



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था

**The Institute of Chartered Accountants of Nepal**

(Established under The Nepal Chartered Accountants Act - 1997)

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**ICAN E-News**

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## **Congratulations to SAFA BPA Report Award Winners**

The Institute congratulates NMB Bank Limited, Citizen Bank International Limited, NIC Asia Bank Limited, Mahalaxmi Bikas Bank Limited, Oriental Hotels (Radisson Hotel Limited) and Nepal Clearing House Limited for being adjudged as recipient of awards in SAFA Best Presented Annual Report Awards (SAFA BPA Awards), Integrated Reporting Awards and SAARC Anniversary Awards for Corporate Governance Disclosure Competition, 2018.

Oriental Hotels Limited stood “**2<sup>nd</sup> Runner Up**” in Service Sector (Excluding Financial Services and Communication & IT) category of SAFA BPA Awards 2018 whereas, NMB Bank Limited, Citizen Bank International Limited, NIC Asia Bank Limited have been selected for “**Certificate of Merit**” under category of Public Sector Banks (Including Cooperative Banks) of SAFA BPA Awards, 2018. NMB Bank Limited has also been selected for “**Certificate of Merit**” of SAARC Anniversary Awards for Corporate Governance, 2018. Mahalaxmi Bikas Bank Limited has been selected for “**Certificate of Merit**” under the “Financial Service Sector” category of SAFA BPA Awards, 2018. Nepal Clearing House has been selected for “**Certificate of Merit**” under public sector entities category of SAFA BPA Awards, 2018.

These institutions will be awarded in an award distribution ceremony organized by South Asian Federation of Accountants (SAFA).

## **Call for Consultancy Service**

The Institute has called application from Chartered Accountants to serve as full time consultants in specialized technical areas of the Institute Viz. Quality Assurance Board, Board of Studies and Other Technical Divisions of the Institute. Chartered Accountants having at least one-year membership with ICAN are eligible to apply.

Eligible candidates are requested to apply by 8<sup>th</sup> November, 2019. For more details, [please click here](#).

## **Participation in Interaction Program Organized by FCGO**

The Financial Comptroller General Office (FCGO) had organized an interaction program on October 25, 2019 to explore avenues for increasing effectiveness of internal audit of the Government of Nepal. President CA. Krishna Prasad Acharya represented the Institute in the program.

## National News

### **Nepal Ranks 94<sup>th</sup> in Doing Business**

As per the world Bank's Doing Business, 2020 Report, Nepal has been ranked on 94th position out of 190 countries in terms of ease of doing business. Nepal has scored 63.2 doing business score.

Different factors such as ease in starting business, getting a location, accessing finance, dealing with day to day operations etc. are accessed while calculating doing business score. For more details, please refer the report published by [the World Bank](#).

## International News

### **New Report Highlights Accountancy Profession as Key Driver of Progress in Adoption of International Standards**

In celebration of World Standards Day, IFAC (International Federation of Accountants) released a new report detailing how and where International Accountancy Standards—which focus on audit and assurance, ethics, education, and private and public sector accounting—are being adopted and implemented globally.

The report, which includes data from the more than 170 professional accountancy organizations that comprise IFAC's membership, shows strong and sustained support for both the adoption and implementation of international standards, especially in areas where IFAC member organizations are involved in the process from start to finish. Please click here to [view the report](#).

### **Exposure Draft and Comment Letters—Deferred Tax Related to Assets and Liabilities Arising From a Single Transaction (IAS 12)**

The International Accounting Standards Board (Board) has published for public comment proposed changes to the IFRS Standard for income tax, IAS 12. The amendments clarify how companies account for deferred tax on leases and decommissioning obligations.

IAS 12 specifies how a company accounts for income tax, including deferred tax, which represents amounts of tax payable or recoverable in the future.

In specific circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. There has been some uncertainty in the market about whether the exemption applies to leases and decommissioning obligations. Therefore, to promote consistent application of the Standard, the Board has proposed narrow-scope amendments.

According to the proposed amendments, the exemption in the Standard would not apply to leases and decommissioning obligations—transactions for which companies recognize both an asset and a liability. The proposed amendments would result in companies recognizing deferred tax on such transactions.

The comment window is open until **14 November 2019**.

[Login/register to submit a comment letter](#)

## **Exposure Draft and Comment Letters—Disclosure of Accounting Policies (IAS 1 and IFRS Practice Statement 2)**

The International Accounting Standards Board (Board) has published proposed narrow-scope amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* to help companies provide useful accounting policy disclosures to users of financial statements.

IAS 1 requires companies to disclose their ‘significant’ accounting policies. The Board is proposing to replace the reference to ‘significant’ with a requirement to disclose ‘material’ accounting policies to clarify the threshold for disclosing information.

The proposals state that information about an accounting policy is material if, when considered together with other information included in a company’s financial statements, it can influence financial statement users’ decisions about the company.

The Board is also proposing to add guidance to IAS 1 to help companies understand what makes an accounting policy material and to update IFRS Practice Statement 2 by adding further explanations and examples to help companies apply the concept of materiality in making decisions about accounting policy disclosures.

The Board is asking stakeholders to comment on the proposed amendments and is particularly interested in comments on whether the examples proposed for inclusion in the Practice Statement are helpful.

The comment window is open until **29 November 2019**.

[Login/register to submit a comment letter](#)

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