



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था

The Institute of Chartered Accountants of Nepal

(Established under The Nepal Chartered Accountants Act - 1997)

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Workshop on "NFRS for SMEs and its Implementation "

The Institute, considering the applicability of NFRS for SMEs by 2020, organized a workshop on *NFRS for SMEs and its Implementation* on 18th and 19th of October, 2018 in Biratnagar to facilitate the application of NFRS for SMEs by small and medium sized entities. The programme began with the opening remarks by CA. Pawan Rathi, Coordinator of Biratnagar Branch Coordination Committee. President CA. Jagannath Upadhyay (Niruala) delivered opening remarks of the program.

The technical sessions of the programme relating to introduction to NFRS, NFRS for SMEs, gap between underlying accounting principles and NFRS and other specific technical sessions on various technical aspects of NFRS, NFRS for SMEs were successful in delivering the basic understanding of recognition, presentation and disclosure requirements required by the standards. One technical session on burning issues of Labour Act and Industrial Enterprises Act was held in the programme. The technical sessions were facilitated by resource persons CA. Aman Upreti and CA. Aswani Bansal.

Coinciding with the programme, President CA. Jagannath Upadhyay (Niruala) along with Executive Director CA. Sanjay Kumar Sinha had an interaction with parents and students. Interaction also took place with representatives of banks and corporate houses and local tax officials about the role of ICAN and support extended by it and its members at various policy level decision and its execution in the country.

Meeting at Biratnagar Metropolitan

President CA. Jagannath Upadhyay (Niruala) along with Executive Director CA. Sanjay Kumar Sinha, Coordinator of Biratnagar Branch Coordination Committee CA. Pawan Rathi, Members of Biratnagar Branch Coordination Committee and other members of the ICAN had a meeting with Mayor of Biratnagar Metropolitan Mr. Bhim Parajuli and other officials of the Biratnagar Metropolitan, Office of Municipal Executive. The meeting focused on the mutual cooperation between ICAN and Metropolitan in federalized context. ICAN President CA. Jagannath Upadhyay (Niruala) also requested mayor for necessary cooperation to be extended by metropolitan in connection with proposed building of the Institute at Biratnagar.

Participation in Launching of IPFMRP

The Institute participated at the project launching ceremony of Integrated Public Financial Management Reform Project (IPFMRP) at Hotel Yak and Yeti on 27th of September, 2018. The project was launched, by demonstrating the project document, from the gamut of Chief Guest of

the program Hon'ble Financial Comptroller General Mr. Suresh Pradhan. Highlights on IPFMRP was presented by Member Secretary of PEFA Secretariat Mr. Murari Nirula. The programme was addressed by the World Bank Country Manager, Task Team Leader, representatives of Multi-Donor Trust Fund (MDTF), representatives of various development partners and representatives of the government of Nepal.

The programme organized by Public Expenditure and Financial Accountability (PEFA) Secretariat was chaired by PEFA coordinator Mr. Sushil Pandey and participated by the Country Manager of the World Bank, Nepal Mr. Faris Hadad-Zervos, Head of DFID Nepal Rurik Marsden, Deputy Auditor General Mr. Ramu Dotel, PEFA Member Secretary Mr. Murari Niraula and representatives from Multi-Donor Trust Fund, the World Bank, UK Department for International Development (DFID), Task Team Leader (TTL) of the Project Ms. Jiwanka Wickramasinghe and representatives from the implementing agencies along with the Institute of Chartered Accountants of Nepal (ICAN). The launching programme was followed by technical/implementing discussions about IPFMRP where implementing agencies discussed their implementation plan and progress of the project implementation. The meeting was participated by ICAN President CA. Jagannath Upadhyay (Niraula), Executive Director CA. Sanjay Kumar Sinha and Deputy Director CA. Ghanashyam Kafle.

Meeting with World Bank Representatives

President CA. Jagannath Upadhyay (Niraula) along with Vice President CA. Krishna Prasad Acharya and Executive Director CA. Sanjay Kumar Sinha had a meeting with the World Bank representatives comprising Ms. Jiwanka Wickramasinghe, Task Team Leader of the Integrated Public Financial Management Reform Project (IPFMRP), Mr. Yogesh Bom Malla, Senior Financial Management Specialist, Governance Global Practice, World Bank and representative of PEFA Secretariat Mr. Shree Ram Thakur. The meeting organized on 28th September, 2018 was also participated by ICAN Past President CA. Prakash Jung Thapa.

The meeting began with welcome remarks by President CA. Jagannath Upadhyay (Niraula). The discussion was focused on seeking the common ground between the ICAN's strategic plan and the World Bank's strategy to strengthen the Public Financial Management practices in Nepal. The meeting also discussed on effective implementation of Integrated Public Financial Management Reform Project (IPFRMP) in the coordination of the World Bank. Executive Director Sinha presented briefly on the broad implementation framework of the project outlined by ICAN.

Participation in SAFA Board Meeting

President CA. Jagannath Upadhyay (Niraula) along with Council Member RA. Abdul Karim Khan, Council Members RA. Meera Shrestha and Executive Director CA. Sanjay Kumar Sinha participated in the conference organized by South Asian Federation of Accountants (SAFA) at Karachi, Pakistan hosted by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan) . Major decision made by the SAFA board meeting was to form a separate committee at SAFA level to facilitate the Mutual Recognition Agreements (MRA) among the CA Institutes of SAFA region as well as among the

Cost and Management Institutes (CMA Institutes) of SAFA region by mapping the syllabus/course content being imparted by its member bodies.

Coinciding with the SAFA board meeting, ICAN delegation also participated in a Financial Reform for Economic Development (FRED) – III Conference hosted by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan) and funded by the World Bank and Confederation of Asian and Pacific Accountants (CAPA) on 24th of September, 2018. The conference was organized with the theme “**Maximising Private Sector Finances and Solution for Development**”. The programme started with the welcome remarks of ICAP President and ICMA Pakistan president. The opening remarks of the programme was delivered by SAFA President and ICAN Past President CA. (Dr.) Suvod Kumar Karn and other delegates representing different organizations. The programme had three plenary discussions on Fostering an Enabling Environment: Private Sector Investments for Development, Gearing for the Future: New Skills for the Profession and Building Investor Trust through Effective Public Sector Institutions which were moderated and participated by different experts. The conference was mainly focused on public private partnership (PPP) model.

Notice of December 2018 Examination Published

The Institute has published a notice for December 2018 Chartered Accountancy Examination and Membership Examination. As per the notice, exam forms can be submitted from 25th September, 2018 to 31st October, 2018. Normal fee applies till 24th October and late fee applies for the students submitting examination form thereafter.

The examination for all levels will also be held in Biratnagar, Butwal, Pokhara and Birgunj in addition to Kathmandu, subject to minimum-10 candidates for CAP-I examination, minimum 20 candidates for CAP II examination and minimum 15 applications for CAP III and CA membership examination.

Institute Pronounces Carve Outs with Alternative Treatment

The Institute of Chartered Accountants of Nepal (ICAN) allowed seven alternative treatments on certain requirements of NFRS 10: Consolidated Financial Statements, NAS 17: Lease, NAS 28: Investment in Associates and Joint Venture, NAS 34: Interim Financial Reporting, NAS 39: Financial Instruments: Recognition and Measurement.

These Carve Outs/Alternative Treatments are allowed on the specific recommendation of Accounting Standards Board Nepal (ASB) and the Institute’s own assessment on the need of alternative treatment for some requirements laid down in Nepal Financial Reporting Standards (NFRS), 2012. Although these carve outs are provided to Bank and Financial Institutions (BFIs) regulated by Nepal Rastra Bank (NRB), these carve outs can also be used by other entities with necessary disclosure.

New Report Outlines Keys to Sound Governance

Effective governance is the outcome of a mosaic of organizational policies, processes, and cross-functional interactions, according to experts featured in a new report from The Institute of Internal Auditors (IIA) and IFAC (the International Federation of Accountants).

“*United, Connected and Aligned – How the Distinct Roles of Internal Audit and the Finance Function Drive Good Governance*,” takes the pulse of 11 governance experts and thought leaders to examine the crucial roles both internal audit and the finance function play in maintaining a sound system of corporate governance.

The report identifies several key requirements for effective governance, including:

- An ethical corporate culture that empowers effective leaders throughout the organization to carry out good governance processes;
- Effective communication and collaboration among the various roles; and
- Requisite competencies for internal audit and the finance and accounting functions to earn stakeholder support and respect.

Proposed update to the IFRS Taxonomy 2018 on IFRS 13 common practice

The IFRS Foundation has published IFRS Taxonomy 2018—Proposed Update 1 *Common Practice* (IFRS 13 *Fair Value Measurement*) for public consultation. Those proposed changes result from the analysis of reporting practice relating to the disclosure requirements in IFRS 13 *Fair Value Measurement*.

The common practice elements in the IFRS Taxonomy reflect disclosures that companies applying IFRS Standards often include in their financial statements but that are not explicitly required by the IFRS Standards. Including common practice content in the IFRS Taxonomy enables more consistent tagging of financial statements prepared applying IFRS Standards by reducing the need for companies and regulators to create their own taxonomy elements.

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