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**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL**  
(Established under The Nepal Chartered Accountants Act, 1997)

## E-News



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### INSTITUTIONAL ACTIVITIES

#### **Webinar on “Anti-Money Laundering / Combating the Financing of Terrorism (AML/CFT) Compliances by Accountants and Auditors”**

The Institute with the objective to orient its Practicing Members and Firms on their roles and responsibilities as reporting entities in matters of AML/CFT compliance requirements, has organized a two-hour webinar on the topic “AML/CFT Compliances by Accountants and Auditors” on Thursday, 29 September 2022. The Institute has issued [Guidelines on the Prevention of Money Laundering and Countering Terrorist Financing, 2078](#) with effective from 2078.09.04 B.S.

The President of the Institute CA. Bhaskar Singh Lala delivered his Opening Remarks which was followed by Presentation on the topic by CA. Kiran Kumar Khatri, Joint Director at ICAN. The Vice President of the Institute CA. Sujan Kumar Kafle moderated the technical session where in Panelists Dr. Hari Kumar Nepal, Deputy Director of Nepal Rastra Bank and Mr. Dirgha Bahadur Rawal, Director/Chief of Financial Information Unit, highlighted and threw light on the several aspects of the AML CFT regulation involving the Accounting Sector. The Panelists also addressed the concerns of the participants in the Program. The Investigation Officer from Department of Money Laundering Investigation, Mr. Himlal Adhikari, made a brief remark emphasizing the contribution expected of Accounting Sector to strengthen the AML CFT compliance status of the country. CA. Sanjay Kumar Sinha, Executive Director of the Institute, delivered his closing remarks emphasizing the need for Practicing Members of the Institute to extend necessary cooperation as required and extended vote of thanks to all Panelists for their valuable remarks and to the Participants for their active participation.

The Webinar Program was helpful to clarify the matters such as ‘the condition when Practicing Members would be recognized as a Reporting Entity’, the services rendered by Practicing Members that are subject to compliance requirements, the requirement for a firm to have a compliance system as specified, the Client Due Diligence Requirements, Suspicious Transactions and Activities Reporting Requirements to FIU, Role of ICAN and its regulative functions, and the information requirement for ICAN to perform its regulative functions and the matters related thereto. The webinar was attended by around 140 participants.

#### **Continuing Professional Education (CPE) Training**

The Institute has organized a three-day CPE training for its members from 3<sup>rd</sup> to 5<sup>th</sup> September 2022 at ICAN Premises situated at Satdobato, Lalitpur. The training was conducted in twelve sessions. The main objective of this training was to enhance theoretical and practical knowledge about understanding and application of NFRS for SMEs; comprehensive knowledge about School Audit and School Audit Guidelines, Appeal in Tax Cases: Practices and Principles, Major Changes in Income Tax, VAT, Custom and Excise Tax, IT Security as well as the process of Audit Documentation. Altogether, 121 members participated in the training.

### **Interaction Program with Inland Revenue Office, Nepalgunj**

Nepalgunj Branch Office of the Institute organized a half day Interaction program with Inland Revenue Office, Nepalgunj on “Economic Governance.” The program started with the welcome remarks by member of Nepalgunj Branch Coordination Committee (BCC), RA. Mohammad Juber Rai. Likewise, Coordinator of Nepalgunj BCC, CA. Bishwo Ram Bhandari presented on Introduction and Role of ICAN for Economic Governance whereas, Mr. Sudesh Raj Aryal presented on Introduction and Role of IRO for Economic Governance. After the presentation, open forum discussion was held. The program was concluded with vote of thanks by Coordinator of Nepalgunj BCC, CA. Bishwo Ram Bhandari. The program was attended by representatives of Inland Revenue Office, Nepalgunj; members of BCC; representative of The Association of Chartered Accountants of Nepal (ACAN) and Auditor’s Association of Nepal (AuDAN).

### **General Management and Communication Skill (GMCS) Training**

The Institute organized 21<sup>st</sup> batch of 15 days GMCS training for the students who have qualified in June 2022 CA Examination. The GMCS training was organized from 25<sup>th</sup> August to 11<sup>th</sup> September 2022 at ICAN premises, Satdobato, Lalitpur. The purpose of this training was to impart knowledge among participants to make them capable of translating challenges into rewarding opportunities by applying emotional intelligence and soft skills in the working atmosphere and to enhance the communication and interpersonal skills and to provide understanding of contemporary business environment and opportunities. Participation in this training is a prerequisite for obtaining membership of the Institute. Altogether, 86 students participated in the training. President CA. Bhaskar Singh Lala distributed the certificates to the participants after completion of training. The Certificate Distribution Ceremony was also attended by Immediate Past President CA. Yuddha Raj Oli, Council Members CA. Surendra Shrestha, CA. Sujan Shrestha and CA. Peeyush Anand.



*Group photo of GMCS training participants during Closing Ceremony*

### **CA. Membership Examination**

The Institute of Chartered Accountants of Nepal Conducted CA Membership Examination, September 2022 from 20<sup>th</sup> and 21<sup>st</sup> September 2022. Examination was conducted in Kathmandu, Biratnagar, Pokhara, Birgunj, Butwal and Chitwan. Total 382 applicants out of total 463 applied for Membership Examination appeared in the examination.

### **Career Counselling**

Birgunj Branch Office of the Institute has organized a career counselling program in schools at Parsa District of Madhesh Province on 28<sup>th</sup> September 2022. The objective of this career counselling program was to inform the students about Chartered Accountancy Education, Syllabus, Fees, Scholarship opportunity, pass marks criteria, Students queries and other relevant and useful information for pursuing Chartered Accountancy Course in Nepal.

## **ICAN NOTICE AND UPDATES**

### **Notice Regarding Submission of Information Related to Anti-Money Laundering / Combating the Financing of Terrorism (AML/CFT)**

The Institute has published notice to all the Audit Firms registered with the Institute to submit the information of the client to whom they have provided professional service as per Clause 2(f) of the [Guidelines on the Prevention of Money Laundering and Countering Terrorist Financing, 2078](#). Firm are required to submit the information in the specified format to the Institute by 2079/06/31. The notice along with the format can be viewed from the link below:

[https://en.ican.org.np/\\_uploads/\\_downloads/\\_files/3/a0e5a8df0f5a6c7adfc73f27a2b58fc6.pdf](https://en.ican.org.np/_uploads/_downloads/_files/3/a0e5a8df0f5a6c7adfc73f27a2b58fc6.pdf)

### **Notice Regarding Submission of Forensic Accounting and Fraud Detection (FAFD) Examination Form**

The Institute has published notice for submission of examination form for FAFD Examination to be held on Saturday, 5<sup>th</sup> November 2022 for which classes were organized in technical cooperation with the Institute of Chartered Accountants of India (ICAI). The last date for submission of examination form is Friday, 14<sup>th</sup> October 2022. Eligible members can download examination registration form from the link below:

[https://en.ican.org.np/\\_browsable/file/general/Form-\\_FAFD.pdf](https://en.ican.org.np/_browsable/file/general/Form-_FAFD.pdf)

The notice along with the format can be viewed from the link below:

[https://en.ican.org.np/\\_uploads/\\_downloads/\\_files/3/db0cc5a77d442e25e9f58e3247c50951.pdf](https://en.ican.org.np/_uploads/_downloads/_files/3/db0cc5a77d442e25e9f58e3247c50951.pdf)

### **Notice Regarding Applicability of Syllabus for CA Examination**

The Institute has published a notice regarding the applicability of syllabus for CA Examination December 2022. The notice can be viewed from the link below:

[https://en.ican.org.np/\\_uploads/\\_downloads/\\_files/3/3017fc23598436778d885ad2127c2e64.pdf](https://en.ican.org.np/_uploads/_downloads/_files/3/3017fc23598436778d885ad2127c2e64.pdf)

### **Notice Regarding the Uses of Library of the Institute**

The Institute has published a notice regarding the uses of Library of the Institute situated at the head office of the Institute. The notice can be viewed from the link below:

[https://en.ican.org.np/\\_uploads/\\_downloads/\\_files/3/f03510f24f7ec1b7fc7e2bc3e3bae9b1.pdf](https://en.ican.org.np/_uploads/_downloads/_files/3/f03510f24f7ec1b7fc7e2bc3e3bae9b1.pdf)

## NATIONAL NEWS AND UPDATES

### **Survey Report on Foreign Direct Investment in Nepal (2020/21)**

Nepal Rastra Bank has issued Survey Report on Foreign Direct Investment in Nepal (2020/21). The survey report can be viewed from link below:

<https://www.nrb.org.np/contents/uploads/2022/09/A-Survey-Report-on-Foreign-Direct-Investment-in-Nepal-2020-21.pdf>

### **Amendment in Unified Circular 2078 issued to A Class Commercial Banks, B Class National Level Development Banks, and other Licensed Entities to Carry out Foreign Exchange Transaction**

Nepal Rastra Bank has issued Circular regarding amendment made in Unified Circular 2078 issued to A Class Commercial Banks, B Class National Level Development Banks, and other Licensed Entities to carry out Foreign Exchange Transaction. The Circular can be viewed from the link below:

<https://www.nrb.org.np/contents/uploads/2022/09/FXMD-07-2079-80.pdf>

### **Approval of Board for Establishment of Entity for Operation of Securities Business Directives, 2079**

Securities Board of Nepal has issued Approval of Board for Establishment of Entity for Operation of Securities Business Directives, 2079 which is applicable from 2079.05.26 B.S. The Directives can be viewed from the link below:

<http://www.sebon.gov.np/uploads/2022/09/14/6BIT6oTGpuDSdKp93JHL3CNBT7GT4PRKZx9ZYvdx.pdf>

### **Issuance of Directives for Reporting Entities Dealing in Precious Metals and Precious Stones, 2077**

Inland Revenue Department has issued Directives for Reporting Entities Dealing in Precious Metals and Precious Stones, 2077 relating to Anti-Money Laundering and Combating the Financing of Terrorism. The Directive can be viewed from link below:

<https://ird.gov.np/public/pdf/273973529.pdf>

### **Issuance of Directive for Approved Retirement Fund, 2076**

Inland Revenue Department has issued Directives for Approved Retirement Fund, 2076 relating to Anti-Money Laundering and Combating the Financing of Terrorism. The Directive can be viewed from link below:

<https://ird.gov.np/public/pdf/629168272.pdf>

## INTERNATIONAL NEWS, EVENTS AND UPDATES

### **Exposure Draft and comment letters: Third edition of the IFRS for SMEs Accounting Standard**

The International Accounting Standards Board (IASB) has published proposals to update the IFRS for SMEs Accounting Standard—to reflect improvements that have been made in full IFRS Accounting Standards, while keeping the Standard simple for small and medium-sized entities.

The comment letter period is open until 7 March 2023.

Exposure Draft Can be viewed from link below:

<https://www.ifrs.org/content/dam/ifrs/project/2019-comprehensive-review-of-the-ifrs-for-smes-standard/exposure-draft-2022/ed-2022-1-iasb-ifrs-smes.pdf>

Further details can be viewed from the link below:

<https://www.ifrs.org/projects/work-plan/2019-comprehensive-review-of-the-ifrs-for-smes-standard/exposure-draft-and-comment-letters/>

### **IFAC Elevates Accountancy Profession's Commitment to Fighting Corruption and Economic Crime**

the International Federation of Accountants (IFAC) issued its action plan to enhance the accountancy profession's contribution to, and support of, a robust anti-corruption ecosystem encompassing a diverse array of participants and policies. The Action Plan for Fighting Corruption and Economic Crime sets out more than 30 specific actions for IFAC and the accountancy profession related to education, evidence-based policy, global standards, partnership, and thought leadership.

Further details can be viewed from the link below:

<https://www.ifac.org/news-events/2022-09/ifac-elevates-accountancy-profession-s-commitment-fighting-corruption-and-economic-crime>

### **Views on corruption drive attitude to tax systems across the globe**

Taxpayers' attitudes about paying taxes correlate closely with perceived levels of corruption, according to a major new study, Public Trust in Tax, by accountancy bodies ACCA and the International Federation of Accountants (IFAC). A survey of 5,900 people across 14 countries – many in developing economies – found that trust in tax systems is lower when taxpayers perceive higher levels of corruption and diversion of public funds.

Further details can be viewed from the link below:

<https://www.ifac.org/news-events/2022-09/views-corruption-drive-attitude-tax-systems-across-globe>

### **IAASB, IESBA Welcome IOSCO Statement of Support for Developing Standards Relating to Assurance of Sustainability-Related Information**

The International Auditing and Assurance Standards Board (IAASB) and International Ethics Standards Board for Accountants (IESBA) welcome today's [announcement from the International Organization of Securities Commissions \(IOSCO\)](#) of its support and encouragement for the IAASB's and IESBA's work on developing standards relating to assurance of sustainability-related information. The IAASB and IESBA acknowledge that stakeholders are increasingly seeking assurance of sustainability-related information and that it is important to respond to market demands with robust standards applicable to all sustainability assurance providers.

Further details can be viewed from the link below:

<https://www.iaasb.org/news-events/2022-09/iaasb-iesba-welcome-iosco-statement-support-developing-standards-relating-assurance-sustainability>

### **Now Available: IESBA Handbook 2022 Edition**

The International Ethics Standards Board for Accountants (IESBA) has released the 2022 edition of the Handbook of the International Code of Ethics for Professional Accountants (including International Independence Standards). This handbook replaces the 2021 edition and incorporates the following revisions that will become effective in December 2022:

- The revisions to the non-assurance services (NAS) and fee-related provisions of the Code.
- The revisions to address the objectivity of an engagement quality reviewer (EQR) and other appropriate reviewers.
- The quality management-related conforming amendments to the Code that were issued as a result of the finalization of the International Auditing and Assurance Standards Board's (IAASB) suite of quality management standards.

Further details can be viewed from the link below:

<https://www.ethicsboard.org/news-events/2022-09/now-available-iesba-handbook-2022-edition>

### **IESBA Staff and JICPA Issue Joint Guidance Illustrating Application of IESBA Code to Technology-Related Scenarios**

To assist professional accountants in business and in public practice in ethically navigating the challenges and opportunities brought by technological transformations, earlier today the Japanese Institute of Certified Public Accountants (JICPA) and the staff of the International Ethics Standards Board for Accountants (IESBA) jointly released [Ethical Leadership In a Digital Era: Applying the IESBA Code to Selected Technology-Related Scenarios](#). This non-authoritative publication provides seven hypothetical scenarios to illustrate how accountants can navigate practical issues in ethical leadership when using or implementing technology.

Further details can be viewed from the link below:

<https://www.ethicsboard.org/news-events/2022-09/iesba-staff-and-jicpa-issue-joint-guidance-illustrating-application-iesba-code-technology-related>

### **DISCLAIMER**

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