 from CAP III level and 2 from CAP II level and 3 members nominated by ICAN from amongst recommended students by immediately preceding executive committee having 1 member each from CAP I, CAP II and CAP III level. The newly elected executive committee shall elect President, Vice President, Secretary and Treasurer.

The tenure of executive committee of NCASA shall be of 2 years. Institute has already published final list of eligible voters and candidacy filed.

National News

NRB Allows Borrowing in INR

Nepal Rastra Bank has **allowed Licensed Commercial Banks to borrow in Indian Currency** from Indian Bank and Financial Institutions. Such loan can be availed to disseminate loan in sector of hydroelectricity generation and transmission, road, tunnel, airport, cable car, bridge and other infrastructures such as housing, real state etc. However, the amount of loan in foreign currency (Including Indian Currency) cannot be exceed 25 % of primary capital of commercial bank.

For this propose, commercial banks should maintain the capital fund as prescribed by Central Bank. Board of Directors should decide to avail the loan and no collateral, guarantee of any kind can be furnished for the same. Such loan can be availed in repayment terms of minimum 1 year to maximum 5 years. For additional information, please [click here](#).

International News

IFAC and IAESB to Transition Standard-Setting Board to Different Model

IFAC (International Federation of Accountants) and the International Accounting Education Standards Board (IAESB) has announced a new path forward for global accountancy education and professional development.

To ensure that the accountancy profession can address the challenges posed by a rapidly changing environment, a different model is being advanced based on the benefits that will be realized from a comprehensive and integrated approach to international accountancy education. The model will continue to progress international accountancy education in the public interest and with the legitimacy necessary for stakeholders around the world to continue to participate and accept its outputs as credible. The model will be overseen by the IFAC Board instead of the Public Interest Oversight Board.

IPSAS 41 Released to Improve Financial Instruments Reporting

The International Public Sector Accounting Standards Board (IPSASB) has released [IPSAS 41, *Financial Instruments*](#).

IPSAS 41 substantially improves the relevance of information for financial assets and financial liabilities. It will replace IPSAS 29, *Financial Instruments: Recognition and Measurement*, and improves that Standard's requirements by introducing:

- Simplified classification and measurement requirements for financial assets;
- A forward-looking impairment model; and
- A flexible hedge accounting model.

Resource Roundup: Implementation Support for Small- and Medium-Sized

Practices

IFAC has just released an updated publication—the [*Guide to Using ISAs in the Audits of SMEs, Fourth Edition*](#) (the ISA Guide), to help firms apply the International Standards on Auditing (ISAs) proportionately and efficiently for SME audits. The ISA Guide has been updated to reflect recent changes to the ISAs, including International Auditing and Assurance Standards Board (IAASB) [projects](#) on:

- Auditor reporting;
- Disclosures;
- The auditor’s responsibilities relating to other information; and
- Using the work of internal auditors.

The ISA Guide is designed for use by all practitioners.

Disclaimer

The Institute of Chartered Accountants of Nepal (ICAN) has created and maintains this publication as a service to its members, students and the community. This publication is intended to provide general information and is not intended to provide or substitute legal or professional advice. This publication has been prepared so that is current as at the date of writing. You should be aware that such information can rapidly become out of date. You should not act or refrain from acting, or rely on any statement, view or opinion expressed in this publication. You should make and rely on your own inquiries in making any decisions or giving any advice.

No warranty is given as to the correctness of the information contained in this publication, or of its suitability for use by you. ICAN is not liable for any direct, indirect, special or consequential losses or damages of any kind, or loss of profit, loss or corruption of data, business interruption or indirect costs, arising out of or in connection with the use of this publication or the information contained in it, whether such loss or damage arises in contract, negligence, tort, under statute, or otherwise.

This publication provides link to other internet sites and does not necessarily endorse these sites. We may take information from available websites, directories, indices and references consisting of content that has been identified, compiled by humans and we have no control over removal and/or modification of information, in any kind, by the owner. If request from the owner is received to remove and/or modify links and/or information, such requests will be addressed individually.

[Home](#)

[FAQ](#)

[Downloads](#)

[Useful Links](#)

[Contact Us](#)