



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

01 August, 2019

(16 Shrawan, 2076)

Year -2 , Volume-15

Oath Taking Ceremony of Newly Elected President and Vice President

CA. Krishna Prasad Acharya, along with CA. Madan Krishna Sharma took the oath of office and secrecy respectively as the President and the Vice President for 2nd term of the 8th Council of the Institute in the “*Oath Taking Ceremony*” organized at Hotel Radisson, Lazimpat, Kathmandu on 23 July, 2019. Deputy Auditor General of Nepal Mr. Babu Ram Gautam, in the presence of Chief Guest Honorable Finance Minister Dr. Yuba Raj Khatiwada, administered the oath to newly elected President and subsequently President administered the oath to newly elected Vice President. The ceremony was participated by Immediate Past President CA. Jagannath Upadhyay (Niraula), Council Members, Past Presidents, Prominent Government Officials, Representatives from Regulatory Authorities, ICAN members, Students and employees.

Immediate Past President CA. Jagannath Upadhyay (Niraula) handed over the President Medallion to President CA. Krishna Prasad Acharya after he took oath of office and secrecy. Addressing the ceremony, Immediate Past President thanked Council Members, Past Presidents and Institute’s management for their continued support during his tenure in fiscal year 2075/76. He also highlighted the various milestones achieved by the Institute during his tenure such as online Continuing Professional Education (CPE) examination, online Renewal of Membership and Certificate of Practice (COP), launching of Unique Document Identification Number (UDIN) application, agreement with Inland Revenue Department (IRD) for information sharing, ongoing Quality Assurance Review of audit practices, Memorandum of Understanding (MoU) with Association of Chartered Certified Accountants (ACCA), Association of International Certified Public Accountants (AICPA), members affairs and students affairs. Congratulating new President with best wishes for his successful tenure, he also urged him to take up activities initiated but yet to be completed on priority. He finally concluded his speech with commitment of continued service to the Institute and profession in coming days.

To mark the untiring effort of the outgoing President CA. Jagannath Upadhyay (Niraula) Executive Director, CA. Sanjay Kumar Sinha presented a token of love to him, on behalf of the Institute.

Similarly, President CA. Krishna Prasad Acharya, in his acceptance speech, stressed that he is committed to strengthening Institute’s regulatory function as well as restructuring the Institute’s Governance, Management and Operational Aspects as a foundation to better discharge the duties

entrusted to Institute by Nepal Chartered Accountants Act, 1997. He mentioned that it will be an honor to serve as a President of the ICAN and thanked Council Members and ICAN Members for providing him this opportunity.

Audit Practice Manual Released

The Institute, with its commitments to achieve the objectives of regulating and developing the accounting profession and complying with the Statements of Membership Obligation (SMOs) issued by IFAC, is committed to monitor the quality of audit and assurance work conducted by its member firms. In this context, Institute has released the Audit Practice Manual in occasion of Oath Taking Ceremony of Newly Elected President and Vice President. The manual was released by Chief Guest Honorable Finance Minister Dr. Yuba Raj Khatiwada.

This Audit Practice Manual is designed for use by audit firms registered with the Institute, especially those who do not have an audit manual of their own to carry out the audit in conformity with the Nepal Standards on Audit (NSAs) and other technical standards. The APM is recommended to be followed as a good guidance for the practicing members / firms registered with the Institute.

NFRS, 2018 Recommended for Pronouncement

Accounting Standards Board (ASB), accounting standard setter of Nepal, has handed over Nepal Financial Reporting Standards (NFRS), 2018 for pronouncement by the Institute. These standards were handed over by Chairman of Accounting Standards Board and ICAN Past President CA. Mahesh Khanal to President CA. Krishna Prasad Acharya in the occasion of Oath Taking Ceremony of Newly Elected President and Vice President.

Conference on Contemporary Issues of Accounting Profession

The Institute organized a full day Conference on “*Contemporary Issues of Accounting Profession*” coinciding with Oath taking Ceremony on 23 July 2019 at Radisson Hotel, Lazimpat Kathmandu.

The Conference started with the welcome remarks by ICAN Immediate Past President (Then President) CA. Jagannath Upadhyay (Niraula). Conference comprised of three difference technical sessions as under:

Session 1 : Ethical Values and Accounting Profession

This session was focused to reinforce ethical practices, develop and promote an ethical culture, foster trust and transparency and professional accountant’s duty to present true picture to the stakeholders. CA. Madan Krishna Sharma, Vice President elect presented a paper on ethical values including matters of Handbook of Code of Ethics for Professional Accountants, 2018 and

related guidelines, applicable to ICAN members from Shrawan 01, 2076 as per the Council's decision. Queries from the floor were answered by Session Chair CA. Kaushalendra Kumar Singh, ICAN Past President and Chairman of Ethics Committee of Institute and the Paper Presenter.

Session 2 : Determining Whether an Arrangement Contains a Lease

This session was related to International Financial Reporting Interpretation Committee's Interpretation (IFRIC – 4): Determining Whether an Arrangement contains a lease. The Interpretation specifies that an arrangement that meets the prescribed criteria is, or contains, a lease that should be accounted for in accordance with NAS 17 Lease.

The session was Chaired by ICAN Past President and former Chairman of Accounting Standards Board (ASB) CA. Narendra Bhattarai. CA. Manil Jayasinghe, Vice President Institute of Chartered Accountants of Sri Lanka (ICA Sri Lanka) and CA. Ashish Garg, General Secretary, Independent Power Producers Association Nepal (IPPAN) jointly presented technical paper in this session.

Session 3: Service Concession Arrangement (IFRIC 12)

This session was related to International Financial Reporting Interpretation Committee's Interpretation (IFRIC – 12): Service Concession Arrangements. IFRIC 12 allows for the possibility that both types of arrangement may exist within a single contract: to the extent that the Government has given an unconditional guarantee of payment for the construction of the public sector asset, the operator has a financial asset; to the extent that the operator has to rely on the public using the service in order to obtain payment, the operator has an intangible asset.

The session was Chaired by ICAN Past President and former Chairman of Accounting Standards Board (ASB) CA. Narendra Bhattarai. CA. Manil Jayasinghe, Vice President Institute of Chartered Accountants of Sri Lanka (ICA Sri Lanka) and CA. Ashish Garg, General Secretary, Independent Power Producers Association Nepal (IPPAN) jointly presented technical paper in this session. Queries of session 2 and 3 were jointly answered by session chair and paper presenters. More than 180 accounting professionals participated the conference.

National Best Presented Annual Report Award 2018 Distributed

Coinciding with the Oath taking Ceremony, the Institute awarded National Best Presented Annual Report Award for the fiscal year 2017/18. The National BPA Award 2018 was arranged under the category of Banking Sector (Private and Public Sector), Financial Sector (Including Development Banks and Finance Companies), Insurance Sector, Public Interest Entity, General Sector, Service Sector, Manufacturing Sector and Others. Organizations having their audited financial statements based on Nepal Financial Reporting Standards (NFRS) and having fulfilled minimum standards were only considered for evaluation and selection.

NIC Asia Bank Limited, NMB Bank Limited and Citizen Bank International Limited were declared winner, first runner up and second runner up under the category of Banking Sector (Private and Public Sector) respectively, Similarly, Mahalaxami Bikas Bank Ltd. and First Micro Finance Ltd. were declared winner and runner up under the category of Financial Sector including Development Banks. Likewise, Oriental Hotels (Radisson Hotel Limited) and Nepal Telecom secured first and second position respectively in General- Service Sector category, whereas Butwal Power Company Limited and Bottlers Nepal Limited were declared winner and first runner up in General- Manufacturing Sector. Karja Suchana Kendra Limited (Credit Information Bureau Limited) and Nepal Clearing House have been awarded as winner and first runner up under General-Other Category respectively.

The Best Presented Annual Report Awards were presented by Honorable Finance Minister Dr. Yuba Raj Khatiwada in the special ceremony organized at Radisson Hotel Lazimpat, Kathmandu, Nepal on 23 July, 2019 in the presence of Guest of Honor Deputy Auditor General Mr. Babu Ram Gautam, Guest of Honor Chairman, SEBON Dr. Rewat Badadur Karki and ICAN first President CA. Komal Bahadur Chitrakar.

Addressing the ceremony, Honorable Finance Minister Dr. Yuba Raj Khatiwada congratulated BPA Award winners and urged ICAN members, as auditors and senior executives, to advocate fair presentation and disclosure of organization's financial and other affairs.

The award distribution ceremony was also addressed by Special Guest, Guest of Honor. They stressed the requirement of increased coordination among regulators to promote good governance and financial discipline.

On behalf of the Institute President CA. Krishna Prasad Acharya presented token of love to the Honorable Finance Minister.

Orientation Program to CAP-I Students

The Institute has organized an orientation program for newly enrolled CAP I students appearing for December 2019. The orientation was organized at Butwal and Pokhara Branch of the Institute on Shrawan 05, 2076. Deputy Director CA. Gaurav Khwaunju Shrestha and Deputy Director CA. Himal Dahal presented to students about Chartered Accountancy Course and the Institute during the orientation.

Examination Form for September 2019 Membership Examination Open

The Institute has published notice for upcoming September, 2019 Membership Examination. As per the notice issued by the Institute, exam forms can be submitted from August 01, 2019 to August 30, 2019 by paying normal fee or by paying late up to September 06, 2019.

The examination will also be held in Biratnagar, Butwal, Pokhara and Birgunj in addition to Kathmandu, subject to minimum 10 candidates for CA membership examination. For more details, please [click here](#).

Annual Renewal Started

The Institute has started annual renewal of Membership, Certificate of Practice (COP) and Audit Firms for F/Y 2076/77 from 1 Shrawan, 2076.

The Institute has also published a notice regarding renewal of membership. As per the [notice issued](#), practicing members should enter the details of entities audited by them (Along with audit client's PAN number) in website of the Institute. Such evidence should be produced by the practicing members on renewal of their certificate of practice (COP).

Membership renewal service is available also in the branch offices of the Institute in Biratnagar, Birgunj, Butwal, Pokhara, Nepalgunj and Dhangadi. Online renewal service is also available however receipt of renewal of practicing members and audit firms is available only on visit to the Institute's office.

For additional details, [please refer the notice of the Institute](#).

Participation in Conference

President CA. Krishna Prasad Acharya, Vice Prident CA. Madan Krishna Sharma and Past President and SAFA Coordinator CA (Dr.) Suvod Kumar Karn has participated in South Asian Federation of Accountants (SAFA) Board and Committee Meeting organized from 29 - 30 July, 2019 at Colombo, Sri Lanka. President CA. Krishna Prasad Acharya presented a paper on the topic "*Nepal's Prospective on Combatting Bribery and Corruption*" in this forum.

National News

Monetary Policy, 2076/77 Unveiled

Nepal Rastra Bank, the Central Bank of Nepal published Monetary Policy of fiscal year 2076/77. As per the policy, necessary arrangements will be made for separate monitoring and supervision of systematically important banks. It has also envisioned introducing regulation regarding leasing. Please click here to view [Monetary Policy, 2076/77](#).

International News

Global Ethics Board Proposes Changes to Promote Role, Mindset Expectations

The International Ethics Standards Board for Accountants (IESBA) proposes changes to the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) to promote the role and mindset expected of all professional accountants. The Exposure Draft, Proposed Revisions to Promote the Role and Mindset Expected of Professional Accountants, puts forward changes that further strengthen the Code.

Dr. Stavros Thomadakis Reappointed as IESBA Chairman

The International Ethics Standards Board for Accountants (IESBA) has announced the reappointment of Dr. Stavros Thomadakis as IESBA Chairman for a further one-year renewable term commencing 1 January, 2020, which was recently approved by the Public Interest Oversight Board (PIOB).

Dr. Thomadakis has chaired the IESBA since 2015. His dedication to high quality, fit-for-purpose ethics standards for the global accountancy profession is reflected in the IESBA's ambitious [Strategy and Work Plan 2019–2023](#).

IFRS Foundation to Publish Stakeholder Engagement Register

The IFRS Foundation will publish a register to provide a public record of the International Accounting Standard Board members' engagement with stakeholders.

The decision to publish the register reflects the desire to continue demonstrating the Board's independence and accountability and is also in line with stakeholder feedback.

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