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



# ICAN E-NEWS

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*Monthly Newsletter of The Institute of Chartered Accountants of Nepal (ICAN)*

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## **INSTITUTIONAL ACTIVITIES**

### **10<sup>th</sup> Council Election of the Institute**

Election of 10<sup>th</sup> Council of the Institute was held successfully on 7<sup>th</sup> June 2024. The name of newly elected Council Members are as follows:

1. CA. Umesh Raj Pandeya
2. CA. Nil Bahadur Saru Magar
3. CA. Aman Uprety
4. CA. Prabin Kumar Jha
5. CA. Hem Kumar Kafle
6. CA. Anand Raj Sharma Wagle
7. CA. Hari Kumar Silwal
8. CA. Thakur Prasad Adhikari
9. CA. Sunil Devkota
10. CA. Peeyush Anand
11. RA. Hari Bahadur Karki
12. RA. Bharat Kumar Shrestha
13. RA. Jhalak Mani Lamsal
14. RA. Pradeep Kumar Yadav

Out of 17 Council Members remaining 3 members will be nominated by the Government of Nepal on the recommendation of the Auditor General of Nepal.

### **Certificate Distribution Ceremony of Newly Elected Council Members of 10<sup>th</sup> Council**

The Office of Election Officer of ICAN organized a "Certificate Distribution Ceremony to distribute certificates to newly elected Council Members of the 10th Council" on 10<sup>th</sup> June 2024 at ICAN Head Office, Lalitpur. President CA. Sujan Kumar Kafle and Election Officer Mr. Shree Kumar Rai felicitated the newly elected members of 10<sup>th</sup> Council. The ceremony was participated by the members of 9<sup>th</sup> Council and senior management team of the Institute.

### **Pronouncement of Nepal Auditing Standard (NSA)**

The 324<sup>th</sup> meeting of the Council dated 29<sup>th</sup> April 2024, in exercise of power conferred by Section 11 (m) of the Nepal Chartered Accountants Act, 2053 has decided to pronounce Nepal Auditing Standard

– 2024 which are effective for voluntary application for audit of financial statements for the period beginning from 16<sup>th</sup> July 2024 and mandatorily applicable from 16<sup>th</sup> July 2025. The pronounced Nepal Auditing Standard (NSA) – 2024 was developed by the Auditing Standards Board of Nepal (AuSB, Nepal) in accordance with “2021 Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Service Pronouncements” issued by the International Auditing Standards Board (IAASB).

The notice of the same along with the list of NSA with their effective date of application can be viewed from the link below:

<https://en.ican.org.np/uploads/downloads/files/3/bb78a02750cc382064835a5c8b1a528f.pdf>

### **Training on Audit Documentation Manual**

The Institute with the objective to introduce the audit documentation manual and improve quality assurance review amongst the Registered Auditors whose firm has been identified for QA review by the Institute has organized two trainings on audit documentation manual. The two-day training was organized on 13<sup>th</sup> & 14<sup>th</sup> June and 25<sup>th</sup> & 26<sup>th</sup> June 2024. The training session was facilitated by CA. Sanjeev Dhakal, Practicing Chartered Accountants whereby 77 practicing Registered Auditor members participated in the training.

### **Interaction Program on Nepal Auditing Standards (NSA) for Less Complex Entities (LCEs) with ACAN and AuDAN**

The Institute jointly in coordination with the Auditing Standards Board of Nepal (AuSB, Nepal) organized an interaction program on Nepal Auditing Standards (NSA) for Less Complex Entities (LCEs) with the representatives of the Association of Chartered Accountants of Nepal (ACAN) and Auditors Association of Nepal (AuDAN) on 23<sup>rd</sup> June 2024, at the premises of the Institute. The Program was attended by 37 participants including the CA. Sujan Kumar Kafle, President, ICAN; CA. Anup Kumar Shrestha, Chairman AuSB, Nepal; CA. Prakash Jung Thapa, Chairman ASB, CA. Arun Raut, President, ACAN and RA. Badri Prasad Bhattarai, Vice-President, AuDAN; Past Chairman of AuSB and representatives of these institutions and management team of the Institute.

### **BPA Orientation Program with Entities and Evaluators**

The Institute in technical support from the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) organized an Orientation Program on Best Presented Annual Reports on June 24, 2024, at its premises. The program was organized in two sessions. The first session was organized for preparators of Financial Statements targeting the CFOs of the corporate houses/entities, with the objective to highlight major disclosures to be incorporated in the Annual Reports of an entity and evaluation criteria of BPA Awards being adopted by the Institute.

Likewise, the second session was organized for the independent evaluators of the BPA reports with the objectives to orient the evaluators on the BPA evaluation guidelines and discussion on various aspects of the evaluation of financial and non-financial information sharing of insights and experience of the evaluators. Both sessions were facilitated by Mohammad Minfaz Hilmy, FCA, FCMA and Parter, Deloitte Sri Lanka. Altogether, more than 70 participants attended the orientation program.

### **Interaction Program with Accounting Technicians (ATs)**

The Accounting Technician Board of the Institute organized an interaction program with the Accounting Technicians of the Institute on 23<sup>rd</sup> June 2024 at ICAN premises. The program was Chaired by CA. Jagannath Upadhyay Niraula, Chairman of AT Board and Past President of ICAN. The objective of the interaction program was to discuss the progress and major activities of AT

Board performed during last 3 years and obtain feedback from participants on AT Education and AT Profession. Speaking in the interaction program ICAN President CA. Sujan Kumar Kafle also emphasized on growing need of ATs in the market and initiations being taken by the Institute to attract students to pursue ATs course. The program was attended by 16 ATs of the Institute.

### **Post Qualification Course on Information System Audit (ISA-3.0)**

The Institute in technical support from the Institute of Chartered Accountants of India has commenced online batch of a post qualification course on Information System Audit (ISA-3.0) from 23<sup>rd</sup> June 2024. And, the course will be organized till 10<sup>th</sup> July, 2024. Altogether, 42 CA members of the Institute have enrolled for the ISA post qualification course.

### **Certification Course on Public Financial Management (Cert. PFM)**

The Institute with the objective to equip members with an understanding of the Public Financial Management (PFM) cycle and its components in both theoretical and practical aspects within a national context, has organized the first batch of post qualification course on "Certification Course on Public Financial Management (Cert. PFM)" for the Chartered Accountants members. The 10 days of post qualification course was organized from 28<sup>th</sup> June 2024. Altogether, 29 CA members have enrolled for the post qualification course.

### **Meeting with Public Accounts Committee (PAC)**

CA. Sujan Kumar Kafle, President, ICAN; CA. Prabin Kumar Jha, Vice-President, ICAN; CA. Kiran Kumar Khatri, Director, ICAN; CA. Suman Kumar Bohara, Joint Director, ICAN and CA. Santosh Bista, Assistant Director, ICAN attended a meeting of Public Accounts Committee (PAC) on June 4, 2024. The meeting was focused on discussion of audit issues specified in the 60<sup>th</sup> Annual Report of the Office of the Auditor General (OAG).

### **Representation in SAFA Webinar on Impact of Global Economic Volatilities on Financial Reporting in the SAFA Region**

CA. Yuddha Raj Oli, Past President and Council Member of the Institute participated as Panelist in SAFA webinar on "Impact of Global economic volatilities on financial reporting in the SAFA Region" organized by the Committee on Accounting Standards of SAFA hosted by CA Sri Lanka on 6<sup>th</sup> June 2024.

### **Participation in SAFA Webinar on "Adapting to Change: International Education Standards and its Influence on Accounting Profession"**

Vice- President of the Institute, CA. Prabin Kumar Jha has participated in the Webinar organized by the SAFA on the topic "Adapting to Change: International Education Standards and its Influence on Accounting Profession" on 25<sup>th</sup> June 2024. As an Eminent Speaker of the webinar, he has made a paper presentation and deliberations on the above subject matter highlighting Internal prospects and national grounding.

### **Concept Paper on Academic Recognition of Chartered Accountancy Qualification**

The Institute has prepared a Concept Paper on Academic Recognition of Chartered Accountancy Qualification to determine a Pathway to University Degree to Chartered Accountants. The Concept Paper has already been submitted to Tribhuvan University and Kathmandu University School of Management (KUSOM) for their consideration.

## Chartered Accountancy Examination of June 2024

The Institute has conducted the Chartered Accountancy Examination and CA Membership Examination for ACCA of June 2024 batch from 1<sup>st</sup> to 12<sup>th</sup> June 2024 inside Kathmandu Valley and in Pokhara, Butwal, Birgunj, Biratnagar, Chitwan and Nepalgunj. Altogether, 6,524 students appeared in CA examination out of 7,210 students applied for CA examination in different levels. The details about applicants and appeared students are as depicted below:

Level	CAP I		CAP II		CAP III	
	Applicants	Appeared	Applicants	Appeared	Applicants	Appeared
<b>Both Group</b>	1414	1290	2649	2520	409	401
<b>Group I</b>			906	699	699	648
<b>Group II</b>			768	365	365	314
<b>Total</b>	<b>1414</b>	<b>1290</b>	<b>4323</b>	<b>3871</b>	<b>1473</b>	<b>1363</b>

Likewise, 5 applicants applied and appeared for CA membership Examination for ACCA's.

## New Students' Orientation Program

The Institute organized a New Student's Orientation Program for the students registered for December 2024 batch on 27<sup>th</sup> June 2024 at Nepal Academy Hall, Kathmandu, Nepal. The program started with welcome remarks from CA. Sanjay Kumar Sinha, Executive Director, ICAN. Likewise, CA. Sujan Kumar Kafle, President, ICAN and CA. Prabin Kumar Jha, Vice-President, ICAN also delivered speech on the program. Besides, CA. Chandrakanta Bhandari, Assistant Auditor General and CA. Nikita Agrawal, Practicing Chartered Accountant also delivered speech on Career Aspects and CA Profession. Further, recently qualified Chartered Accountant CA. Samigya Acharya and Mr. Kushal Nepal shared their experience on journey to Chartered Accountancy. The program also included cultural performances by newly registered students. Altogether, 600 students attended the program.

## New Members Welcome Program

The Institute organized New Members Welcome program on 27<sup>th</sup> June 2024 in its Head Office to welcome the newly enrolled Chartered Accountant Members of the Institute within the fraternity of members of the Institute. Coinciding with the Welcome Program a one and half hour program on Artificial Intelligence has been conducted to enhance technical knowledge of the new members which was facilitated by CA. Mukund Pokharel. The program was Chaired and addressed by President of the Institute, CA. Sujan Kumar Kafle. Besides Vice-President of the Institute, CA. Prabin Kumar Jha also highlighted on various initiatives undertaken by the Institute for capacity development of the members. The program was participated by Council Member, CA. Surendra Shrestha and RA. Posh Raj Nepal. The program ended with the Closing Remarks of Executive Director, CA. Sanjay Kumar Sinha.

## Participation in CAPA Meetings and Related Events

CA. Yuddha Raj Oli, Past President and Council Member, ICAN attended in Confederation of Asian and Pacific Accountants (CAPA) Board Meeting in the capacity of CAPA Board Director and also participated in CAPA-Asian Federation of Accountants (AFA) Strategic Leadership Program, Islamic

Finance event and Malaysian Institute of Accountants (MIA) Conference held from 10th to 12th June 2024 in Kuala Lumpur, Malaysia.

### Meeting with NCASA

A meeting was held between NCASA representatives comprising of NCASA President, Mr. Mahendra Khadka and CA. Sujan Kumar Kafle, President ICAN, CA. Sanjay Kumar Sinha, Executive Director and management team of ICAN. The objective of the meeting was to have a comprehensive discussion on a letter of demand submitted by the NCASA.

### Workshop on “Enhancing Workplace Effectiveness through Emotional Intelligence, Behavioral Understanding, Organizational Behavior, and Team Building”

The Institute has organized a Workshop on “Enhancing Workplace Effectiveness through Emotional Intelligence, Behavioral Understanding, Organizational Behavior, and Team Building” for the staffs of the Institute on 22<sup>nd</sup> June 2024 at Lemon Tree Premier Hotel, Budhanilkantha with an objective to provide an insights into the intricate dynamics of human behavior within organizational settings to enhance workplace effectiveness. Altogether. 65 staff participated in the workshop.

### Participation in Employment Fair organized by The Ministry of Labor, Employment and Social Security

The head office and branch office of the Institute marked its presence in the Employment Fair “Shramadan” organized by the Ministry of Labor, Employment and Social Security in different provinces. The Institute held a consultation stall about Chartered Accountancy Education and Profession, in this two-day employment fair.

## MEMBERS UPDATE

### Name and Membership Number of New Chartered Accountants (CA) Member

The Institute registered Chartered Accountant Members pursuant to Section 16(2) of the Nepal Chartered Accountants Act, 1997. New CA Membership issued during month of June 2024 are presented in table below:

S. No.	Membership No.	Members Name	S. No.	Membership No.	Members Name
1	CA-2230	Deepak Kumar Dev	4	CA-2233	Dipak Acharya
2	CA-2231	Aruna Poudel	5	CA-2234	Kshitiz Singh
3	CA-2232	Sabita Phoju			

### Name and Membership Number of New Fellow Chartered Accountants (FCA) Member

The Institute registered Fellow Chartered Accountants pursuant to Section 17(b) of the Nepal Chartered Accountants Act, 1997. New Fellow Chartered Accountants Membership issued during month of June 2024 are presented in table below:

S. No.	Membership No.	Members Name	S. No.	Membership No.	Members Name
1	CA-1373	Kalpiti Dhakal	2	CA-1385	Bishal Baral

### Name and Membership Number of Demised Member

The Institute removes name of members from the Membership Register in case of death of members pursuant to Section 22(1) of the Nepal Chartered Accountants Act, 1997. Details of demised members

whose membership has been removed from list of members during month of June 2024 are presented in table below:

S. No.	Membership No.	Members Name	Class
1	RA-5689	Log Bahadur Shahi	RA 'D Class'

## ICAN NOTICE AND UPDATES

### Comment on Exposure Draft of NFRS 2024

The Institute has issued notice requesting members to provide comment on the exposure draft of Nepal Financial Reporting Standards (NFRS) 2024 by 15<sup>th</sup> July 2024. The exposure draft can be viewed from the link below:

<https://asbnepal.gov.np/exposure-draft-of>

The notice of the same can be viewed from the link below:

<https://en.ican.org.np/uploads/downloads/files/3/d4c9f13a2d447928900df6ccd0154a56.pdf>

## NATIONAL NEWS AND UPDATES

### Amendment in Unified Directives, 2080 issued for Licensed A, B and C Class Banks and Financial Institutions

Nepal Rastra Bank has issued circular regarding amendment in the Unified Directives, 2080 issued to licenses A, B and C class Banks and Financial Institutions. The circular can be viewed from the link below:

<https://www.nrb.org.np/contents/uploads/2024/06/Circular-9-Final-ABC.pdf>

### Issuance of Circular regarding addition in Unified Directives 2080 on Payment System

Nepal Rastra Bank has issued circular to all licensed entities conducting payment system transaction regarding additions made in Unified Directives 2080 on Payment System. The circular can be viewed from the link below:

<https://www.nrb.org.np/contents/uploads/2024/06/Nirdeshan20801.pdf>

### Issuance of Prevention of Financial Investment in Money Laundering and Terrorism Financing Directive, 2081 (First Amendment)

Nepal Insurance Authority has issued first amendment of Directive related to Prevention of Financial Investment in Money Laundering and Terrorism Financing. The Directive can be viewed from the link below:

[https://nia.gov.np/Admin/images/Law/Directive/6674094e7f6d6\\_1718880590.pdf](https://nia.gov.np/Admin/images/Law/Directive/6674094e7f6d6_1718880590.pdf)

### Issuance of Insurance Claim Payment Guidelines, 2081

Nepal Insurance Authority has Insurance Claim Payment Guidelines, 2081. The Guidelines can be viewed from the link below:

[https://nia.gov.np/Admin/images/Law/Directive/6680e74b101cd\\_1719723851.pdf](https://nia.gov.np/Admin/images/Law/Directive/6680e74b101cd_1719723851.pdf)

## INTERNATIONAL NEWS, EVENTS AND UPDATES

### Proposed IFRS Taxonomy Update 2024 and comment letters: IFRS 18 Presentation and Disclosure in Financial Statements

On 23<sup>rd</sup> May 2024, the IASB published for public comment IFRS Accounting Taxonomy 2024—Proposed Update 1 IFRS 18 Presentation and Disclosure in Financial Statements. The proposed changes reflect the presentation and disclosure requirements introduced by IFRS 18, published in

April 2024. Stakeholders can respond to the Proposed Taxonomy Update by submitting a comment letter or a survey.

Link to access comment letter:

<https://www.ifrs.org/content/dam/ifrs/project/ifrs-accounting-taxonomy-update-primary-financial-statements/iasb-ptu-2024-1-ifrs18.pdf>

Link to access a survey:

[https://ifrs.qualtrics.com/jfe/form/SV\\_6VfTTggsGalKqH4](https://ifrs.qualtrics.com/jfe/form/SV_6VfTTggsGalKqH4)

The deadline for submitting comments is 3<sup>rd</sup> September 2024.

Further details can be viewed from the link below:

<https://www.ifrs.org/projects/work-plan/ifrs-accounting-taxonomy-update-primary-financial-statements/ptu-and-comment-letters-ifrs18-pdfs/>

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

The International Accounting Standards Board (IASB) has published for public comment the Addendum to the Exposure Draft Third edition of the IFRS for SMEs Accounting Standard, which supplements the [exposure draft published in September 2022](#). The deadline for comments on the proposals in the Addendum to the Exposure Draft Third edition of the IFRS for SMEs Accounting Standard is 31 July 2024.

Link for Exposure Draft:

<https://www.ifrs.org/content/dam/ifrs/project/addendum-to-the-exposure-draft-third-edition-of-the-ifrs-for-smes-accounting-standard/addendum-ed-smes.pdf>

Further details can be viewed from the link below:

<https://www.ifrs.org/projects/work-plan/addendum-to-the-ed-third-edition-of-the-ifrs-for-smes/exposure-draft-and-comment-letters-addendum-ed-sme/>

### **Exposure Draft and comment letters: Contracts for Renewable Electricity**

On 8 May 2024 the International Accounting Standards Board (IASB) published for public comment the Exposure Draft Contracts for Renewable Electricity (*Contracts for renewable electricity are often structured as power purchase agreements (PPAs)*). They are grouped as either physical PPAs or virtual PPAs). The Exposure Draft proposes narrow-scope amendments to ensure that financial statements more faithfully reflect the effects that renewable electricity contracts have on a company. The proposals amend IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The IASB's swift action responds to the rapidly growing global market for these contracts. The IASB is inviting feedback on the proposed amendments until 7<sup>th</sup> August 2024.

Link to access exposure draft:

<https://www.ifrs.org/content/dam/ifrs/project/power-purchase-agreements/exposure-draft/iasb-ed-2024-3-contracts-re.pdf>

Further details can be viewed from the link below:

<https://www.ifrs.org/projects/work-plan/power-purchase-agreements/exposure-draft-and-cl-contracts-re/>

### **IFAC Continues to Convene and Lead Global Discussion on Sustainability Assurance; New Publication Focuses on “What to Expect”**

As part of its ongoing initiative to convene, inform and mobilize sustainability reporting and assurance stakeholders, IFAC, the voice for the global accountancy profession, has released [Sustainability Assurance: What to Expect](#).

Further details can be viewed from the link below:

<https://www.ifac.org/news-events/2024-06/ifac-continues-convene-and-lead-global-discussion-sustainability-assurance-new-publication-focuses>

### **Islamic finance can address barriers to achieve SDGs says IFAC, MIA, and World Bank in new report**

[Unleashing the Potential of Islamic Finance: Global Perspectives on Achieving the SDGs with Islamic Finance Tools & Concepts](https://www.ifac.org/news-events/2024-06/islamic-finance-can-address-barriers-achieve-sdgs-says-ifac-mia-and-world-bank-new-report), a new report from the International Federation of Accountants, Malaysian Institute of Accountants (MIA) and the World Bank Group Inclusive Growth and Sustainable Finance Hub in Malaysia (World Bank) looks at the opportunities presented by Islamic finance, practical examples of its usage from Malaysia, and future pathways towards addressing challenges and unlocking the full potential of Islamic finance to support the SDGs. The report was released at Innovation in Sustainable Development: Islamic Finance Paving the Way hosted by MIA in Kuala Lumpur featuring a keynote address from IFAC President Asmâa Resmouki.

Further details can be viewed from the link below:

<https://www.ifac.org/news-events/2024-06/islamic-finance-can-address-barriers-achieve-sdgs-says-ifac-mia-and-world-bank-new-report>

### **IPSASB Developing the First Public Sector Sustainability Reporting Standard with Support from the World Bank**

The International Public Sector Accounting Standards Board (IPSASB), with support from the World Bank, is developing a climate-related disclosures standard for the public sector. Alongside this announcement, the IPSASB has also published a [Stakeholder Engagement Plan](#) outlining how people can provide feedback about the project, through mechanisms that are already a central part of the IPSASB's due process.

Further details can be viewed from the link below:

<https://www.ipsasb.org/news-events/2024-06/ipsasb-developing-first-public-sector-sustainability-reporting-standard-support-world-bank>

### **IESBA Marks a Year of Transformation with Publication of 2023 Annual Report**

The International Ethics Standards Board for Accountants (IESBA) today released its [2023 Annual Report, Respecting the Past, Planning for the Future](#).

Further details can be viewed from the link below:

<https://www.ethicsboard.org/news-events/2024-06/iesba-marks-year-transformation-publication-2023-annual-report>

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