



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
(Established under the Nepal Chartered Accountants Act, 1997)

ANNUAL REPORT 2017/18

22 Years of Excellence



The Institute of Chartered Accountants of Nepal

8th Council Members 2018 - 2019 (First Term)



CA. Jagannath Upadhyay (Niraula)
President (2018/19)



CA. Krishna Prasad Acharya
Vice President (2018/19)



CA. Surendra Shrestha
Council Member



CA. Bishnu Prasad Bhandari
Council Member



CA. Bidhyabaridhi Sigdel
Council Member



CA. Madan Krishna Sharma
Council Member



CA. Kiran Dongol
Council Member



CA. Yuddha Raj Oli
Council Member



CA. Mahesh Sharma Dhakal
Council Member



CA. Peeyush Anand
Council Member



RA. Kedar Nath Poudel
Council Member



RA. Abdul Karim Khan
Council Member



RA. Meera Shrestha
Council Member



RA. Bahadur Singh Bista
Council Member



Mr. Jeevan Prasad Suvedi
Council Member



Ms. Chandrakala Paudel
Council Member



Mr. Shanker Krishna Shrestha
Council Member



CA. Sanjay Kumar Sinha
Executive Director/Secretary

The Logo of **the Institute of Chartered Accountants of Nepal (ICAN)** bears a well-known line impregnated with a rich moral lesson. It is extracted from Chapter XIX (text line no.39) of the Yajurveda. It is the second of the following four-line stanza.

पुनन्तु मा देवजनाः
पुनन्तु मनसा धियः ।
पुनन्तु विश्वा भूतानि
जातवेदः पुनीहि मा ॥



Literally, पुनन्तु मनसा धियः means:
“Purity of Mind and Clarity of Wisdom.”

The Vedic text is chanted aloud during occasions of good omen for purification of mind, body and environment.

ICAN realizes that internally purified and enlightened mind is the lifeblood of righteousness. We consider it indispensable for both doing right things and doing things right.

We, therefore, pledge to be guided by the Vedic principle. Our policies, aspirations and expectations, strategies, and functioning style shall always be determined by the above message.



About ICAN

The Institute of Chartered Accountants of Nepal (ICAN) is the National Professional Accounting Body of Nepal established under the Nepal Chartered Accountants Act 1997 to enhance social recognition and faith in the accounting profession by raising public awareness towards economic and social responsibility of accountants and to contribute towards economic development of the country. ICAN is an autonomous body and is solely authorized to provide education, guidance, control and supervision of the Accounting Profession in Nepal.

VISION

Establish ICAN as a
“Credible Professional
Accounting Body.”

MISSION

Promote and Regulate High
Quality Financial Reporting
and Develop Competence of
Professional Accountants
to Enhance Reputation in all
Sectors of the Economy.

CORE VALUES

Our Core Values are Trust,
Mutual Respect, Innovation,
Relevance, Accountability,
Integrity and Professional
Excellence

Objectives

To play the role of a regulatory body to encourage the members to carry on accounting profession being within the extent of the code of the conduct in order to consolidate and develop accounting profession as a cause for economic development of the nation.

To enhance social recognition and faith in accounting profession by raising awareness of the general public towards the importance of accounting profession and the economic and social responsibility of professional accountants.

To develop, protect and promote the accounting profession by enabling professional accountants understand their responsibility towards the importance of the accounting profession and accountancy.

To develop mechanism of registration, evaluation and examination of accounting professionals in consonance with International norms and practice so as to make the accounting profession respectable and reliable.



Fundamental Principles of Professional Ethics



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Facts about ICAN

- Establishment : Nepal Chartered Accountants Act, 1997
- Amendment : Nepal Chartered Accountants Act, First Amendment 2002
- Regulation : Nepal Chartered Accountants Regulation, 2004
- Amendment : Nepal Chartered Accountants Regulation, First Amendment, 2006
- Amendment : Nepal Chartered Accountants Regulation, Second Amendment 2010
- Amendment : Nepal Chartered Accountants Regulation, Third Amendment 2011
- Amendment : Nepal Chartered Accountants Regulation, Fourth Amendment 2013
- Amendment : Nepal Chartered Accountants Regulation, Fifth Amendment 2015
- Amendment : Nepal Chartered Accountants Regulation, Sixth Amendment 2017
- Amendment : Nepal Chartered Accountants Regulation, Seventh Amendment 2018
- Amendment : Nepal Chartered Accountants Regulation, Eight Amendment 2018

Recognition and Achievement

- 1997 First Council of ICAN formed on 1 August 1997
- 1998 MOU on technical cooperation signed with the Institute of Chartered Accountants of India (ICAI). Membership of the Confederation of Asian and Pacific Accountants (CAPA)
- 1999 Nepal Chartered Accountants Regulation 1999 came into effect on 29 September 1999
- 2000 First CA Examination held in November 2000
- 2002 First Amendment of Nepal Chartered Accountants Act, 1997
- 2003 ICAN became Associate Member of the International Federation of Accountants (IFAC) in 2003
- 2004 ICAN signed second MoU with the ICAI in July 2004
- 2008 ICAN became full Member of IFAC in November 2008
- 2009 Government of Nepal provided land to ICAN on 09 November 2009
- 2013 ICAN signed MoU with Malaysian Institute of Accountants (MIA) on 10 May 2013
- 2014 ICAN building Inauguration by Rt. Hon'ble President of Nepal Dr. Ram Baran Yadav on 13 July 2014
- 2015 ICAN signed MoU with Asian Development Bank (ADB) in April 2015 for piloting Audit Quality Assurance Systems Road Map
- 2016 ICAN signed Membership Pathways Agreement with CPA Australia in March 2016
- 2016 ICAN signed Mutual Recognition Agreement with Institute of Chartered Accountants in England and Wales in October 2016
- 2017 ICAN signed Technical Cooperation MoU with ICAI in August 2017
- 2018 ICAN signed MoU with the Chartered Institute of Public Finance and Accountancy (CIPFA) in January 2018 for advancement of High Quality Public Financial Management
- 2018 ICAN signed Mutual Recognition Agreement with CA ANZ in March 2018
- 2018 ICAN opened its first abroad Chapter in Australia in March 2018
- 2018 ICAN opened its second abroad Chapter in USA in March 2018

President's Message



Dear Colleagues,

I am pleased to present before you the annual report of The Institute of Chartered Accountants of Nepal for the fiscal year 2017/18 (2074/75) mentioning the accomplishments performed by the Institute. I take this opportunity to extend my thankful gratitude to the Council Members for electing me as a 22nd President of the Institute with reposing the trust on me.

I am very much thankful to our predecessors for bringing our Institute to this stage. The Institute has been marching with respectful pace in the development of accounting profession in Nepal. I find that much has been achieved and still more needs to be done to establish this Institution as a center of academic and professional excellence. As a President of the Institute, I would like to highlight some of the brief activities performed by the Institute during the year 2074/75 when the Institute was led by my predecessor CA. Prakash Jung Thapa.

The Institute has explored various possible avenues to enable our accounting profession and professionals to be recognized at global frontiers. In this context, The Institute has signed Memorandum of Understanding (MoU) with the Institute of Chartered Accountants of India on 24 August 2017 during the official visit of Prime Minister Mr. Sher Bahadur Deuba to India. The objective of the MOU between ICAN and ICAI is to strengthen mutual co-operation for the advancement of accounting knowledge, professional and intellectual development, advancing the interests of respective members and positively contributing to the development of the accounting profession in Nepal and India. We hope that this MOU will pave the way for further cooperation and open the avenues for Mutual Recognition Agreement (MRA) between two institutes.

Similarly, the Institute also signed MoU with The Chartered Institute of Public Finance and Accountancy (CIPFA) for strengthening the public financial management in Nepal on 31 January 2018.

A Memorandum of Understanding (MoU) was signed with the Chartered Accountants Australia and New Zealand (CA ANZ) on 7 March 2018 in Sydney Australia for a mutual recognition arrangement for getting reciprocal membership.

The Institute, with an objective to provide support and facilitate its members residing overseas, has established Chapters of the Institute outside Nepal. The Institute opened its first overseas chapter in Australia at the special function organized in Sydney, Australia on 7 March 2018. The Institute opened its second Overseas Chapter in United States of America on 24 March 2018 at the special function organized in Virginia, United States of America. Such forums will be useful in facilitating meeting the members, discuss professional matters, share their expertise, work as point of contact with the Institute and members; conduct CPEs and to engage in other matters of professional interest.

During the fiscal year 2074/75, the Rules of the Institute has been amended twice. Rule 25(1) related to number of Article Trainees, Rule 53 relating to threshold of audit amount and Rule 65(ka) to include Vice President as well for making his COP inactive (on hold) during his tenure.

In continuation of the initiative of ICAN to implement NFRS, contribution in PFM sector, ICAN has been able to secure strategic role with the signing of agreement with Government of Nepal/ Public Expenditure and Financial Accountability (PEFA) Secretariat. This project amounting to NRs. 75.50 million will be for 3 years in supporting NFRS implementation in autonomous Government Agencies and State-Owned Enterprises; strengthening training capacity of ICAN to deliver training on financial reporting standards; revising ICAN curriculum to include financial reporting aspects; entering memorandum of understanding with specialized training institutions, such as ICAN, to offer professionally accredited courses.

A MoU between the Institute, Nepal Rastra Bank, Bankers



Association and Accounting Standards Board has been signed on 16 July 2018 to effectively implement the NFRS in banking sector (Bank and Financial Institution). Such understanding has main objective to facilitate effective implementation of NFRS in Banks and Financial Institutions.

The concept of mandatory branch audit of banks has been raised by the Institute for last several years. Continuing the efforts of the Institute, this year again, the Institute had strongly raised these matters with Nepal Rastra Bank. The suggestions have been taken positively and certain provisions have been incorporated in the Monetary Policy - 2075/76. This will further create new avenues to our members by widening their scope which will grow with pace of growth in banking industry and ultimately enhance public faith in the profession. The Institute will coordinate with Nepal Rastra Bank to help preparing detailed guidelines on Audit of Bank Branches and other provisions relating to the accounting profession.

For the first time, the Institute marked "Accountancy Education Day" on 10 November 2017 by organizing different events and activities (including interaction program, walkathon program) in Kathmandu and at its Branches in order to widely spread a message about the significance of accountancy education.

Continuing our effort for social recognition and image building of the Institute, we have been successful to name the Road in front of our Head Office located at Satdobato, Lalitpur that links Kanibahal Sinchahiti to Ring Road as "ICAN Marg". The name was declared on the special day of Institute's 21st Anniversary on 31 January 2018.

In order to provide convenient, timely and professional services to its members ICAN has recently joined hands with Nabil Bank Limited by signing agreements to enable ICAN members for making ONLINE PAYMENT of fees and charges directly to the Institute's Bank Account to renew their membership and Certificate of Practice (COP) by logging into the Institute's website. This facility will also be extended to Students to pay their fees in due course. A Card Swapping Machine (POS Machine) has also been installed at ICAN building, ICAN Marg, Satdobato through which Members and Students can pay the dues to the Institute through Visa card, Master Card and China Union Pay Card instead of cash.

The Institute of Chartered Accountants of Nepal (ICAN) has launched its new website and a Mobile App to facilitate its members and students. An ATM counter has also been installed at the Head office at Satdobato by

Nepal Bangladesh Bank to further facilitate them.

Information Technology Lab has also been established at the ICAN head office to provide IT training to our students from our own premises. This IT lab will operate all working days irrespective of number of students registering for the IT training. ICAN has also refurbished its Library with modern equipment, facilities and enhanced capacity to accommodate more students.

The Council of the Institute has approved Strategic Plan II (2018-2020) as a road map for three years to carry out the necessary procedures and operations to make the Institute more productive and achieve its goal. Its implementation is believed to be responsive to the changing needs of the profession that has identified the direction of the Institute into the future which shall serve as guidance for the decisions of the Council, Committees and periodic action plan of the departments of Institute.

Member Activities

During the year a total of 172 members were granted new CA membership and a total of 18 CA members were granted Fellow Chartered Accountant. Similarly 93 CA members were granted COP during the same year. The number of qualified CA members as on 31 Ashad 2075 has reached 1298 out of them 510 are holding certificate of practice. During the year, a total of 3467 RA members renewed their membership out of them 3067 are holding certificate of practice. Similarly, a total of 10 "C" Class Registered Auditor Members were upgraded to "B" Class and 5 "D" Class Registered Auditor Members were upgraded to "C" Class.

Continuing Professional Development

To enhance the competencies of our members, the Institute has been regularly conducting Continuous Professional Education (CPE) programs along with workshops/seminars in joint effort with other regulatory and professional associations. The Institute commitment for optimum compliance of Continuing Professional Education (CPE) to its members has conducted CPE training in different part of the country to enhance the capacity and skill of its members. Similarly, various interaction programs inside the valley and outside the valley were also conducted in different part of the country. Such interaction programs provided platform to understand their needs, grievances, future plans and action plan of the Institute. Basically CPE training focused on the Accounting/Auditing Standards, Taxation, Information Technology and some other contemporary topics on International and National issue related with the profession.



Continues Professional Education (CPE) Guidelines has been amended / updated by the Council to comply with the Statement of Members Obligation (SMO) issued by International Federation of Accountants (IFAC) as per recommendation of CPE Committee of the Institute. The amendments has come into effect from 1 Shrawan, 2075.

During the year a total of 27 CPE trainings were conducted in and outside Kathmandu, out of these 17 trainings were outsourced. Altogether around 3185 members benefitted from the CPE trainings.

I would like to express my sincere thanks to the members of CPE Committee and the ICAN staffs for painstakingly conducting the CPE Program, volunteers and the resource person for the training

Seminar, Workshop and Training

Enhancing the capacity of our members and keeping them up-to-date of the current changes in accounting profession is one of the main responsibilities of the Institute. Keeping this in mind, different interaction and training programs were organized to keep updating the current issues about NFRS implementation, Public Financial Management etc.

To equip its members with other skills such as communication, analytical, interpersonal skill and technical skill, the Institute organized RA capacity development training in different parts of the country during the fiscal year 2074/75. In order to enhance the role and quality of our members more plan has been designed for conduction more capacity building programs.

Code of Ethics

Maintaining professional integrity is the main foundation of professional development. In order to maintain the professional integrity, the Institute has adopted the IAESB code of ethics. To ensure that the member conform to the highest ethical behavior and professional approach the Institute has formed the Quality Assurance Board and Monitoring Committee.

The Institute's Council has revised the Code of Ethics focusing specifically on ethical issues. The Institute has published the handbook of the code of ethics for professional Accountants based on 2016 edition issued by the International Ethics Standards Board for Accountants (IESBA). Similarly, the Institute has also announced three guidelines as part of Code of Ethics namely relating to Marketing of Professional Services by the Professional Accountants in Public Practice, Guidelines on Networking

and Network Firms and Guidelines on Custody of Client Assets/Money by professional accountant in public practice. The revised Code of Ethics – Code of Ethics for Professional Accountants 2018 has come into effect from 1 Shrawan 2075.

I sincerely urge all members to work towards making our profession of accountancy more effective, independent and more responsible towards the profession and nation and further enhance the reputation of this profession by carrying out the professional conduct with utmost honesty and sincerity.

Publication

As regular process four issues of the Nepal Chartered Accountant Journal and four issues of newsletter has been published. As a reference material for the students, the Institute has regularly published Revision Test Papers and Suggested Answers of past examinations which has been a guiding tool to the students for preparation in the examination.

The Institute launched the “E-News” to the members, students and other stakeholders. The E-News published fortnightly on 1st day of the Nepalese Calendar and Gregorian Calendar Month. This E-News is an initiative to provide an overview of Institute's activities, achievements, upcoming events and developments in accounting profession. It will also serve a variety of purposes which includes timely update on recent policy changes as well as developments in the field of Auditing, Accounting, Professional Standards, Legislation and the Economy. It is hoped that this service will create value addition to our Members, Students and Stakeholders in rapidly changing financial and economic landscape and its impact on our profession.

Auditing/Accounting Standards

The Council of Institute has pronounced Nepal Standards on Auditing (NSA) 2018 on the recommendation of Auditing Standards Board (AuSB). The NSA 2018 was prepared based on the International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements of International Auditing and Assurance Standards Board (IAASB) published on 2016. This version of NSA has altogether 49 Standards that includes Nepal Standards on Quality Control (NSQC), Nepal Standards on Auditing (NSA), Nepal Auditing Practice Note (NAPN), Nepal Standards on Review Engagement (NSRE), Nepal Standard on Assurance Engagement (NSAE), Amended Nepal Framework for Assurance Engagement etc.



Nepal Standards on Auditing, 2018 has been pronounced from 17 July 2018 voluntarily and mandatory compliance from 17 July 2019 except for NSA 701 - Communicating Key Audit Matters in the Independent Auditor's Report.

My sincere appreciation to the chairman and members of the Accounting and Auditing Standards Board for their tiring effort in formulating the standards.

Students Activities

Education

During the year, overwhelmed response has been received from the students interested in pursuing CA education. This is reflected in the enrollment status of students pursuing CA Course and during the year altogether 2384 students enrolled for different level of the CA Course. I believe this development as a trust and confidence bestowed in accountancy profession by the young talents.

With a viewpoint and objective of providing quality materials to our students to facilitate ease of understanding of their subjects, the Institute has been regularly revising and publishing study materials for all levels.

In order to provide short guidance and technical details crash courses was conducted on various subjects for CAP II and CAP III level as per need basis of the students. Altogether 81 students attended the classes.

The Institute, continuing with its effort to support students conducted NFRS classes for CAP III students. This course was designed to provide an insight to students to increase their understanding of applicable NFRSs and to overcome the complexities of applying NFRS in studies. Altogether 60 students participated in the training.

With a view to attract the best students with an emphasis on those from outstanding and underprivileged student's desire of pursuing chartered accountancy education, the Institute has been providing scholarship scheme. This year full and partial scholarship was awarded to 60 students pursuing different level of chartered accountancy course.

With a view to raise awareness about Chartered Accountancy Education and Accounting Technician Course, the Institute organized career counseling program in different part of the country which included college visits, free seminar, TV and Radio promotional program, The Institute also participated in career fair in different part of the country. The program helped students solved their queries on various aspects of CA and accounting

technician course. The participants showed keen interest on chartered accountancy and accounting technician course and expressed their enthusiasm to join the course.

As a part of Chartered Accountancy and Accounting Technician curriculum, the Institute conducted "General Management and Communication Skill" training. Altogether 68 students participated in the training.

Similarly, the Institute conducted IT training to CAP II, CAP III and Accounting Technician students, which is a part of the CA curriculum course. During F/Y 2074/75, 596 students participated in the training.

The Institute organized a nationwide ICAN Commerce Olympiad competition amongst the students of Grade IX & X and grade XI and XII with the aim of focusing on commerce talent search and enhancing understanding and interest towards the importance of commerce education amongst the young students. Altogether forty-nine students representing eleven schools and colleges were the participants of the events.

The Institute organized ICAN Quiz and Elocution Contest amongst the CAP III level students. These programs were organized for the first time in Nepal with the objective of motivating students towards focused study of financial reporting standards and developing the future speakers for the profession.. The winners of the ICAN Quiz and Elocution Contest represented the Institute in SAFA level Quiz and Elocution Contest at Kathmandu which was hosted by the Institute.

With the support of the Institute, Nepal Chartered Accountants Students Association organized 1st International CA Students Conference in Kathmandu on 17 March 2018, with the theme "Lead the Profession, Lead the Nation" for the first time in Nepal. Students from SAFA member bodies and National and International renowned personalities in field of management, ethics, spirituality etc. participated. More than 400 students and representatives of various Professional Accounting Bodies/ Institutions participated in the conference.

Examination

The number of students appearing in the examination has risen sharply, altogether 5211 candidates appeared in different level of CA examination and 411 candidates appeared for the CA membership examination. During the year 39 students qualified in the CAP III/Final level examination. Similarly 274 students in CAP II level, 933 students in CAP I level were declared successful.



Similarly, 51 candidates qualified the CA membership examination and 4 students were declared successful in the Accounting Technician Examination.

International Participation and Co-operation

ICAN has shown a strong presence in various International forums like IFAC, CAPA and SAFA and put forward our issues and ideas. The Institute participated in the various board meeting, assembly and committee meeting of these accounting bodies and put forward issues and ideas and has accomplished task assigned with capability. The Institute's effective participation provided platforms to present itself, which I believe has assisted in enhancing the recognition of the Institute.

Continuing our participation at International and Regional sphere, the Institute successfully hosted three South Asian Federation of Accountants (SAFA) events in August 2017, January-February 2018 and May 2018 in Kathmandu.

For the first time, the Institute hosted Confederation of Asian and Pacific Accountants (CAPA) events with Annual General Meeting/Members Meeting and various Committee Meetings in May 2018 along with a full day International Public Sector Conference. For the first time, the Institute hosted SAFA Quiz and Elocution Contest on 30 January 2018 in Kathmandu. Coinciding to this the Institute also hosted SAFA Best Presented Annual Reports Awards and SAARC Anniversary for Corporate Governance Disclosure Ceremony, 2016.

Human Resource

The Council of the Institute has appointed a new Executive Director CA. Sanjay Kumar Sinha as an Executive Director (ED) of the Institute for a term of four years, effective from 1 September 2017. During the year, to cope with the increasing work the Institute has recruited various staffs.

In order, to increase the skill, knowledge and efficiency of the staff, the Institute has imparted various training program to the staff on need basis.

Financial Result Review

Institute has prepared its financial statements complying NFRS. On review of the financial performance for the year 2074/075, income from education activities have been increased by 18.55 % , Similarly, income from membership and professional development activities have been increased by 18.66% and 48.44% respectively, whereas income from examination activities have been decreased by 2.46 %. The overall core activities income has been increased by

15.73%. The operational activities expenses and employee benefit expenses have been increased by 26.71% and 1.36% respectively as compared to previous year. Overall, the Institute's income for 2074/075 has been increased by 20.26% to Rs. 182.15 million (last year Rs. 151.46 million).

The surplus after income tax for the year is Rs 55.50 million against Rs 44.61 million in previous year.

The size of balance sheet as on this year-end is Rs. 537.94 million against Rs. 452.03 million in previous year and net cash outflow for the year is Rs. 59.79 million against Rs. 51.77 million of the previous year.

Acknowledgement

ICAN has been enhancing the professional capabilities of its members and is getting recognized Nationally and Internationally as well. I believe; success is a journey and not a destination. I would like to mention that all these developments and achievements is the outcome of hard-work, perseverance and valuable support and guidance received from the Council Members, Past Presidents, Regulating Authorities, Government Officials, Members of the various standing and non - standing committee, Boards and various task force, Members of the Institute, stakeholders and staff, without their support and co-operation would not have achieved the desired results. We should continue focusing the development of the profession in more effective manner and always look for role in contributing the process of nation building.

ICAN as a regulatory body in the profession of accountancy in Nepal focuses its goals and its role in formulating and implementing financial/corporate laws, fiscal policies, investment policies, maintaining financial transparency, etc. with highest ethical standard and behavior. I look forward with anticipation and expectation for the same support and contribution in bringing the Institute to a greater height of Glory.

Last but not the least, I cannot conclude without giving thanks to recognize the spirit of team work and hard works of the staffs led by CA. Sanjay Kumar Sinha, Executive Director of the Institute for their tiring effort to drive the Institute to a greater height of progress.

Best Wishes

CA. Jagannath Upadhyay Niraula
31 January 2019



Brief Outline of the Institute of Chartered Accountants of Nepal

Council

The council as constituted under the Nepal Chartered Accountants Act, 1997 governs the Institute. It consists of seventeen members of whom ten are elected from Chartered Accountants members, four from Registered Auditor members and the remaining three are nominated by the Government of Nepal at the recommendation of the Office of the Auditor General. The Council is elected every three years. The President and Vice President are elected from the fellow Chartered Accountants members of the Council for the period of one year. The Council being the governing body of the institute has the right to regulate accounting profession in the country as conferred by Act.

Regulations and Bye- Laws

The activities of the Institute are administered under the Nepal Chartered Accountants Regulation, 2004. In addition the Council has approved the various procedures for conducting its activities.

The Executive Director

An Executive Director appointed by the Council for the term of four year is the Chief Executive Officer of the Institute and executes the decision of the Council.

Organization Structure

The organization structure of ICAN comprises of the Council and four Directorate namely Professional and Member Affairs, Corporate Affairs, Board of Studies and Examination. The structure is exhibited in the Annex I.

Committees

The Act provides for four standing committees to advice and facilitates the council in taking its decisions. Except the Disciplinary Committee, the President and Vice- president of the Council are Ex-officio Chairman and Vice- chairman respectively of all standing committee. The Council has constituted various Non-Standing Committees. The name of Committees, Boards and its members are exhibited in the Annex III.

International Relation/Participation

MoU Signed between ICAN and ICAI

The Memorandum of Understanding (MoU) has been signed on 24 August 2017 between The Institute of Chartered Accountants of Nepal (ICAN) and The Institute of Chartered Accountants of India (ICAI) during the official visit of Prime Minister Mr. Sher Bahadur Deuba to India.



Glimpse of MOU Signed between ICAN & ICAI

The MoU has been signed by CA Prakash Jung Thapa, President of ICAN and CA. Nilesh Vikamsey, President of ICAI at the special ceremony at Hyderabad House New Delhi in the presence of Honorable Prime Minister of Nepal Mr. Sher Bahadur Deuba and Honorable Prime Minister of India Mr. Narendra Modi, present in the occasion were other high level officials of two countries. Vice President CA. Jagannath Upadhyay Niraula was also present at the ceremony.

Visit of the Representatives of the Institute of Chartered Accountants of England and Wales (ICAEW)



Meeting with the Representatives of ICAEW

To provide the pace of Audit Quality Assurance Review (QAR) work, a team of the Institute of Chartered Accountants of England and Wales (ICAEW) that included Alan Hind and Matthew Helsby, visited Kathmandu in October 2017 for ten days. During the visit they conducted the theoretical training to the ICAN staff on Quality Assurance Review. In course of practical training, the staff visited two audit firms to get exposure on Audit Quality Assurance for field exercise. The visiting team also discussed on various aspects of QAR with the Council Members, Past Presidents and Members of Quality Assurance Board on 27 October 2017 and asked about the progress of quality assurance review activities undertaken.

Participation in IFAC Council Meeting

A delegation comprised of ICAN President CA. Prakash Jung Thapa and Vice-president CA. Jagannath Upadhyay Niraula participated in the IFAC Council Meeting held in Brussels, Belgium from 14 November to 16 November 2017. During the visit they had the opportunity to meet with delegates of Association of Chartered Certified Accountants (ACCA), Chartered Accountants Australia and New Zealand (CA ANZ) and The Institute of Chartered Accountants in England and Wales (ICAEW) and discussed on the possibilities of strengthening technical cooperation between the Institutions and explore pathway for members of the Institutes in each other.

SAFA Board, Committee Meetings and International Conference on Accountancy Profession



Participants at SAFA Board Committee and International Conference



A seven member delegation headed by ICAN President CA. Prakash Jung Thapa visited India to attend the SAFA Board and Committee Meeting and to participate in the International Conference on Accountancy Profession: Convergence and Sustainability in Digital Era organized by The Institute of Chartered Accountants of India (ICAI) from 5 to 9 December 2017 in Mumbai. The other delegates included were Vice-president CA. Jagannath Upadhyay Niraula, SAFA Vice President and Past President CA. Suvod Kumar Karn, Council Members CA. Bhaskar Singh Lala, RA. Yadav Prasad Nyaupane, Executive Director CA. Sanjay Kumar Sinha and Joint Director Mr. Binod Neupane.

SAFA Board, Committee Meetings and Workshop in Sri Lanka



49th SAFA Board Meeting

A delegation of four members led by ICAN President CA. Prakash Jung Thapa visited Sri Lanka from 30 October to 1 November 2017 to attend the 49th SAFA Board Meeting, various Committee Meetings and also participated in NOCLAR, IFRS 15 Workshop from 30 October to 1 November 2017.

The other members included were Vice-President CA. Jagannath Upadhyay Niraula, Council Member RA. Dhruva Prasad Paudel and SAFA Vice-President and ICAN Past President CA. Suvod Kumar Karn.

CAPA Board, Committee, 60th Anniversary and Annual General Meeting

A team comprises of 3 members led by ICAN Immediate Past President CA. Mahesh Khanal visited Malaysia to attended the CAPA Board Meeting and various Committee meetings from 7 to 9 November 2017. Similarly the team

also participated in 60th Anniversary and AGM of CAPA from 9 to 10 November 2017. The other members were Past President CA. Prakash Lamsal and Council Member RA. Ganesh Raj Rai.

ICAN Signs MoU with CIPFA



Glimpse of Exchanging MoU in the Presence of Rt. Honorable Vice President of Nepal Mr. Nanda Bahadur Pun

The Institute of Chartered Accountants of Nepal (ICAN) and The Chartered Institute of Public Finance and Accountancy (CIPFA) have signed and exchanged a Memorandum of Understanding (MoU) in Kathmandu for strengthening the public financial management in Nepal on 31 January 2018. The MOU was jointly signed by president of ICAN CA. Prakash Jung Thapa and President of CIPFA Mr. Andrew Burns. The MoU was exchanged in the gracious presence of Rt. Honorable Vice President of Nepal Mr. Nanda Bahadur Pun.

Speaking on the signing ceremony, CIPFA President Andrew Burns stressed that the confidence and capacity amongst public finance professionals could be enhanced by working together. Further he focused on the benefit that the Nepalese citizen could gain from the MoU. Similarly, ICAN President CA. Prakash Jung Thapa highlighted that the MoU could be the milestone to build center of excellence for strengthening public financial management in Nepal.

Meeting with representatives of Auditing and Accounting Standards Board of Bhutan (AASBB)

President CA. Prakash Jung Thapa, along with Vice-President CA. Jagannath Upadhyay (Niraula) and Executive Director CA. Sanjay Kumar Sinha had a meeting with delegation of AASBB, Mr. Tshering Dorji and

Ms. Kinzang Wangmo at the Institute on 2 February 2018. During the meeting representative of AASBB were briefed about the Institute, Structure of Accounting Standards Board, NFRS Implementation and other activities in field of auditing and accounting in Nepal. Chairman Accounting Standards Board, CA. Narendra Bhattarai and the Board members were also present during the meeting.

ICAN Signs MoU with CA ANZ

The team led by the ICAN President CA. Prakash Jung Thapa visited Australia along with other Council Members for signing ceremony of Memorandum of Understanding (MoU) with Chartered Accountants Australia and New Zealand (CA ANZ). The both professional Institutes signed in the MoU a Mutual Recognition Arrangement for getting reciprocal membership on 7 March 2018 in Sydney Australia.

During the MoU signing ceremony CA ANZ President Ms. Jane Stanton and ICAN Council Members CA. Bhava Nath Dahal, RA. Ganesh Raj Rai and Mr. Baburam Gautam were also present. The MoU was exchanged at the cordial function organized in Sydney Australia in the presence of Mr. Deepak Khadka, Honorary Consulate General of Nepal in New South Wales. The Leaders of Non-Resident Nepalese Association-Australia, Nepalese Community and Business organizations, ICAN members and large number of professionals were also present at the signing function.

Chartered accountants members of ICAN now can get membership of CA ANZ and vice versa by fulfilling specified conditions based on the MoU.

Meeting with ICAEW

A high level delegation of ICAN led by President CA. Prakash Jung Thapa along with CA. Mahesh Khanal, Immediate Past President, CA. Prakash Lamsal, Past President and Chairman of Board of Studies, and RA. Surya Prasad Adhikari, Council Member had a meeting with senior Officials of Institute of Chartered Accountants of England and Wales (ICAEW) on 19-20 March 2018. The meetings were attended by senior officials of ICAEW including Ms. Fiona Wilkinson, Vice President, Mr. Mark Protherough, Executive Director, Mr. Mark Campbell, Director-International Capacity Building, Mr. Alan Hind, Consultant Quality Assurance and other senior management officials representing New Business Opportunities, International Relationship, Business Development and Capacity Building.



Participants at ICAEW Meeting

The meeting mainly focused on twinning of ICAN's syllabus with ICAEW, revisions of books, exam systems and procedures. The meeting also discussed on simplifying ICAEW membership pathway for ICAN members and update and way forward on Quality Assurance system and procedures which is under implementation. In the course of their visit to UK, ICAN delegates had a meeting with senior officials of Chartered Institute of Public Finance and Accountancy (CIPFA) on 21 March 2018. Following the MoU signed between ICAN and CIPFA on 31 January 2018, the meeting discussed on the action plan to help strengthen PFM in Nepal, membership pathway for ICAN members including membership fees and membership to members of ICAN, capacity building and specially designed qualifications and training on PFM and IPSAS.

Meeting with AICPA

A delegation of ICAN had a meeting with senior officials of Association of International Certified Professional Accountants (AICPA) on 26 March 2018 at AICPA's Headquarter in Durham, North Carolina, United States. The meeting focused on education, examination and membership systems and process of AICPA. The meeting also discussed the possibility of technical cooperation between two Institutes and Membership Pathway and Mutual Recognition Agreement (MRA) for ICAN members.

President CA. Prakash Jung Thapa, Immediate Past President CA. Mahesh Khanal, Past President and Chairman Board of Studies CA. Prakash Lamsal and Council Member RA. Surya Prasad Adhikari represented the Institute whereas, Mr. James Brackens – Vice President, Ethics & Practice Quality - Public Accounting, Mr. Michael Decker – Vice President, Examinations - Public Accounting, Ms. Yvonne Hinson – Senior Director - Academic in Residence, Mr. Jim Knafo –



Director, Global Alliances - Public Accounting, Ms. Lisa Simpson – Associate Director, Firm Services, Ms. Kristin Hughes – Senior Manager, Member Specialization & Credentialing, Mr. Robert Fox – Senior Manager, Channel Management and Development, Mr. Brian Westbrook – Associate Manager, Membership and Ms. Lindsey Yopp – Senior Specialist, Global Alliances - Public Accounting attended from AICPA. The Association of International Certified Professional Accountants (AICPA) is the body of professional accountants, combining the American Institute of CPAs and the Chartered Institute of Management Accountants.

Setting up of “Foreign Chapter” Australian Chapter of the Institute of Chartered Accountants of Nepal (ICAN)

The Institute, with an objective to provide support to its members residing overseas, has opened its first overseas Chapter in Australia in a special function organized in Sydney, Australia on 7 March 2018. Delivering the opening speech, ICAN President CA Prakash Jung Thapa highlighted the importance of the overseas Chapter of ICAN.



Moment of ICAN Australia Chapter Opening

This is the very first foreign Chapter open in Australia for the benefit to the members residing in Australia and to have presence of ICAN Internationally. He believed that this forum will facilitate members to meet, discuss professional matters, share their expertise, work as point of contact with the institute and members, conduct CPEs and other matters of professional interest.

Setting up of “Foreign Chapter” US Chapter of the Institute of Chartered Accountants of Nepal (ICAN)

In its continued efforts to mark its International presence and to support the members of the Institute residing overseas, the Institute has opened its second Overseas Chapter in United States of America on 24 March 2018 in a special function organized in Virginia, United States of America. President CA. Prakash Jung Thapa inaugurated the US Chapter of the Institute and outlined on institute’s activities, initiatives and objectives of overseas Chapters.



Moment of ICAN US Chapter Opening

The program was addressed by Immediate Past President CA. Mahesh Khanal, Past President and Chairman of Board of Studies, CA. Prakash Lamsal and Council Member RA. Surya Prasad Adhikari representing the Institute, Mr. Krishna Raj Pokhrel, Economic Counselor - Embassy of Nepal in Unites States, Mr. Gary Pflugrath, Senior Director, International Federation of Accountants (IFAC), Mr. Prem Upadhya, Under Secretary, Ministry of Finance (GoN), Mr. Khem Sharma, Senior Official (US Government), Mr. David Freeman, President of DC Metro Chapter of Association of Chartered Accountants in Unites States (ACAUS). CA. Ganesh Baniya, Coordinator of the Interim Committee of US Chapter delivered the welcome address, CA. Naya Raj Baral, member of the Interim committee extended the vote of thanks and CA. Namisha Bhattarai hosted the program as master of ceremony. The program was attended by leaders of Non-Resident Nepalese Association and Community Organizations in USA and members of the Institute and other professionals living in various states of USA.

Training, Seminar and Workshop

Conference on “Dynamics of Accounting and Financial Management”

On the special occasion of Oath Taking Ceremony of newly elected President and Vice-President of The Institute of Chartered Accountants of Nepal (ICAN), the Institute organized a full day Conference on the “**Dynamics of Accounting and Financial Management**” on 17 July 2017 (02 Shrawan 2074) Monday at Hotel Soaltee Crowne Plaza, Tahachal, Kathmandu.



Panelist at the Conference

The program commenced with a welcome speech and was conducted in three technical sessions. In the first and third session paper were presented while in the second session panel discussion was held. The conference focused on the recent development in BAFIA and Companies Act, NFRS implementation and experience sharing under panel discussion and Budgetary System in Federal Structure and its Implementation.

Training Program on NFRS for Insurance Companies



Participants with the ICAN Officials at NFRS Training

The Institute of Chartered Accountants of Nepal (ICAN) jointly with Insurance Board (Beema Samiti) organized a three days training program on NFRS for Insurance Companies from 17 to 19 September 2017 at Soaltee Crowne Plaza, Kathmandu. The training program covered implementation of NFRS to Insurance Companies in Nepal which was participated by the representatives of Insurance Companies and Insurance Board of Nepal.

Inaugurating the program, ICAN President CA. Prakash Jung Thapa remarkably elaborated about the applicability of NFRS to Insurance Companies from 2016/17 and the objectives of the program organized to cater comprehensive knowledge among the participants and implications of non-compliance.

The training program was conducted for three days in twelve sessions, which was participated by 69 officials from 37 insurance companies.

Workshop on Accounting Profession-Recent Development

The Institute of Chartered Accountants of Nepal organized a full day workshop on Accounting Profession-Recent Development in Biratnagar, Morang on 14 October 2017.

The Program commenced with a welcome speech by Coordinator of ICAN Biratnagar Branch Coordination Committee CA. Pawan Rathi. Vice President CA. Jagannath Upadhyay Niraula gave the opening address in the program. The program was conducted in four technical sessions.

Addressing the closing session President CA. Prakash Jung Thapa hoped that the knowledge gained by the participants would enhance the performance of the members to deliver.

NFRS Training Program, Biratnagar

The Institute of Chartered Accountants of Nepal (ICAN) organized a two days training program on NFRS for Commercial Banks, Development Banks, Finance Companies and Microfinance Institutions from

17 and 18 November 2017 at Biratnagar. Inaugurating the program, Chairman of the program CA. Sanjay Kumar Sinha, Executive Director ICAN and Special Guest, Director of Nepal Rastra Bank, Mr. Binod Raj Acharya highlighted on the objectives and need of the program. The training program was arranged to provide comprehensive knowledge about NFRS among the participants and implications of non-compliance. More than 90 individuals actively participated in the interaction program.

Vice President CA. Jagannath Upadhyay Niraula gave a closing remarks about the program and thanked all the participants for their active participation.

RA Capacity Development Training



RA Capacity Development Training

The Institute organized a series of trainings on Data Analytics in different places of Country for its members on different dates as part of capacity development programs designed to enhance the capacity of its members in information technology. The training included different topic of excel such as excel as an audit tool, application and database, specific audit software etc.

SAFA International Conference



Glimpse of Inauguration of SAFA International Conference

The Institute of Chartered Accountants of Nepal (ICAN) jointly with the Certified Professional Accountants

(CPA) Afghanistan hosted the SAFA International Conference on “Role of Professional Accountants in Economic Development and Sustainability” on 27-28 August 2017 in Kathmandu.

The Chief Guest of the program was Honorable Deputy Prime Minister and Education Minister Mr. Gopal Man Shrestha, and the Guest of Honors of the program Honorable Auditor General Mr. Tanka Mani Sharma (Dangal), Mr. ASM Nayeem, President SAFA and Dr. Said Naim Sadat- Coordinator, Treasury Department of Afghanistan.

The program started with a welcome address by the ICAN President CA. Prakash Jung Thapa and President CPA Afghanistan Mr. Muhammad Zarif Ludin. Similarly program was addressed by the Guest of Honors and Chief Guest of the program.

Chief Guest and the Guest of Honors appraised the Institute for the recognition in International arena and for the development of accounting profession in Nepal and also congratulate the Institute and CPA Afghanistan for hosting International program in Kathmandu.

The Conference was conducted on topics such as “Role of Professional Accountants in Economics Development”, “Fighting Financial Crimes for Sustainable Economic Development”, “Future of Reporting/Future of Profession” and “Contribution to Integrated Reporting Framework to Enhance Transparency in Financial Sector” in four technical sessions. Working paper of the conference was presented by the panelists of the sessions and also the moderators of different sessions presented a paper along with the moderation of the panelist.

Guest of Honors, SAFA President and Chief Guest addressed in the program. Similarly, Vice- President CA. Jagannath Upadhyay Niraula gave away the vote of thanks to the National and International delegates and all other participants.

Heads of the SAFA Accounting bodies were also present in the International Conference. Conference was observed by the representatives from all SAARC countries.

More than 225 participants, both National & International actively participated in the conference.

SAFA International CFO Conference



President CA. Prakash Jung Thapa addressing the Conference

The Institute of Chartered Accountants of Nepal (ICAN) hosted the SAFA International CFO Conference on the theme “Evolving Economic Environment - Challenges and Way Forward” on 31 January 2018 in Kathmandu.

The Conference was inaugurated by the Rt. Honorable Vice President of Nepal Mr. Nanda Bahadur Pun by lightning the lamp. Mr. Andrew Burns, President CIPFA delivered the key note speech on Role of Chief Financial Officer (CFO) in the conference. Renowned National and International speakers presented the papers in the Conference.

More than 170 national participants and more than 100 delegates from SAFA member bodies actively participated in the International Conference.

CPE Training Conducted

The Institute together with other outsourced units organized 3 days CPE training in different places as scheduled during the period of January to March 2018 as part of capacity building program designed to update the professional knowledge of members. During the period of January to March 2018 CPE training were conducted in Dang, Janakpur, Bhairawa, Hetauda, Nepalgunj, Birtamod, Pokhara, Biratnagar, Narayanghat, Dhangadi and Butwal.

Training on NFRS for SMEs

The Institute organized a two-days training on NFRS for SMEs in Lahan, Siraha for its members on 22 and 23 June 2018. The training included different topic of NFRS. Program was organized in the presence of Chairman of Member Capacity Development

Committee RA. Surya Prasad Adhikari and Mr. Binod Prasad Neupane. Altogether 25 members of ICAN participated in the training program.

International Public-Sector Conference

The Institute organized International Public-Sector Conference on the theme “Public Sector Financial Management: Enhanced Accountability and Transparency” on 12 May 2018 at Hotel Yak and Yeti, Kathmandu, jointly with Public Expenditure and Financial Accountability (PEFA) Secretariat in association with Confederation of Asian and Pacific Accountants (CAPA).

Honorable Finance Minister of Nepal, Dr. Yuba Raj Khatiwada inaugurated the Conference by lightning the lamp.

ICAN President CA. Prakash Jung Thapa welcomed the participants and highlighted the importance of conference in present context of Nepal being transformed from Central Structure to Federal, Provincial and Local level. He mentioned that this transformation in the governance structure has created avenues of more involvement of professionals in Government Organizations for strengthening Public Sector Financial Management (PSFM).

Speaking at the inauguration ceremony, Honorable Finance Minister briefed about the present situation of Public Financial Management (PFM) and its relation with the fiscal policies and budget. He highlighted the role of professional accountants to develop and enforce the instruments for better management of Government’s revenue and expenditure by establishing a stringent system of control for combating corruption. He further highlighted the need to frame institutional and policy frameworks for sound PFM particularly in the context of present federal setup where the Local and Provincial Governments have been entrusted with role of collecting revenue and spending budget.

Similarly, Guest of Honour, Honorable Auditor General of Nepal Mr. Tanka Mani Sharma (Dangal) highlighted the role of ICAN and its members in enhancing good governance. Speaking in the occasion, he emphasized on the adoption of NFRS and NPSAS along with necessity of incorporating Public Financial Management (PFM) in curriculum of school and colleges and stressed that effective implementation of



PFM will help in making federalism a success in Nepal. Mr. Sharma appealed professional accountants to perform their duty with highest professional standards.

CAPA President CA. Manoj Fadnis and SAFA President CA. (Dr.) Suvod Kumar Karn highlighted the importance of the Conference whereas Mr. Anwaruddin Chowdhury, FCA, Institute of Chartered Accountants of Bangladesh (ICAB) delivered the key note speech in the conference.

The conference was participated by delegates from 23 CAPA and SAFA Member Countries, Government Officials, Members of Institute, Representatives of Business Organizations and Development Partners and Professionals.

The conference concluded with a vote of thanks from Vice President of ICAN CA. Jagannath Upadhyay (Niraula).



Honorable Finance Minister of Nepal Dr. Yuba Raj Khatriwada inaugurating the program.



Events and Activities

MoU with Asian Development Bank Renewed

The Institute of Chartered Accountants of Nepal and Asian Development Bank have renewed the MoU on Audit Quality Assurance System Roadmap till 30 June 2019 with the recommendation of The Institute of Chartered Accountants of England and Wales (ICAEW).

Initially, MoU was signed on 3 April 2015 for the Implementation of Audit Quality Assurance System in ICAN.

Interaction Program on Issues Related to Auditing and Role of Monitoring Committee

The Institute of Chartered Accountants of Nepal organized a half day interaction program on Issues Related to Auditing and Role of Monitoring Committee with the members of ICAN on 15 September 2017 at ICAN premises, Satdobato Lalitpur. Chairman of the Monitoring Committee CA. Suresh Devkota welcome the participants and spoke about the need of organizing the program. President CA. Prakash Jung Thapa, Vice President CA. Jagannath Upadhyay Niraula and Executive Director CA. Sanjay Kumar Sinha addressed the program.

The program concluded with the closing remarks by the member of Monitoring Committee CA. Rabin Sapkota. Altogether 68 members of ICAN actively participated in the interaction program.

Similarly, the Institute organized an interaction program on **"Issues related to Auditing and Role of Monitoring Committee"** in Biratnagar, and Janakpur on 20 and 21 April 2017 (07 and 08 Baisakh 2075) respectively in order to develop, protect and promote the accounting profession by enabling professional accountants understand their responsibility towards the accounting profession. The interaction program was held in presence of Council Member and Member of Monitoring Committee RA. Ganesh Raj

Rai, and Member of Monitoring Committee CA. Ramesh Nepal.

During the interaction it was discussed on the present status of monitoring, areas requiring extensive monitoring and support of the Institute, challenges of auditing profession and measures to overcome them and other areas of auditing and monitoring.

Similarly, The Institute organized a Monitoring program on 22 Ashad 2075 in Nepalgunj as part of awareness program to the members on accounting practices, duties and responsibilities of auditors, current practices and codes, and actions that Institute is taking on non-compliance.

President CA. Prakash Jung Thapa emphasized the codes and standards that must be followed by members to maintain and uplift the image of the profession and enhance the public trust on the profession. The initiatives taken by institute along with other Government authorities to stop malpractices in accounting profession, monitoring system and mechanism of the Institute and roles of members were discussed in the program.

Members' Interaction Program in Surkhet

An interaction program with members was held in Surkhet on 23 Ashad 2075. President CA. Prakash Jung Thapa highlighted the activities of the Institute and emphasized the codes and standards that must be followed by members to maintain and uplift the image of the profession and enhance the public trust on the profession. The initiatives taken by institute along with other Government authorities to stop malpractices in accounting profession, monitoring system and mechanism of the Institute and roles of members were discussed at the program.

Interaction Program with the Bank Auditors

The Institute of Chartered Accountants of Nepal organized a half day interaction program with the

auditors of commercial banks and national level development banks on 18 August 2017 at ICAN Premises. During the interaction program 18 banks auditors representing 14 auditing firms participated in the program.

The interaction program provided an opportunity for members and other participants for understanding the dynamism of accounting and financial management. The interaction program identified the different opportunities and challenges for the auditors and the financial institutions and was found more effective as the participating members shared their experiences and some other issues while implementing NFRS in banking sector. Altogether 125 persons from different fields attended the interaction program. ICAN President CA. Prakash Jung Thapa, Vice President CA. Jagannath Upadhyay Niraula, Immediate Past President CA. Mahesh Khanal and Acting Executive Director Mr. Binod Prasad Neupane were present in the program.

Meeting with Regulatory Bodies

ICAN President CA. Prakash Jung Thapa, Vice President CA. Jagannath Upadhyay Niraula had a meeting with Governor, Dr. Chiranjivi Nepal and Deputy Governors and Executive Directors of Nepal Rastra Bank. During the visit they discussed on the contemporary issues related to accounting and auditing. Mainly they discussed on the matter of NFRS and its implementation as the NFRS has already been implemented in Banks and Financial Institutions.

Oath Taking Ceremony of Newly Elected President and Vice-President

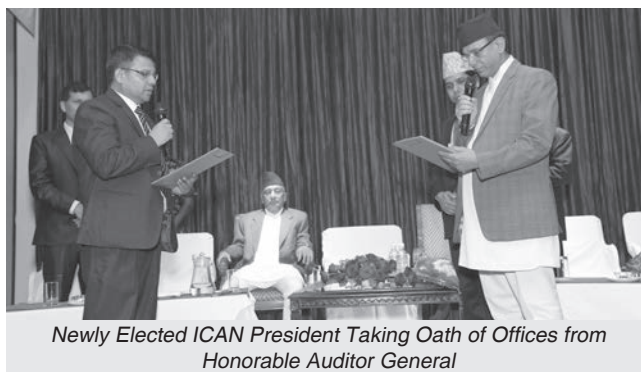
The Institute organized Oath Taking Ceremony of Newly Elected President and Vice President on 17 July 2017.

The ceremony was formally inaugurated by Chief Guest Honorable Finance Minister Gyanendra Bahadur Karki by lightning the lamp. Other dignitaries Honorable Auditor General of Nepal Tanka Mani Sharma Dangal, Dr. Rewat Bahadur Karki and Chairman of SEBON were also present in the occasion.



Honorable Finance Minister Gyanendra Bahadur Karki inaugurating the Program

In the occasion, President CA. Mahesh Khanal highlighted the key achievement made by the Institute in his presidential tenure and briefed about the various programs that the Institute celebrated. He emphasized on the NFRS implementation and implementation of Code of Ethics for the development of the accounting profession. He thanked all the stakeholders such as individuals, entities and the institutions for their support for making his tenure successful.



Newly Elected ICAN President Taking Oath of Offices from Honorable Auditor General

In the oath taking ceremony newly elected President CA. Prakash Jung Thapa took the oath of office from the Honorable Auditor General of Nepal Mr. Tanka Mani Sharma Dangal and the newly elected Vice President CA. Jagannath Upadhyay Niraula took the oath of office from the President CA. Prakash Jung Thapa in the presence of Honorable Finance Minister Gyanendra Bahadur Karki.

President CA. Mahesh Khanal tendered his responsibilities to newly elected President CA. Prakash Jung Thapa by handing over the President Medallion. Before being elected as a President, CA. Thapa executed his responsibilities as a Vice President for second term of 7th Council.

Accepting the presidential responsibilities, President CA. Prakash Jung Thapa thanked all Council Members for electing unanimously as a 21st President of the Institute. He seeks out and wished for the cooperation from Council Members, Past President, Staff of the Institute and all other stakeholders to make his tenure successful.

In the closing remarks, the newly elected Vice President CA. Jagannath Upadhyay Niraula made his commitment to support the new President and acknowledged the then President for his successful tenure.

National Best Presented Annual Report (BPA) Award 2016



Representative of Winner Organization Receiving the Award

The Institute organized National Best Presented Annual Report (BPA) Award 2016 at Soaltee Crowne Plaza, Kathmandu on 17 July 2017.

The Institute awarded National BPA Award in three different categories to those entities who had obtained the competitive marks on the Annual Financial Report of 2016. The BPA award has been provided to Banking Sector (Private and Public Sector), Financial Sector (Including Development Banks and Finance Companies) and General Sector. The BPA winners and the runner ups for 2016 were as follows.

Sector	Winner	First Runner up	Second Runner Up
Banking Sector (Private & Public Sector)	Standard Chartered Bank Nepal Ltd.	Nil	Nil
Financial Sector (Including Development Bank & Finance Companies)	Kailash Bikas Bank Ltd.	First Micro Finance Development Bank Ltd.	Goodwill Finance Ltd.
General Sector	Butwal Power Company Ltd.	Bottlers Nepal Ltd.	Nil

The Chief Guest of the Program Honorable Finance Minister Gyanendra Bahadur Karki gave away the award to the winners and the runner up.

Interaction Programs

The Institute organized an interaction programs between the Institute representatives and Members, Branch Advisory Committee, CA Students on 14 October and with Government Officials, College Principals/Authorities and representatives of Trade and Industry Association on 15 October 2017 at Biratnagar.

Accountancy Education Day Celebration



Walkathon Program in the occasion of Accountancy Education Day

The Institute of Chartered Accountants of Nepal (ICAN) organized a walkathon program in the occasion of Accountancy Education Day on 10 November 2017. The objective of the program was to widely spread a message about the significance of accountancy education, display all efforts and achievements in the field of accountancy, discuss the major issues and implement innovative strategies for the development of the accountancy education, provide an opportunity to showcase the talents of accounting students and encourage the people as well as popularize the accountancy education in the country. President CA. Prakash Jung Thapa inaugurated the walkathon program which started from Brikhuti Mandap, Kathmandu and passed through Bhadrakali, New Road, Jamal, Ghantaghar and assembled ended at Brikhuti Mandap. President, Vice President, Council Members, Past Presidents of ICAN, members and CA students, teachers and students from different colleges, government officials accounting professionals, eminent

educationist and media representatives participated in the walkathon program. Similarly on the same occasion a half day interaction program was conducted. Members of ICAN, CA students, government officials and others participated in the interaction program.

Meeting with World Bank Representatives

ICAN President CA. Prakash Jung Thapa along with Vice President CA. Jagannath Upadhyay Niraula and Executive Director CA. Sanjay Kumar Sinha had a brief meeting with the representatives of the World Bank on 8 November 2017. The meeting focused on revision of current course of study of ICAN, production of required human resources for government offices, training to existing human resources, ICAN representation in PEFA Committee, organized training to accounting staffs of local bodies in collaboration with Office of the Auditor General and Comptroller General Office.

Meeting with the Deans of Universities

ICAN President CA. Prakash Jung Thapa along with the Vice President CA. Jagannath Upadhyay Niraula had a separate meeting with Dean of Tribhuvan University and Pokhara University on 10 November 2017. In the meeting, the discussion was focused on providing equivalency to Chartered Accountancy course (professional course) with the academic course and degree.

Meeting with the Director General, Inland Revenue Department

ICAN President CA. Prakash Jung Thapa, along with Vice- President CA. Jagannath Upadhyay Niraula, and Executive Director CA. Sanjay Kumar Sinha had a meeting with Director General of Inland Revenue Department (IRD) Mr. Kishor Jung Karki on 8 November 2017. During the meeting, the officials discussed on the matters bringing synergy with IRD and for making contribution in the economic growth of the country. In the meeting, realizing the role of professional accountants, IRD proposed to co-operate and jointly work in the areas of data sharing related renewal status of audit license and audit threshold for ICAN member with IRD software, compulsory signature of auditor in Tax Audit Return Form, simplifying online VAT submission, attestation authority of Excise and Custom certificate to auditors etc.

Interaction Program at Office of Auditor General

President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Past President and Chairman of Board of Studies CA. Prakash Lamsal and Executive Director CA. Sanjay Kumar Sinha attended an interaction program organized by the Office of the Auditor General, Nepal on 17 January 2018. The objective of organizing the interaction program was to have effective implementation of Nepal Financial Reporting Standards (NFRS) and Nepal Public Sector Accounting Standards (NEPSAS) – Cash based in financial reporting by Government Business Organizations and by Public Sector Organizations.

Addressing to the program, CA. Prakash Jung Thapa emphasized in implementation of NFRS by all entities to whom it is made mandatory. The program focused on problems faced in implementation of NFRS and NEPSAS – Cash based by Government Business Organizations & Public Sector and measures to overcome these difficulties in future. The other participants in the interaction program were Ministry of Finance, Financial Comptroller General Office, Nepal Rastra Bank, Office of the Company Registrar, Accounting Standards Boards and Auditing Standards Board. All participating bodies committed to perform the assigned role and work together in order to produce best financial reports.

SAFA Best Presented Annual Reports Awards and SAARC Anniversary for Corporate Governance Disclosure Ceremony, 2016



The Winner of SAFA BPA Award receiving the Award

The Institute of Chartered Accountants of Nepal (ICAN) hosted SAFA Best Presented Annual Report Awards and SAARC Anniversary for Corporate Governance Disclosures Ceremony, 2016 as a SAFA event on 31 January 2018 in Kathmandu. Altogether eighty four entities were awarded with SAFA Best Presented Annual Report Awards, 2016 and Nine entities received the SAARC Anniversary award for Corporate Governance Disclosure, 2016.

SAFA Best Presented Annual Report Awards, 2016 were awarded in 12 different categories which are given below.

SAFA Best Presented Annual Report Awards, 2016 (Total 84 Entities Selected)	
Communication and Information Technology	Private Sector Banks (Including Co-operative Banks)
Diversified Holdings	Public Sector Banking Institutions
Financial Services	Public Sector Entities
Insurance	Service Sector (Excluding Financial Services & Communication & IT Sector)
Manufacturing	Agricultural Sector
Non-Governmental Organizations (Including NPOs)	Integrated Reporting

The award reflects SAFA’s firm commitment to serving the public interest and contributing towards the economic development in the SAARC Region. The financial statements of various organizations of the SAARC Region were evaluated by the technical team for selection of best presented annual reports.

Chief Guest Honorable Auditor General of Nepal Mr. Tanka Mani Sharma Dangal, Finance Secretary of Nepal Mr. Shankar Prasad Adhikari, SAFA President CA.(Dr.) Suvod Kumar Karn, CAPA President Mr. Manoj Fadnis and President of ICAN, CA. Prakash Jung Thapa conferred the awards to the Chairman, Directors, CEO, CFOs and representatives of concerned winner organizations of SAFA countries.

In the occasion, the Institute hosted SAFA Quiz and Elocution contest on 30 January 2018 in Kathmandu in the presence of delegates from SAFA, IFAC, IAESB, CAPA and Professional Accounting Organizations with an objective to motivate students towards the focused study of financial reporting standards and to develop the future speakers for the profession. National winners of SAFA member bodies participated in the contests.

Altogether, 16 and 15 students from SAFA member bodies participated in SAFA Quiz Contest and SAFA Elocution Contest respectively. The winner Institutions are as follows:

S.No	Representing Institute	Remarks
1.	The Institute of Chartered Accountants of Nepal (ICAN)	Winners of SAFA Quiz Contest
2.	The Institute of Chartered Accountants of Pakistan (ICAP)	Runner Up of the SAFA Quiz Contest
3.	The Institute of Chartered Accountants of India (ICAI)	Winner of SAFA Elocution Contest 1 st Runner Up of SAFA Elocution Contest
4.	The Institute of Chartered Accountants of Bangladesh (ICAB)	2 nd Runner Up of SAFA Elocution Contest



The Winners of SAFA BPA Award with the Chief Guest and Other Guest of the Program

The winners of the contests were awarded with cash prize, certificates and trophy jointly by Chief Guest Mr. Chris Austin, President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Immediate Past President CA. Mahesh Khanal and Past President, Chairman Board of studies and CAPA Board Director CA. Prakash Lamsal. This is the second time that such contest was organized in SAARC Region.



Participants at SAFA Quiz and Elocution Contest with the team of Jury

Naming Ceremony of ICAN Marg

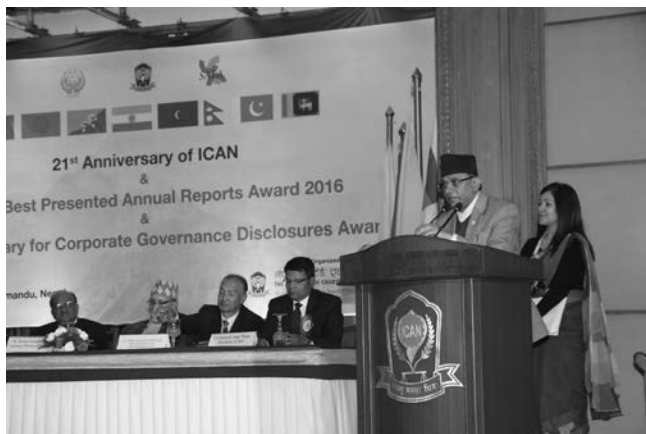


ICAN President and the Ward Representative of Ward no 15 of Lalitpur Metropolitan City jointly inaugurating the ICAN Marg

ICAN has declared the name of road located in front of Head Office Satdobato, Lalitpur starting from Kani Bahal Sinchahiti to Ring Road on 31 January 2018 after obtaining due approval of Ward Number 15, Lalitpur Metropolitan City as a result of Institute's continued effort to announce as "ICAN Marg". The name was declared on the special day of Institute's 21st Anniversary.

CA. Prakash Jung Thapa, President of the Institute and representative of Ward Number 15, Lalitpur Metropolitan City jointly inaugurated the Marg. Vice President, Council Members, Past Presidents, Staff of the Institute, Deputy Superintendent of Police, Metropolitan Police Circle, Satdobato Lalitpur and general public of Lalitpur Metropolitan City were present in the naming Ceremony.

21st ICAN Anniversary Program



Honorable Auditor General of Nepal Mr. Tanka Mani Sharma (Dangal) addressing on the 21st Anniversary Program of ICAN

The Institute of Chartered Accountants of Nepal (ICAN) marked its 21st anniversary on 17 Magh 2074 (31 January 2018) in Kathmandu. The anniversary program was inaugurated by Honorable Auditor General of Nepal, Mr. Tanka Mani Sharma Dangal in Kathmandu. In the occasion, President CA. Prakash Jung Thapa presented annual report of fiscal year 2016/17 and highlighted the various milestones achieved by the Institute.

The Institute felicitated the Past President of Fourth Council, CA. Ratna Raj Bajracharya and CA. Tanka Prasad Paneru in the anniversary program in recognition to their contribution in the field of accounting profession.



Rank Holder Students with Chief Guest and ICAN President

The Chief Guest distributed the Certificates and Medals to Merit Holder Students of Chartered Accountancy Examinations conducted in December, 2016 and June, 2017 in the presence of respective founder of the Medal Fund.

The Institute also awarded with Certificate of Best Article of the Year 2073/74 to Mr. Tula Raj Basyal, Former Executive Director NRB for the article entitled "Challenges of Regulating Liquidity in the Banking System" published in March 2017 Issue of The Nepal Chartered Accountant's Journal.

Similarly, for the first time, ICAN honored with Certificate of Appreciation to NIC Asia Bank Ltd. for employing maximum numbers of Chartered Accountants by any organization in the country.

The ceremony was concluded by Vice President, CA. Jagannath Upadhyay (Niraula) with vote of thanks.



Launching of ICAN E-News

The Institute of Chartered Accountants of Nepal (ICAN) has launched the “E-News” to the members, students and other stakeholders effective from 1 January 2018. E-News is an initiative to provide an overview of Institute’s activities, achievements, upcoming events and developments in accounting profession. It will also serve a variety of purposes which includes timely update on recent policy changes as well as developments in the field of Auditing, Accounting, Professional Standards, Legislation and the Economy. It is hoped that this service will create value addition to our Members, Students and Stakeholders in rapidly changing financial and economic landscape and its impact on our profession. The Institute publishes the E-News fortnightly i.e. 1st day of the Nepalese Calendar and Gregorian Calendar Month.

Interaction Program on Quality Assurance Review Organized

The Quality Assurance Board (QAB) organized an Interaction Program on Quality Assurance Review (QAR) on 25 May 2018 in Kathmandu.

The Interaction Program was organized to impart the initiatives taken by QAB to ensure quality assurance review of its member’s practice and obtain the feedback and suggestions from members in Practice. Executive Director of the Institute CA. Sanjay Kumar Sinha welcomed the participants. The interaction program was addressed by Chairman of QAB Mr. Ramesh Raj Satyal and President of the Institute CA. Prakash Jung Thapa.

President CA. Prakash Jung Thapa briefed about the Institute’s strategies and initiatives to establish the effective system of Quality Assurance Review (QAR) of Practicing Units (PU) to meet the International Standards and fully comply with the IFAC’s Statement of Members Obligation (SMO 1 – Quality Assurance). President highlighted on importance of Quality Assurance Review from the QAB and the need to meet the expectation of Government, Corporate Sector, and General Public in regard to quality of professional services.

Similarly, Chairman of Quality Assurance Board Mr. Ramesh Raj Satyal briefed about the management structure of the Quality Assurance Board, independence and authority of the Board, Board’s proceedings,

procedure of selection of PU’s for QA, process of selecting and prioritizing the audit file for QA, progress achieved so far by the QAB, legal framework of QA, and the plans of the Board to rigorously implement QA system within a reasonable timeframe.

CA. Kiran Kumar Khatri, Joint Director of ICAN made a presentation conveying scope of review, focus and priorities of review, ICAN’s QA Framework, questionnaires and responses, notice to PU before QA takes place, QA report and matters of consideration of the report by the QAB.

After the completion of remarks and presentation, the floor was opened for discussion where more than 10 participants suggested the effective measures to make QA a success and appreciated the efforts of Institute and QAB for the initiations taken so far.

NSA 2018 Pronounced

The Council of the Institute has pronounced Nepal Standards on Auditing (NSA) 2018 on the recommendation of Auditing Standards Board (AuSB). The NSA 2018 was prepared based on the International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements of International Auditing and Assurance Standards Board (IAASB) published in 2016. This version of NSA has altogether 49 Standards that includes Nepal Standards on Quality Control (NSQC), Nepal Standards on Auditing (NSA), Nepal Auditing Practice Note (NAPN), Nepal Standards on Review Engagement (NSRE), Nepal Standard on Assurance Engagement (NSAE), Amended Nepal Framework for Assurance Engagement etc.

Nepal Standards on Auditing, 2018 has been pronounced from 17 July 2018 voluntarily and mandatory compliance from 17 July 2019 except for NSA 701 - Communicating Key Audit Matters in the Independent Auditor’s Report.

CPE Guideline Amended

Continues Professional Education (CPE) Guidelines has been amended / updated by the Council to comply with the Statement of Members Obligation (SMO) issued by International Federation of Accountants (IFAC) as per recommendation of CPE Committee of the Institute. The amendments shall come into effect from 01 Shrawan 2075.

Strategic Plan (SP) II 2018-20 Approved

The Council of the Institute has approved Strategic Plan II (2018-2020) as a road map for three years to carry out the necessary procedures and operations to make the Institute more productive and achieve its the goals. Its implementation is believed to be responsive to the changing needs of the profession that has identified the direction of the Institute into the future which shall serve as guidance for the decisions of the Council, Committees and periodic action plan of the departments of the Institute.

New Members Welcome & Certificate Presentation Ceremony



New ICAN members with ICAN Officials

The Institute organized New Member Welcome Program and Certificate Presentation Ceremony at ICAN Building, ICAN Marg, Satdobato, Lalitpur on June 3, 2018. The objective of the program was to welcome new Chartered Accountant Members in the fraternity of members of ICAN and to brief them about the opportunities available in the profession, to share achievement with their friends and family, meet fellow members and networking, share expectation of each other, find out more about the services and facilities available to members.

Interaction Program on Chartered Accountancy Education

The Institute organized a full day interaction program on 27 April 2018 (14 Baisakh 2075) with principals and account faculty of 50 schools and colleges. The program imparted information regarding the roles and responsibilities of ICAN, present status of CA education in Nepal and the responsibility of Chartered Accountants towards the society.

The program began with the welcome remark from the Executive Director, CA. Sanjay Kumar Sinha followed with a presentation by Deputy Director CA. Gaurav Khwanju Shrestha highlighting the opportunities available to the Chartered Accountants, challenges and the way forward. President CA. Prakash Jung Thapa responded to queries raised regarding Chartered Accountancy education, its opportunity and challenges thereof.

Altogether, 60 participants including principals and account faculty participated in the program.

CAPA Board, Member, AGM and Committee Meetings Hosted



Glimpse of CAPA Board Meeting

The Institute hosted the Directors Meeting, Governance and Audit Committee Meeting, Accounting Technician Task Force Meeting and Public Sector Financial Management Committee Meeting of Confederation of Asian and Pacific Accountants (CAPA), a regional organization representing thirty-two professional accounting bodies operating in twenty-three jurisdictions in Asian and Pacific region on 11 May 2018.

CAPA Directors and Members of various Committees were present at the CAPA Board Meeting. CA. Manoj Fadnis, President of CAPA Chaired the meeting. The participants discussed on contemporary issues of accounting profession within the Asian Pacific region.

The Public Sector Financial Management Committee Meeting was attended by President CA. Prakash Jung Thapa and Immediate Past President CA. Mahesh Khanal where Mr. Thapa presented a progress report on the initiatives taken by the Government of Nepal in strengthening public financial management system since

2013 and the support extended by the Institute in this regard as Professional Accounting Body of the country and also elaborated about the opportunities available to the professionals in the changed Federal Structure of Governance. In the meeting, it was also briefed about the recent MoU with CIPFA to extend more technical and professional support to the Government.

Similarly, the Institute hosted Members Meeting and Annual General Meeting including Board Meeting of CAPA on 13 May 2018 which was attended by President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Immediate Past President CA. Mahesh Khanal, Past President and CAPA Director CA. Prakash Lamsal and Executive Director CA. Sanjay Kumar Sinha. These CAPA events/ meetings have been hosted by the Institute for the first time.

Besides regular agendas, the members meeting also provided a forum for presentation on **Enhanced Auditor Reporting (EAR)** derived from ISA 701 “Communicating Key Audit Matters (KAM) in the Auditor’s Report”. The idea behind the presentation was to brief the members about the methodology adopted by member bodies in implementation of KAM and also organized a brainstorming session among the participants to ascertain their views on the relevance of implementing ISA 701 Key Audit Matters (KAM).

The Members and Assembly meetings were attended by more than 50 delegates from 23 CAPA Member Countries.

SAFA Board Meeting

The Institute hosted 52nd Board Meeting of the South Asian Federation of Accountants (SAFA), an apex body of SAARC at hotel Yak and Yeti on 11 May 2018. The meeting was hosted coinciding with CAPA meetings/ events.



Delegates at the 52nd SAFA Board Meeting

The Board meeting was Chaired by the President of SAFA CA. (Dr.) Suvod Kumar Karn, Past President of ICAN and attended by 26 delegates of SAFA member bodies in the South Asian Countries including representatives from the World Bank and Chartered Accountants of Australia and New Zealand (CA ANZ). The meeting discussed on latest developments in accounting profession, recent developments in SAFA and formation of SAFA Women Empowerment Committee including the role of SAFA with regard to enhancing the Audit Quality in digitalized context.

A joint meeting of CAPA and SAFA was also organized for developing new strategies to address the issues of mutual interest in the field of accounting profession to bridge the gap and address the burning issues of accounting profession in one platform.

ISA Eligibility Test, Result and ISA Assessment Examination

The Institute of Chartered Accountants of Nepal conducted an ISA eligibility test on 11 November 2017 with the technical assistance of Institute of Chartered Accountants of India (ICAI).

Altogether 12 Chartered Accountant members of ICAN appeared in the eligibility test of which 5 candidates were declared successful.

Similarly, ISA Assessment Examination was held on 23 December 2017 at ICAN premises, Satdobato, Lalitpur with the technical assistance of ICAI, 4 Chartered Accountant were declared successful in the test.

Interaction Program on Role of Professionals in Public Finance Management

The Institute jointly with PEFA Secretariat/Nepal organized an interaction program on 2 February 2018 in Kathmandu on the theme “Role of Professionals in Public Finance Management” to impart the relevance of MoU signed with the Chartered Institute of Public Finance and Accountancy (CIPFA) and to facilitate the discussion among the key stakeholders about the importance of professionals in restructuring the Public Finance Management.



The Chief Guest of the program was Honorable Auditor General of Nepal Mr. Tanka Mani Sharma Dangal. The program was moderated by Mr. Baikuntha Aryal, Secretary, National Natural Resources and Fiscal Commission (NNRFC) and addressed by Mr. Kewal Prasad Bhandari, Joint Secretary, Ministry of Finance.

The Key speakers of the program were Mr. Andrew Burns, President, CIPFA and Ms. Salema Hafiz, Head of New and Emerging Markets, CIPFA, CA. Pradeep Kumar Shrestha, Past President, ICAN and Past Chairman of Accounting Standards Board, Mr. MurariNiraula, Member Secretary, PEFA Secretariat/ Nepal, Ms. Alta Prinsloo, Executive Director, Quality and Development and Chief Operating Officer, IFAC and Mr. Gray Pflugrath, Director, Public Policy and Regulation, IFAC. The program was participated by Past Presidents, Council Members of ICAN and officials/ representatives of Government of Nepal, Accounting Standards Board, Nepal, Auditing Standards Board, Nepal, Chartered Institute of Public Finance and Accountancy (CIPFA), International Federation of Accountants (IFAC) and Development Partners.

The program was aimed to strengthen the preparedness of the stakeholders towards standardizations and improvisations of PFM in Nepal. President CA. Prakash Jung Thapa underlined the vital role of Professionals in the reform initiatives of public sector by reshaping the finance function's operating procedure and stronger financial management which as a need has been recognized globally.

Meeting with Representatives of Office of the Company Registrar

Considering the need for coordination between Regulating Bodies, the representatives of the Institute, President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Past President, Chairman of Board of Studies, CA. Prakash Lamsal and Executive Director CA. Sanjay Kumar Sinha met with the Company Registrar Ms. Gita Kumari Humagain and Senior Officials on 5 February 2018. The meeting concluded to constitute a joint task force to tackle the problems faced in NFRS implementation. The Institute and Office of the Company Registrar also agreed to meet periodically at least once in fifteen days for collaborating on matters of common interest.

Meeting with Representatives of World Bank

President CA. Prakash Jung Thapa along with Vice-President CA. Jagannath Upadhyay (Niraula) and Executive Director CA. Sanjay Kumar Sinha had a meeting with representatives of the World Bank, Dr. George A. Labri, Practice Manager, Mr. Franck Bessett, Mr. Yogesh Bam Malla and Ms. Timila Shrestha on 15 February 2018. During the meeting, President CA. Prakash Jung Thapa briefed about the establishment and legal status of ICAN, its operating modality, members and students strength, syllabus coverage, coordination with government offices and development partners and the MoU signed with other accounting bodies including CIPFA. Further the meeting was focused in the areas of co-operation and collaboration to be extended by the World Bank to the ICAN for effective and efficient development of curriculum and involvement in strengthening PFM sector in Nepal.

Interaction Program at Tribhuvan University

Executive Director CA. Sanjay Kumar Sinha along with Deputy Director CA. Gaurav Khwaunju Shrestha attended in the interaction program representing the Institute on policy formation for equivalency determination organized by Curriculum Development Center, Tribhuvan University, Kathmandu on 5 March 2018.

Meeting at Office of the Auditor General

Office of the Auditor General conducted a meeting focused on partnering with ICAN for strengthening PFM sector in Nepal with the cooperation of CIPFA and related stakeholders. The meeting also proposed to explore the possibilities to conduct a high-level meeting of Auditor General Offices of South Asian Region during upcoming CAPA meeting scheduled from 11 to 13 May 2018 at Kathmandu. The meeting was attended by President CA. Prakash Jung Thapa along with Immediate Past President CA. Mahesh Khanal, and Executive Director CA. Sanjay Kumar Sinha.

Courtesy Visit of 32nd Executive Committee of ACAN

Newly elected office bearers of 32nd Executive Committee of Association of Chartered Accountants of Nepal (ACAN) had a meeting with President CA. Prakash Jung Thapa and Executive Director CA. Sanjay Kumar Sinha at ICAN office on 12 March, 2018. President CA. Prakash Jung Thapa congratulated newly elected executive members of ACAN and discussed on the contemporary issues related to the profession. Both bodies expressed their commitment to work closely in the areas of common interest for the benefit of members, students and overall development of the profession.

Interaction with Regulators on Quality Assurance Held

Quality Assurance Board (QAB) of the Institute held an Interaction Program on Quality Assurance with the representatives of regulatory authorities and Government offices on Thursday, 12 July 2018 at ICAN Building, ICAN Marg, Satdobato, Lalitpur. The program was organized to disseminate information on the Quality Assurance initiatives of the Institute and to discuss on the matters relating to audit quality being observed. The program was attended by the Chairman and members of the Quality Assurance Board, President, Vice-President and Past President of the Institute, Executive Director, including the representatives from Office of Auditor General, Ministry of Finance, FCGO, Nepal Rastra Bank, Insurance Board, Securities Board of Nepal, Inland Revenue Department, Office of Company Registrar and Nepal Stock Exchange Ltd.

The program aimed at delivering the information on quality assurance review mechanisms of the Institute, its progress and work procedures, and also clarifying the impact of quality assurance review in audit quality and receiving feedbacks on how the concerns of regulatory authorities could be addressed as well.

Speaking in the program, Chairman of the QAB, Mr. Ramesh Raj Satyal stated that the Quality Assurance Review has been gradually taking momentum. In the initial phase, priorities have been given for quality assurance of the auditors of listed

entities. He also stated that the quality assurance findings are preventive rather than corrective, as a result of which they would apply to enhance quality of future audits rather than the ones under review. Likewise, President of the Institute CA. Prakash Jung Thapa emphasized that the Institute has now system in place to ensure that quality in the audit and assurance services rendered by its members through the applicability of national standards in line with international standards in audit performance and provision for review under quality assurance mechanism of the Institute.

8th Council Members Elected



Newly elected 8th Council Members with ICAN President and Election Officer

Election for 8th Council Members amongst the Chartered Accountant members has been conducted on 8 June 2018 in Kathmandu since Registered Auditors members had already been elected unanimously on 13 April 2018. The name of newly elected Council Members are as follows.

S.No	Name	S.No	Name
1	CA. Jagannath Upadyay (Niraula)	2	CA. Surendra Shrestha
3	CA. Bishnu Prasad Bhandari	4	CA. Krishna Prasad Acharya
5	CA. Bidhyabaridhi Sigdel	6	CA. Madan Krishna Sharma
7	CA. Yuddha Raj Oli	8	CA. Mahesh Sharma Dhakal
9	CA. Kiran Dongol	10	CA. Peeyush Anand
11	RA. Kedar Nath Poudel	12	RA. Abdul Karim Kha
13	RA. Meera Shrestha	14	RA. Bahadur Singh Bista

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



ICAN Initiative to Introduce Online Payment Services

The Institute of Chartered Accountants of Nepal (ICAN) in its continuous effort to provide convenient, timely and professional services to its members has recently joined hands with Nabil Bank Limited by signing agreements for Electronic Payment Gateway (EPG) and the next to install a Card Swapping Machine (POS Machine).

Agreement Signing Ceremony took place on 20 of June, 2018. Agreement was exchanged between Executive Director CA. Sanjay Kumar Sinha and Mr. Sanat Poudel, Nabil Bank with ICAN President CA. Prakash Jung Thapa, Vice President CA. Jagannath Upadhyay (Niraula) and Mr. Anil Keshari Shah, CEO of Nabil Bank in Attendance.

Agreement with Government of Nepal /PEFA Secretariat

In continuation of the initiative of ICAN to implement NFRS, contribution in PFM sector, ICAN has been able to secure strategic role with the signing of agreement with Government of Nepal/ Public Expenditure and Financial Accountability (PEFA) Secretariat. Continuing the efforts of ICAN leadership to include ICAN as part of Government's "Strengthening Public Sector Financial Management Policy 2016-2025", this has been finally achieved on 15 July 2018 where President CA. Prakash Jung Thapa and Mr. Damodar Regmi, PEFA Coordinator on behalf of Government of Nepal have signed MoU to this effect. This project amounting to NRs. 75.50 million will be for 3 years in supporting NFRS implementation in autonomous Government Agencies and State-Owned Enterprises; strengthening training capacity of ICAN to deliver training on financial reporting standards; revising ICAN curriculum to include financial reporting aspects; entering memorandum of understanding with specialized training institutions, such as ICAN, to offer professionally accredited courses.

The Action Plan includes revision/updating NFRS, develop tools, guidance, manual on NFRS, Monitoring the implementation, effective Quality Assurance Review system and implementation, revising CA education Syllabus, monitoring of accounting practices of ICAN members, capacity building of ICAN,

supporting in designing the academic curriculum of Universities and Higher Secondary School relating to public and private sector accounting and reporting system, support for PFM training and qualification, advocacy to create conducive environment to engage/recruit Chartered Accountants in Federal/Provincial/ Local level Government etc.

MoU signed for effective implementation of NFRS in Banking Sector

A MoU between the Institute of Chartered Accountants of Nepal, Nepal Rastra Bank, Bankers' Association and Accounting Standards Board has been signed on 16 July 2018 to effectively implement the NFRS in banking sector (Bank and Financial Institution). Such understanding has main objective to facilitate effective implementation of NFRS in Banks and Financial Institutions. The MoU has been signed by CA. Prakash Jung Thapa, President of ICAN, CA. Narendra Bhattarai, Chairman of Accounting Standards Board and Mr. Chintamani Siwakoti, Deputy Governor of Nepal Rastra Bank. In the occasion, President Elect CA Jagannath Upadhyay, NRB Director CA. (Dr.) Suvod Karn, Deputy Governor Mr. Shiva Raj Shrestha, President of Nepal Banker's Association CA. Gyanendra Prasad Dhungana, Member of Accounting Standards Board CA. Prabin Dhoj Joshi, Executive Directors of NRB CA. Maheshwor Lal Shrestha and Mr. Narayan Poudel were also present.

ICAN Issues Code of Ethics 2018

The Institute's Council has revised the Code of Ethics focusing specifically on ethical issues. The Code of Ethics issued by IFAC has been adopted by ICAN on 19 June 2016. The new Code of Ethics – Code of Ethics for Professional Accountants 2018 shall be effective from 01 Shrawan 2075.

The Institute has also issued 3 additional guidelines as part of new Code of Ethics relating to Marketing of Professional Services by the Professional Accountants in Public Practice, Guidelines on Networking and Network Firms and Guidelines on Custody of Client Assets/Money by professional accountant in public practice and shall become effective from 01 Shrawan 2075.

ICAN Launched New Website and ICAN App

The Institute of Chartered Accountants of Nepal (ICAN) has launched its new website which contains separate portal for members and students. The website has been made more user-friendly with knowledge portal and other information. The website has introduced online payment system for renewal of Membership Certificate and Certificate of Practice. The updated website includes changes to navigation, with dropdown menus for both mobile and desktop versions to have advanced and improved structure to get more from a quick read.

Further, for the comfort of its members and students Institute has launched another major piece of offering: a Mobile App now available for download on android that gives you the power to manage, track, and explore about ICAN and recent activities anytime and anywhere by logging to https://www.ican.org.np/_downloads/ican.apk.

ICAN equipped with new facilities for members and students



Inauguration of ATM machine at ICAN Head Office

As a result of continued effort of providing the best services to its members and students, ATM Machine and POS Machine have been installed at ICAN Head Office, ICAN Marg, Satdobato, Lalitpur. Further, Information Technology Lab has also been established at the ICAN head office to provide IT training to CA students from own premises.

An inauguration program of these facilities was organized by the Institute on 16 July 2018 at the ICAN premises where the newly installed ATM machine was jointly inaugurated by President CA. Prakash Jung Thapa and CEO of Nepal Bangladesh Bank Limited CA. Gyanendra Prasad Dhungana who is also the President of Nepal Bankers Association in attendance of Mr. Kiran Malla, Acting Head of Metropolitan Traffic Circle, ICAN Marg, Satdobato, Lalitpur. The program was participated by Vice President and President Elect CA. Jagannath Upadhyay (Niraula), Council Members, Executive Director CA. Sanjay Kumar Sinha, staffs of the Institute and general public.



Inauguration of Information Technology Lab at ICAN Head Office



Member Affairs

Status of Membership

During the year altogether 172 Chartered Accountants have been enrolled as chartered accountant members of the institute. With this addition, the total number of chartered accountant members and registered auditor members as on 15 July 2018 is 1298 and 7262 respectively. During the year a total of 1159 Chartered Accountants and 3467 Registered Auditor members renewed their membership.

FCA Conferred

During the year, the Institute conferred Fellow Chartered Accountant (FCA) member to 18 chartered accountant members upon the completion of necessary requirements as per the Nepal Chartered Accountants Act. With this, the total number of FCA members has reached to 314.

Certificate of Practice

During the year, the Institute has granted Certificate of Practice (COP) to 93 Chartered Accountant members

and with this addition the number of Chartered Accountant member holding COP has reached to 510. Similarly, the Institute has granted Certificate of Practice (COP) to 25 Registered Auditor members. With this the number of Registered Auditor members holding COP has reached to 3067.

Audit Firm

During the year, the Institute has registered new 82 CA Audit Firms and 92 RA Audit Firms which has resulted in total of 3493 Audit Firms of which 428 are CA Audit Firms and 3065 are RA Audit Firms.

Up-gradation of COP of Registered Auditor Members

As per the provision of up-gradation as laid down in the Nepal Chartered Accountants Act, Registered Auditor members upgraded from their respective class in the fiscal year 2017/18 (2074/75) is as follows:

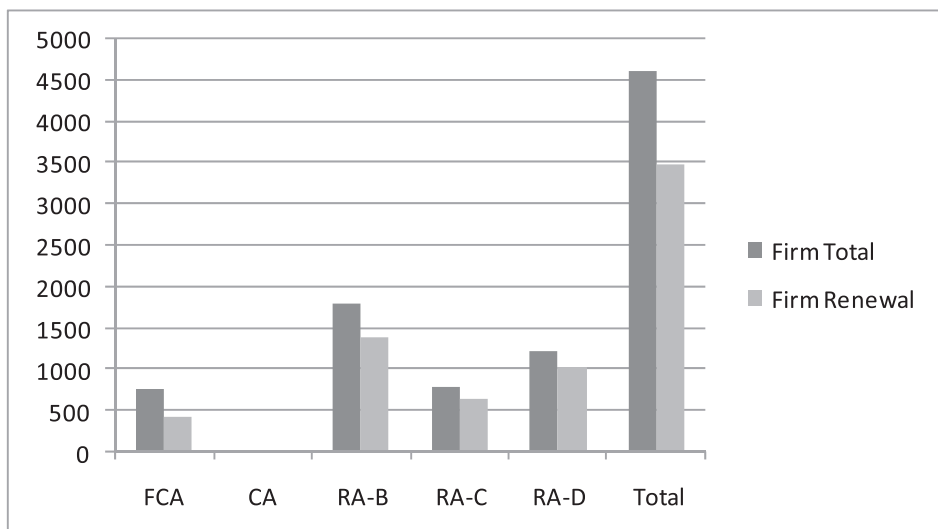
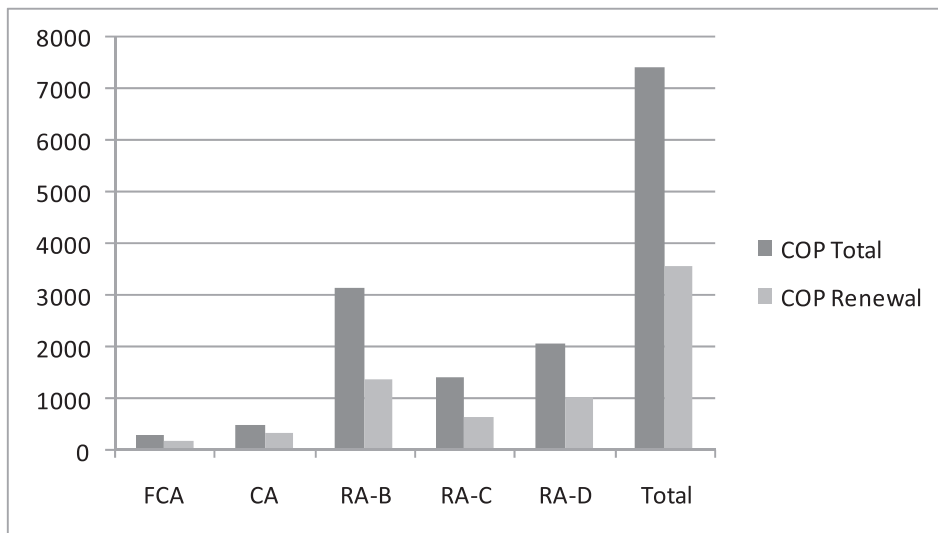
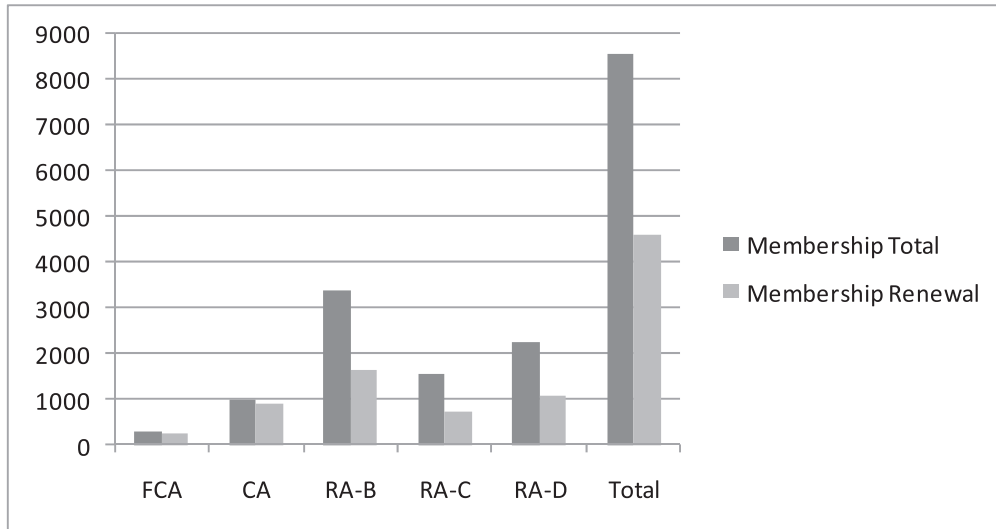
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Member Status 2074/75

Category	Membership		COP		Firm	
	Total No.	Renewal No.	Total No.	Renewal No.	Total No.	Renewal No.
FCA	314	262	303	175		
CA	984	897	492	335	778	428
RA-B	3398	1642	3142	1390	1807	1388
RA-C	1584	719	1431	643	804	643
RA-D	2280	1106	2066	1034	1221	1034
Total	8560	4626	7434	3577	4610	3493

Category	Membership				Total Member
	Female	Male	Pass from ICAN	Pass from Others	
CA/FCA	166	1132	455	843	
RA	148	7114			
Total	314	8246	455	843	



Student Related Activities and Affairs

General Management and Communication Skill (GMCS) Program

As a part of the curriculum of the CA Course, the Institute conducted General Management and Communication Skill (GMCS) trainings for its 12th and 13th batch students at ICAN premises, Satdobato, Lalitpur. The 12th batch GMCS training was successfully conducted from 3 to 18 September 2017 whereas, the 13th Batch of GMCS training was successfully conducted from 25 February to 12 March 2018. This training is mandatory for getting Chartered Accountant membership of the ICAN by newly qualified CA students and it is also mandatory for AT students for obtaining Accounting Technician (AT) certificate. The training was organized to enhance better oral, written skill and non-verbal communication for getting an opportunities in the market. The training is not only confined to enhance the communication skill but also helps to enhance the quality of general management skill required for attaining higher level position. Altogether 31 and 37 students participated in the training respectively in both the batches.

Crash Course

The Institute conducted 75 hours crash course for CAP II & CAP III level students started from 24 August 2017 at ICAN premises Satdobato, Lalitpur. The course aimed to provide short guidance to course matter with the special focus on clarifying the needs of the students. Altogether 41 students of CAP II and 15 students of CAP III had attained the course organized by the Institute.

The Institute conducted another session of crash course for students of CAP II and CAP III from 29 March 2018 at ICAN premises. The main objective of Crash Course was to provide practical and conceptual understanding of major subjects as per feedback of students within the short span of 50 classes.

ICAN started NFRS Classes

The Institute, continuing with its effort to support students conducted NFRS classes from 1 April 2018 for CAP III students. This course was designed to provide an insight to students to increase their understanding of applicable NFRSs and to overcome the complexities of applying NFRS in studies.



Participants of GMCS training program with ICAN Officials



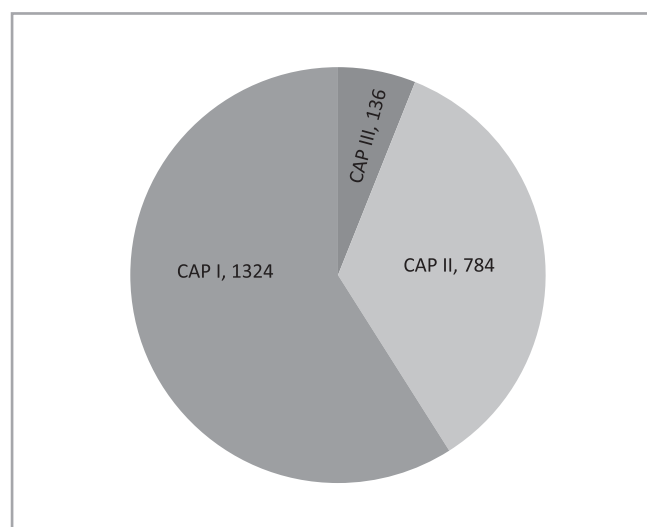
Meeting with Affiliated Institutes

ICAN organized a meeting with affiliated CA Coaching Institutes on 10 April 2018 where President CA. Prakash Jung Thapa along with Past President and Chairman of Board of Studies CA. Prakash Lamsal, Executive Director CA. Sanjay Kumar Sinha, Deputy Director CA. Gaurav Khwaunju Shrestha and Deputy Director CA. Utsav Baral represented the Institute. The meeting focused on readdressing the grievances of students regarding study materials, hall tests, postal test etc.

New Student Registration

Chartered Accountancy Course is being attraction to the student interested to make their career in accounting and auditing profession. During the year 2244 students enrolled in different level of chartered accountancy course and accounting technician course. This development is a trust and confidence bestowed in accountancy profession by young talents. The status of enrollment for various levels of chartered accountancy course and accounting technician course during the year is as follows:

Course	CAP III	CAP II	CAP I	Accounting Technician
Number of students	136	784	1324	-



Scholarship Distribution

The Institute in its endeavor to provide CA education to the underprivileged and needy students with academic excellence has been providing partial and full

scholarship every year to students pursuing chartered accountancy course. The scholarship amount has been provided to the students on the basis of need cum merit basis selected by the Executive Committee. Altogether 60 students studying at different levels of chartered accountancy course received the scholarship.

Scholarship Distribution 2017/18			
Level	Full	Partial	Total
CAP I	16	25	41
CAP II	12	12	24
CAP III	-	12	12
Total	28	49	77

In order to attract meritorious and diligent students to pursue Chartered Accountancy education, the Institute has introduced new criteria of scholarship scheme by provisioning 20% of allocated scholarship to meritorious students.

One year Internship for Foreign CA Degree Holders

Pursuant to Nepal Chartered Accountants Regulation, 2061, Rules 41(KA) of its 5th amendment, The Institute of Chartered Accountants of Nepal has made mandatory provision of one year internship to the foreign CA degree holders for getting Membership and Certificate of Practice.

Orientation Program with CAP I level Students

The Institute of Chartered Accountants of Nepal (ICAN) with the objective to welcome and orient newly enrolled Chartered Accountancy Professional Level (CAP I) students has started to orient the newly registered CAP I level students. In this regard the institute organized an orientation program from 27-28 December 2017 and 24 -25 June 2018 at ICAN building Satobato, Lalitpur.

Similarly, the Institute organized one day orientation program on 5 and 6 July 2018 at Butwal and Pokhara respectively, for newly enrolled CAP I students. Altogether 36 students participated in the orientation program organized at Butwal and 38 students participated in the orientation program organized at Pokhara.



The program has been designed to give an overview of the Institute, Curriculum, Examination Process, Career Opportunities, and offered facilities to the students.

Participation in International Conference of CA Students

Six students of the ICAN studying in CAP III level participated in the International Conference on a theme “Nurturing Value and Integrity – Attaining Excellence in Personal Pursuit” in Pune, India which was organized by The Institute of Chartered Accountants of India (ICAI) from 13 - 16 January 2018. The students of ICAN presented the technical papers on the topics provided by the ICAI. Students from SAFA member bodies participated in the International Conference.

1st International CA Students Conference

Nepal Chartered Accountants Students Association, NCASA, with the support of the Institute of Chartered Accountants of Nepal (ICAN) organized 1st International CA Students Conference in Kathmandu on 17 March 2018, with the theme “Lead the Profession, Lead the Nation” for the first time in Nepal. Students from SAFA member bodies and National and International renowned personalities in field of management, ethics, spirituality etc. also participated in the Conference.

Various technical papers were presented on the topics “Role of Professional Accountants on Economic Development” and “Ensuring Ethics in Era of Digitalization” by the experts and students. Honorable Finance Minister of Nepal, Dr. Yuba Raj Khatriwada inaugurated the conference. Honorable Auditor General of Nepal Mr. Tanka Mani Sharma (Dangal) was special guest of honor and SAFA President CA (Dr.) Suvod Kumar Karn was the guest of honor. The Conference witnessed the presence of President CA. Prakash Jung Thapa, Past President and Chairman of Board of Studies CA. Prakash Lamsal, Executive Director CA. Sanjay Kumar Sinha, Council members, members of the Board of Studies, officials of ICAN and overwhelming presence of more than 400 students and representatives of various professional institutions.

Grand CA Education Fair 2018 Organized

The Institute organized Grand CA Education Fair in association with accredited coaching centres of the Institute on 14 May 2018 in Kathmandu to impart detail information about the Chartered Accountancy (CA) course, entry requirements, admission procedures, scholarship, library facility etc., and the career opportunities available to qualified Chartered Accountants nationally and internationally.

The Fair was inaugurated by ICAN President CA. Prakash Jung Thapa with his welcome speech to the students, guardians and media representatives by highlighting the importance of Chartered Accountancy education and opportunities available in the globe. Speaking at the occasion, Vice President CA. Jagannath Upadhyay (Niraula) briefed about CA pathways, education and examination process, facilities available at the Institute, importance of professional qualification and opportunities available.

More than 200 students and guardians visited the fair. Council Members, Members of Board of Studies, and officials of accredited coaching centers and Executive Director of ICAN were also present for observation in the fair.

ICAN Commerce Olympiad

The Institute of Chartered Accountants of Nepal organized a nationwide ICAN Commerce Olympiad competition amongst the students of Grade IX & X and grade XI and XII distinguished as Category A and Category B respectively at ICAN Head Office, Satdobato, Lalitpur and at Birgunj Branch Office on 10 January 2018 with the aim of determining the concept understanding ability, focusing on commerce talent search and enhancing understanding and interest towards the importance of commerce education amongst the young students. Altogether forty-nine students representing eleven schools and colleges were the participants of the events. Commerce Olympiad was organized first time in Nepal.

President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Immediate Past President CA. Mahesh Khanal and Past President, Chairman Board of studies, CAPA Board Director CA. Prakash Lamsal jointly distributed the awards to the



ICAN Commerce Olympiad winners with cash prize and the certificate on 30 January 2018 in Kathmandu.

ICAN Quiz and Elocution

The Institute organized ICAN Quiz and Elocution Contest on 12 January 2018 amongst the CAP III level students of ICAN at the ICAN Main Office, Satdobato, Lalitpur. These programs were organized for the first time in Nepal with the objective of motivating students towards focused study of financial reporting standards and developing the future speakers for the profession. Altogether, 17 and 9 Students participated in the ICAN Quiz and Elocution Contest respectively.

President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Immediate Past President CA. Mahesh Khanal and Past President, Chairman Board of studies, CAPA Board Director CA. Prakash Lamsal jointly awarded the winners with the cash prize and certificates on 30 January 2018 in Kathmandu.

The winners of ICAN Quiz and Elocution Contest conducted by the Institute on 12 January 2018 were awarded with the cash prize and certificates at Soaltee Crowne Plaza coinciding with SAFA Quiz and Elocution Contest on 30 January 2018. The prizes and certificates were distributed jointly by President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Immediate Past President CA. Mahesh Khanal and Past President, Chairman Board of studies, CAPA Board Director CA. Prakash Lamsal.

The list of winners of ICAN Quiz and Elocution Contest is as under;

S.N	Contestant	Remarks
1.	Mr. Manik Maharjan	Winner of ICAN Quiz Contest
2.	Ms. Sadhana Khatri	1 st Runner Up of ICAN Quiz Contest
3.	Mr. Arpan Rimal	Winner of ICAN Elocution Contest
4.	Ms. Rusha Giri	1 st Runner up of ICAN Elocution Contest

The winners of the ICAN Quiz and Elocution Contest represented the Institute in SAFA Quiz and Elocution Contest conducted on 30 January 2018 at Kathmandu which was hosted by the Institute.

Similarly, the winners of the ICAN Commerce Olympiad organized on 10 January 2018 were felicitated on 30 January 2018 coinciding with SAFA Quiz and Elocution Contest. The winners were awarded with cash prize and certificates which was distributed jointly by President CA. Prakash Jung Thapa, Vice-President CA. Jagannath Upadhyay (Niraula), Immediate Past President CA. Mahesh Khanal and Past President, Chairman Board of studies, CAPA Board Director CA. Prakash Lamsal.

The list of winners of ICAN Commerce Olympiad Category A (Grade IX & X) and Category B (Grade XI and XII) is as under;

S.N	Contestant	School/College	Remarks
1.	Mr. Sandeep Suman		Winner of Category A
2.	Mr. Ashish Chapagain	Gautam Secondary School, Birgunj	1 st Runner Up of Category A
3.	Mr. Anish Kandel		2 nd Runner Up of Category A
4.	Ms. Seema Khadka	Himalayan Whitehouse Int'l Secondary School, Kathmandu	Winner of Category B
5.	Mr. Roshan Kumar Shah	Trinity Int'l College, Kathmandu	1 st Runner Up of Category B
6.	Mr. Robin Poudel	Himalayan Whitehouse Int'l Secondary School, Kathmandu	2 nd Runner Up of Category B

Speaking at the prize distribution ceremony, CA. Prakash Jung Thapa, President of the Institute congratulated the winners and highlighted that ICAN is always committed to recognize young talents from every corner of the Nation.

Amendment in the Nepal Chartered Accountants Regulation

Considering the increasing number of students required to undertake articleship training, the Institute has amended Rule 25(1) of Nepal Chartered Accountants Rules, 2061 provisions related to limit of number of Articled trainees that a practicing Chartered Accountant is allowed to mentor/train at a time. The details of increased number of article training is as follows.

S.N	Number of Years of Practice	Maximum Number of Articled Trainees
1	Chartered Accountant in Practice for at least 3 years	3
2	Chartered Accountant in Practice for at least 5 years	5
3	Chartered Accountant in Practice for at least 7 years	7
4	Chartered Accountant in Practice for at least 10 years	10
5	Chartered Accountant in Practice for at least 15 years or more	12

Study Material Published

The Institute has published Suggested Answers of June 2017 and December 2017 examination and Revision Test paper (RTP) for December 2017 and June 2018 examination for CAP II and CAP III.

Career Counseling

With a view to raise awareness about Chartered Accountancy education, the Institute organized career counseling program on chartered accountancy education which included college visit and seminars in different part of the country. The program highlighted on the eligibility criteria for enrollment, future prospects, and International recognition and membership criteria of the Institute.



Student's interaction program



CHARTERED ACCOUNTANCY EXAMINATION

The Chartered Accountancy Examinations were held successfully in December 2017 and June 2018. In December 2017 Examination, altogether 729 students of CAP-I (Foundation), 1428 students of CAP-II (Intermediate) and 543 students of CAP-III (Final) level students appeared in the examination. Similarly, in June 2018 Examination, altogether 698 students of CAP-I (Foundation), 1287 students of CAP-II (Intermediate) and 526 students of CAP-III (Final) level students appeared in the examination.

In December 2017 Examination, 488 students of CAP-I (Foundation), 143 students of CAP-II (Intermediate), 27 students of CAP-III (Final) level were qualified. Similarly, altogether 445 students of CAP-I (Foundation), 131 students of CAP-II (Intermediate) and 12 students of CAP-III (Final) level were qualified in CA Examination held in June 2018.

The details of the result of Chartered Accountancy Examinations are as Follows:

Details of the Result of December 2017 Examination:

	CAP I	CAP II			CAP III		
	Total	Group I	Group II	Both	Group I	Group II	Both
Applicants	759	371	318	899	241	166	200
Appeared	729	299	274	855	220	130	193
Passed	488	98	75	70	19	54	4
Qualified	488	143			27		

Details of the Result of June 2018 Examination:

	CAP I	CAP II			CAP III		
	Total	Group I	Group II	Both	Group I	Group II	Both
Applicants	729	341	287	810	254	161	180
Appeared	698	272	257	758	222	133	171
Passed	445	68	99	43	11	18	3
Qualified	445	131			12		

(Note: The figures of students who passed a single group (Group I or Group II) also include those students who appeared for both group but were successful in single group only.)

Result of CA Membership Examination

CA Membership Examination held in December 2017

Total Applicant: 248

Total Appeared Candidates: 213

Qualified: 35

CA Membership Examination held in June 2018

Total Applicant: 253

Total Appeared Candidates: 198

Qualified: 16

**Result of Accounting Technician(AT) Examination**

AT Examination held in September 2017

Total Applicant: 6

Total Appeared: 5

Total Passed: 3

AT Examination held in March 2018

Total Applicant: 4

Total Appeared: 2

Total Passed: 1

Recipients of Awards for the CA Examination, December 2017 and June 2018

The Institute has been awarding merit holder students with various medals incepted by the members. Following are the recipient of the medal for the December 2017 and June 2018 examinations.

Recipients of Awards for CA Examination, December 2017

S.No.	Medal Fund		Regd. No.	Name of Recipients
1	BK Agrawal Gold Medal	Standing Rank First in CAP-II (Intermediate Level) Examination	KI006732	Mr. Sujan Timalisina
2	Narayan Bajaj Silver Medal	Standing Rank Second in CAP-II (Intermediate Level) Examination	KI006757	Ms. Jayanti Bhandari
3	Subhash Kumar Jhunjhunwala Gold Medal	Standing Rank First in CAP-I (Foundation Level) Examination	KF0011135	Mr. Sailesh Kattel

Recipients of Awards for CA Examination, June 2018

S. No.	Medal Fund		Regd. No.	Name of Recipients
1	KB Chitracar Gold Medal	Standing Rank First in CAP-III (Final Level) Examination	FN001095	Mr. Tirtharaj Shiwakoti
2	Shiva Man Singh and Chandra Bhandari Silver Medal	Standing Rank Second in CAP-III (Final Level) Examination	FN001040	Ms. Pratima Ghimire
3	BK Agrawal Gold Medal	Standing Rank First in CAP-II (Intermediate Level) Examination	KI007131	Ms. Pranasha Shrestha
4	Narayan Bajaj Silver Medal	Standing Rank Second in CAP-II (Intermediate Level) Examination	KI007418	Mr. Yugesh Bohara
5	Subhash Kumar Jhunjhunwala Gold Medal	Standing Rank First in CAP-I (Foundation Level) Examination	KF0011884	Mr. Bikash Dangol
6	Prakash Jung Thapa Gold Medal	Securing Highest marks in Advanced Financial Reporting (Advanced Accounting) in CAP-III (Final Level) Examination	FN001040	Ms. Pratima Ghimire
7	Dr. Govind Ram Agrawal Gold Medal	Securing Highest marks in Strategic Management and Decision Making Analysis in CAP-III (Final Level) Examination	FN001095	Mr. Tirtharaj Shiwakoti
8	Narendra Vashishtha Gold Medal	Securing Highest marks in Advanced Audit and Assurance in CAP-III (Final Level) Examination	FN001095	Mr. Tirtharaj Shiwakoti

Staff Affairs

Staff Recruitment

To cope with the increasing workload and initiate the activities of Quality Assurance Review process, following staffs were recruited on contractual basis:

CA. Kiran Kumar Khatri – Joint Director

CA. Utsav Baral – Deputy Director

CA. Ghanashyam Kafle – Deputy Director

Felicitation

In the occasion of the 21st anniversary of the Institute, Ms. Samita Dongol – Officer, Mr. Amod Khanal – Senior Assistant and Ms. Anima Maharjan – Assistant were felicitated as best staff by Chief Guest Hon'ble Auditor General Mr. Tanka Mani Sharma Dangal for their outstanding performance and contribution to Institute.

Afforestation Program

The Institute organized an afforestation program on 5 June 2018 at ICAN premises, Satdobato, Lalitpur. The program was made successful by planting various types of plants in the ICAN premises. During the afforestation program ICAN President CA. Prakash Jung Thapa, Past President CA. Prakash Lamsal, Executive Director CA. Sanjay Kumar Sinha and staffs of the Institute were present.

Training for Staffs

Aiming to develop organizational skills of the staffs, the Institute organized two day training program on "Achieving Organizational Effectiveness and Organization and Management" on 29 and 30 December 2017 at ICAN premises, Satdobato, Lalitpur wherein Resource person CA. Chandrakant



Afforestation program at ICAN premises



Bhandari delivered sessions covering various aspects of organizational behavior, time management and communication skills.

ICAN Organized Residential Training for staffs

The Institute has organized a residential staff training on work life balance from 29 April 2018 to 2 May 2018. Group interaction, meditation and other methods to enhance efficiency in workplace were introduced in this training. The training was participated by 40 staffs of

the Institute including Executive Director CA. Sanjay Kumar Sinha. The training also witnessed the presence of Past President, CAPA Director, Council member CA. Prakash Lamsal.

ICAN Staff Picnic Organized

The Institute of Chartered Accountants of Nepal (ICAN) arranged staff picnic on March 08 2018 at Lalitpur. Majority of staffs participated the picnic. Different refreshment programs, sports competitions were organized among staffs during this picnic.



Staff picnic organized by ICAN

FINANCIAL STATEMENTS

For the year ended
32 Ashad 2075
(16 July 2018)





PRADHAN & KONAJO
ASSOCIATES

CHARTERED ACCOUNTANTS

Bhanimandal, Ekantakuna
Lalitpur - 4, Nepal
Tel: 977 015000086
email: info@pnk.com.np,
Web: www.pnk.com.np

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL**

We have audited the accompanying financial statements of The Institute of Chartered Accountants of Nepal (ICAN), which comprises the Statement of Financial Position as at Ashadh 32, 2075 (corresponding to July 16, 2018), Income Statement, Statement of Changes in Fund & Reserves and Statement of Cash Flow for year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Nepal Financial Reporting Standards. This responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves examining, on the test basis, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also including evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of The Institute of Chartered Accountants of Nepal (ICAN) as of Ashadh 32, 2075 (corresponding to July 16, 2018), and of its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

Date: Poush 27, 2075 (January 11, 2019)
Address: Kathmandu, Nepal


Chhetra Gopal Pradhan
Partner





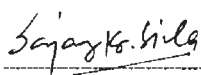
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF FINANCIAL POSITION
 AS AT 32 ASHADH, 2075 (JULY 16, 2018)


	Note	As at 32 Ashadh 2075	Amount in Rs As at 31 Ashadh 2074
ASSETS			
Non-current assets			
Property, plant and equipment	4	204,102,358	204,380,739
Intangible assets	5	1,534,006	1,437,667
Financial assets			
Investment	6	-	50,000,000
Advances	8	3,998,185	4,601,901
Prepayment	10	1,652,222	2,738,697
Deferred Tax Assets		11,450,684	-
Total non-current assets (A)		222,737,455	263,159,004
Current assets			
Inventories	9	2,215,463	2,621,253
Financial assets			
Investment	6	230,000,000	110,000,000
Earmarked Investment	7	19,540,713	18,184,194
Advances	8	1,113,791	837,104
Cash and cash equivalents	12	53,084,344	54,142,638
Prepayment	10	1,947,094	754,779
Other Current Assets	11	7,305,230	2,328,085
Total current assets (B)		315,206,635	188,868,053
Total assets (A+B)		537,944,090	452,027,057
FUND AND LIABILITIES			
Fund and reserves			
Reserves	13	359,302,740	304,403,405
Earmarked fund	14	88,972,976	85,075,397
Total funds and reserves (C)		448,275,716	389,478,802
LIABILITIES			
Non-current liabilities			
Provision for employee benefits	15	53,684,845	46,892,010
Accounts payable	16	4,513,938	6,352,493
Total non-current liabilities (D)		58,198,783	53,244,503
Current liabilities			
Accounts payable	16	15,873,214	8,542,395
Provision for employee benefits	15	-	761,357
Provision for Income Tax		15,596,377	-
Total current liabilities (E)		31,469,591	9,303,752
Total liabilities (D+E)		89,668,374	62,548,255
Total fund and liabilities (C+D+E)		537,944,090	452,027,057


The accompanying notes form an integral part of the financial statements

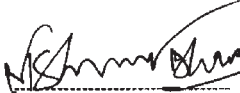
As per our report of even date

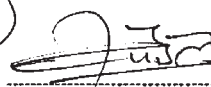

 Mahesh Chitrakar
 Assistant Director/Head of Finance

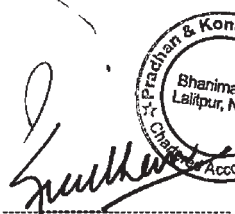

 CA. Sanjay Kumar Sinha
 Executive Director


 CA. Jagannath Upadhyay (Niraula)
 President


 CA. Krishna Prasad Acharya
 Vice-President


 CA. Mahesh Sharma Dhakal
 Executive Committee Member


 RA. Kedar Nath Poudel
 Executive Committee Member


 CA. Chhetra Gopal Pradhan
 Partner
 Pradhan & Konajo Associates
 Chartered Accountants



Date: 27 Poush 2075
 Place: Lalitpur, Nepal




THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
INCOME STATEMENT
 FOR THE YEAR ENDED 32 ASHADH 2075 (JULY 16, 2018)


	Note	FY 2074/75	Amount in Rs FY 2073/74
Income			
Income from operational activities	17	158,515,076	136,972,668
Government grant	18	1,200,000	1,200,000
Other income	19	1,991,911	2,904,840
Total Income		161,706,987	141,077,508
Expenses			
Operating expenses	20	55,553,504	43,844,513
Employee benefit expenses	21	42,260,294	41,694,593
Depreciation and amortization	4 & 5	9,457,067	9,060,342
Other expenses	22	15,233,551	12,252,520
Total Expenses		122,504,416	106,851,969
Surplus from operational activities before interest and tax		39,202,571	34,225,539
Interest Income	23	20,443,968	10,384,067
Surplus after interest income		59,646,539	44,609,606
Income Tax			
Current Tax		(15,596,377)	-
Deferred Tax		11,450,684	-
Suplus available for appropriation		55,500,846	44,609,606

The accompanying notes form an integral part of the financial statements


As per our report of even date




 Mahesh Chitrakar
 Assistant Director/Head of Finance



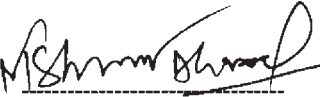
 CA. Sanjay Kumar Sinha
 Executive Director



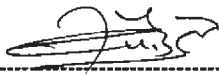
 CA. Jagannath Upadhyay (Niraula)
 President



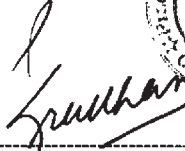
 CA. Krishna Prasad Acharya
 Vice President




 CA. Mahesh Sharma Dhakal
 Executive Committee Member



 RA. Kedar Nath Poudel
 Executive Committee Member



 CA. Chhetra Gopal Pradhan
 Partner
 Pradhan & Konajo Associates
 Chartered Accountants



Date: 27 Poush 2075
 Place: Lalitpur, Nepal



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 32 ASHADH 2075 (16 JULY 2018)

	<i>Amount in Rs</i>	
	FY 2074/75	FY 2073/74
Surplus for the year as per Income Statement (A)	55,500,846	44,609,606
<i>Other comprehensive income that will not be reclassified to Income Statement in subsequent periods</i>		
Actuarial gain/ (loss) on defined benefit plan schemes	3,264,978	(1,126,763)
Gain/(loss) on revaluation of ICAN building	-	7,806,956
Other comprehensive income for the year (B)	3,264,978	6,680,193
Total Comprehensive income for the year (A+B)	58,765,825	51,289,799

The accompanying notes form an integral part of the financial statements

As per our report of even date

Mahesh Chitrakar
Assistant Director/Head of Finance

CA. Sanjay Kumar Sinha
Executive Director

CA. Jagannath Upadhyay (Niraula)
President

CA. Krishna Prasad Acharya
Vice-President

CA. Mahesh Sharma Dhakal
Executive Committee Member

RA. Kedar Nath Poudel
Executive Committee Member

CA. Chhetra Gopal Pradhan
Partner
Pradhan & Konajo Associates
Chartered Accountants



Date: 27 Poush 2075
Place: Lalitpur, Nepal



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF CASH FLOWS


FOR THE YEAR ENDED 32 ASHADH, 2075 (JULY 16, 2018)


	FY 2074/75	Amount in Rs FY 2073/74
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus during the year (before tax)	59,646,539	44,609,606
Adjustment For:		
Depreciation & amortization	9,457,067	9,060,342
Decrease in building fund on account of depreciation	(1,413,843)	(1,413,843)
Depreciation written back from capital reserve	-	(17,831)
Gain on sale of PPE	-	(41,087)
Prior period adjustment	(62,000)	-
Interest received on ICAN Members Benevolent Fund	7,525	-
Interest received on scholarship fund	977,270	564,498
Interest received on medal fund	174,397	104,208
Interest from investment	(20,443,968)	(10,384,067)
Changes in working capital	10,438,555	(12,806,912)
Net cash inflow from operating activities	58,781,542	29,674,914
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of PPE	(9,580,126)	(10,149,605)
Addition in intangible assets	(288,150)	-
Decrease in WIP	593,250	1,550,200
Sale of PPE	-	585,449
Interest received on investment -ICAN Employee Welfare Fund	393,913	152,266
(Increase) / Decrease in investment- ICAN Employee Welfare Fund	2,239,124	(771,716)
(Increase) / Decrease in ICAN Members Benevolent Fund investment	(507,525)	-
(Increase) / Decrease in medal fund investment	(60,117)	(377,343)
(Increase) / Decrease in scholarship fund investment	(3,027,998)	(3,146,813)
(Increase) / Decrease in short term investments	(120,000,000)	(30,000,000)
(Increase) / Decrease in long term investments	50,000,000	(20,000,000)
Interest received from investments	20,443,968	10,384,067
Net cash flow from/(used in) investing activities	(59,793,661)	(51,773,496)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Contribution received to designated building fund	4,161,000	3,254,011
Contribution received to designated medal fund	-	400,000
Contribution received to scholarship fund	-	2,328,500
Payment made from designated fund		
- Medal fund	(111,912)	(94,673)
- Scholarship fund	(288,930)	(1,197,630)
- Employee welfare fund	(3,806,333)	(202,344)
Net cash flow from/(used in) financing activities	(46,175)	4,487,864
Net increase/(decrease) in cash and cash equivalents	(1,058,294)	(17,610,718)
Cash and cash equivalents at the beginning of the year	54,142,638	71,753,356
Cash and cash equivalents at the end of the year	53,084,344	54,142,638


The accompanying notes form an integral part of the financial statements

As per our report of even date


Mahesh Chitrakar
Assistant Director/Head of Finance



CA. Sanjay Kumar Sinha
Executive Director


CA. Jagannath Upadhyay (Niraula)
President


CA. Krishna Prasad Acharya
Vice President


CA. Mahesh Sharma Dhakal
Executive Committee Member


RA. Kedar Nath Poudel
Executive Committee Member


CA. Chhetra Gopal Pradhan
Partner
Pradhan & Konajo Associates
Chartered Accountants





Date: 27 Poush 2075
Place: Lalitpur, Nepal





THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED 31 ASHADH 2075 (JULY 16, 2018)


Notes	Amount in Rs					REMEASUREMENT OF NET DEFINED BENEFIT PLAN	TOTAL
	CAPITAL FUND	GENERAL RESERVE	BUILDING RESERVE	REVALUATION RESERVE			
Balance as at 1 Shrawan 2074	1,225,500	265,958,428	5,000,000	31,796,162	423,315	304,403,405	
FY 2074/75							
Surplus transferred from income statement		55,500,846				55,500,846	
Prior period adjustment		(62,000)				(62,000)	
Transfer to building fund		(5,000,000)	5,000,000			-	
Transfer to scholarship fund	14	(2,202,508)				(2,202,508)	
Transfer to ICAN Employee Welfare Fund	14	(1,101,982)				(1,101,982)	
Transfer to ICAN Members Benevolent Fund		(500,000)				(500,000)	
Gain/ (loss) on account of revaluation of building						-	
Actuarial gain/ (loss)					3,264,978	3,264,978	
Balance as at 31 Ashadh 2075	1,225,500	312,592,784	10,000,000	31,796,162	3,688,293	359,302,740	



Mahesh Chitrakar
Assistant Director/Head of Finance

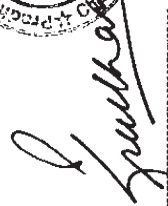

CA. Krishna Prasad Acharya
Vice-President

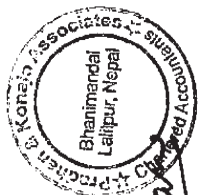

CA. Sanjay Kumar Sinha
Executive Director


CA. Mahesh Sharma Dhakal
Executive Committee Member


CA. Jagannath Upadhyay (Niraula)
President


RA. Kedar Nath Poudel
Executive Committee Member


CA. Chhetra Gopal Pradhan
Partner
Pradhan & Konajo Associates
Chartered Accountants



Date: 27 Poush 2075
Place: Lalitpur, Nepal

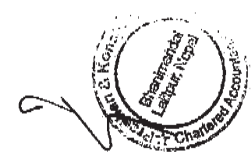


Notes to the Financial Statements

Note 4
Property Plant and Equipment
 See accounting policy in note 2.9

	Vehicles	Computer and Accessories	Furniture and Fixtures	Office equipment	Other Fixed Assets	Partition	Main Building	Work in progress	Total
Cost									
Balance as at 1 Shrawan 2074	7,179,818	8,380,280	9,834,570	3,595,783	2,426,194	5,122,905	192,642,169	593,230	229,775,969
Additions	200,900	3,181,291	1,360,522	1,314,515	784,437	-	-	2,738,462	9,580,126
Disposal	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Transfer to PPE	-	-	-	-	-	-	-	(593,230)	(593,230)
Balance as at 32 Ashadh, 2075	7,380,718	11,561,571	11,195,092	4,911,298	3,210,631	5,122,905	192,642,169	2,738,462	238,762,845
Accumulated Depreciation									
Balance as at 1 Shrawan 2074	2,623,973	6,907,547	3,616,682	1,812,784	1,050,109	1,138,743	8,245,392	-	25,395,130
Depreciation for the year	965,906	899,769	1,109,621	863,885	477,339	558,337	4,390,399	-	9,265,256
Balance as at 32 Ashadh, 2075	3,589,879	7,807,317	4,726,304	2,676,669	1,527,448	1,697,080	12,635,792	-	34,660,486
Net Book Value									
Balance as at 31 Ashadh, 2074	4,555,845	1,472,733	6,217,888	1,783,999	1,376,085	3,984,162	184,396,777	593,230	204,280,739
Balance as at 32 Ashadh, 2075	3,790,839	3,754,254	6,468,788	2,234,629	1,683,183	3,425,825	180,006,377	2,738,462	204,107,358

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 - Bottom left: A signature 'Sajib' and the initials 'AT'.





Notes to the Financial Statements

Note 5

Intangible Assets

See accounting policy in note 2.10

	Intangible assets
Cost	
Balance as at 1 Shrawan 2074	1,640,495
Additions	288,150
Disposal	
Balance as at 32 Ashadh 2075	1,928,645
Amortization and Impairment losses	
Balance as at 1 Shrawan 2074	202,828
Amortization charge	191,811
Balance as at 32 Ashadh 2075	394,639
Net Book Value	
Balance as at 31 Ashadh 2074	1,437,667
Balance as at 32 Ashadh 2075	1,534,006

Note 6

Investment

See accounting policy in note 2.12 (c)

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Non-current		
Fixed Deposit in Banks	-	50,000,000
TOTAL	-	50,000,000
Current		
Fixed Deposit in Banks	230,000,000	110,000,000
TOTAL	230,000,000	110,000,000

Note 7

Earmarked Investment

Earmarked Investment includes balance with bank separated for Employee Welfare Fund, Medal Fund, Scholarship Fund and Members Benevolent Fund

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Medal funds	2,355,643	2,295,524
ICAN scholarship fund	15,446,784	12,418,785
ICAN Employee Welfare Fund	1,230,761	3,469,885
ICAN Members Benevolent Fund	507,525	-
TOTAL	19,540,713	18,184,194

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Notes to the Financial Statements

Note 8

Advances

See accounting policy in note 2.12 (a)

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Non-current		
Salary Advance	3,533,340	3,940,215
Loan to Staff	114,845	311,686
Advance for share in NATI	350,000	350,000
TOTAL	3,998,185	4,601,901
Current		
Staff Advance	7,115	31,386
Salary Advance	1,106,676	775,482
Loan to Staff	-	30,236
TOTAL	1,113,791	837,104

Note 9

Inventories

See accounting policy in note 2.11

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Stock - Publications	289,254	314,448
Stock - Study Materials	1,926,209	2,306,805
TOTAL	2,215,463	2,621,253

Note 10

Prepayments

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Prepaid expenses	891,206	754,779
Prepayment for Vehicle Scheme Facility (see note 2.17)	2,708,110	2,738,697
TOTAL	3,599,316	3,493,476
Non-current	1,652,222	2,738,697
Current	1,947,094	754,779

Note 10.1

Prepayment for Vehicle Scheme Facility

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Gross Amount	6,600,000	6,150,000
Add: Addition	750,000	450,000
Less: Disposal / Handover	1,350,000	-
Less: Adjustment on account of transfer	384,693	544,363
Less: Accumulated Amortization	2,907,197	3,316,940
TOTAL	2,708,110	2,738,697

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Notes to the Financial Statements

Note 11
Other Current Assets

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Interest receivables	1,318,084	237,206
Account receivables	1,669,537	1,128,413
Other receivables	579,730	682,185
Security deposits	182,719	280,281
Advance Tax	3,555,160	-
TOTAL	7,305,230	2,328,085

Note 12
Cash and cash equivalents

See accounting policy in note 2.12 (b)

Revenue collected from members, students and various parties which are deposited in banks and financial institutions are shown under Balance with bank

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Cash in hand	-	22,278
Balance at bank	53,084,344	54,120,360
TOTAL	53,084,344	54,142,638

Note 13

Reserves

The general reserve is the remaining amount of surplus after the transfer to various funds carried forwarded from the previous years and appropriated surplus of current year.

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Capital fund	1,225,500	1,225,500
General reserves	312,592,784	265,958,428
Building Reserve	10,000,000	5,000,000
Revaluation Reserve	31,796,162	31,796,162
Re-measurement of net benefit plan	3,688,293	423,315
TOTAL	359,302,740	304,403,405

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Notes to the Financial Statements

Note 14

Earmarked Fund

See accounting policy in note 2.16

Earmarked fund includes the amount contributed by various donors and amount transferred from surplus of the Institute.

Medal fund includes amount contributed by various donors. Interest earned from Medal funds during the year are added to medal funds after deducting the cost of medals distributed.

ICAN scholarship fund and ICAN Employee Welfare Fund includes amount transferred from the surplus. Interest earned from funds during the year are added to funds after deducting the scholarship distributed and cost incurred for staff welfare.

Members Benevolent Fund includes amount transferred from General Reserve for the welfare of members and interest earned from fund.

	Balance at 1 Shrawan 2074	Addition /transfer from Surplus	Interest earned during the year	Expenses	Amortization	Loan provided during the year	Payment of principal	Balance at 32 Ashadh 2075
KBC gold medal fund	554,622	-	39,766	(34,398)	-	-	-	559,990
BKA gold medal fund	292,280	-	26,675	(13,089)	-	-	-	305,866
Narayan Bajaj silver medal fund	114,129	-	7,681	(5,545)	-	-	-	116,265
Prakash Jung Thapa gold medal fund	262,857	-	22,872	(12,709)	-	-	-	273,020
Shiva Man Singh & Chandra Bhandari silver medal fund	399,399	-	19,201	(9,085)	-	-	-	409,516
Dr. Govind Ram Agrawal gold medal fund	113,207	-	11,351	(11,557)	-	-	-	113,002
Narendra Vasistha gold medal fund	263,031	-	22,145	(12,636)	-	-	-	272,539
Subhash Jhurjhuunwala gold medal fund	312,357	-	24,705	(12,892)	-	-	-	324,170
ICAN scholarship fund	11,307,691	2,202,508	741,387	(288,930)	-	-	-	13,962,656
Batuk Bdr. Rajbhandari Scholarship Fund	375,172	-	27,165	-	-	-	-	402,337
Binod Bdr. Rajbhandari Scholarship Fund	401,879	-	26,559	-	-	-	-	428,438
Narendra Vasistha Scholarship Fund	373,174	-	24,662	-	-	-	-	397,836
Dr. Govind Ram Agrawal Scholarship Fund	333,840	-	30,202	-	-	-	-	364,042
Kuber Prasad Sharma Scholarship Fund	2,083,354	-	127,295	-	-	-	-	2,210,650
NRN Scholarship Fund	328,500	-	-	-	-	-	-	328,500
AT scholarship fund	253,000	-	-	-	-	-	-	253,000
ICAN Employee Welfare Fund	4,671,489	1,101,982	329,316	(206,333)	-	(3,600,000)	64,597	2,361,051
ICAN Main Building fund	59,381,405	-	-	-	(1,413,843)	-	-	57,967,562
Building fund	3,254,011	4,161,000	-	-	-	-	-	7,415,011
ICAN Members Benevolent Fund	-	500,000	7,525	-	-	-	-	507,525
TOTAL	85,075,397	7,965,490	1,488,508	(607,175)	(1,413,843)	(3,600,000)	64,597	88,372,976

ICAN Main Building Fund

Building fund includes amount collected from the members, students and amounts transferred from the surplus and depreciation on building capitalized has been written off from the building fund.

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Balance at the beginning	59,381,405	60,795,248
Addition during the year	-	-
Interest earned during the year	-	-
Expenses during the year	(1,413,843)	(1,413,843)
TOTAL	57,967,562	59,381,405

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Notes to the Financial Statements

Note 15

Provision for Employee Benefits
See accounting policy in note 2.13

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Provision for leave encashment	10,920,015	10,770,238
Provision for medical expenses	16,276,568	16,561,555
Provision for gratuity	26,488,262	20,321,574
TOTAL	53,684,845	47,653,367
Non current	53,684,845	46,892,010
Current	-	761,357
TOTAL	53,684,845	47,653,367

Note 15.1

The assumptions employed for the calculation of post employment and other long term employee benefits using actuarial technique are tabulated:

Discount rate	9 % per annum	8 % per annum
Salary Growth Rate	10.00 % per annum	10.00 % per annum
Mortality	Nepali Assured Lives Mortality (2009)	IALM 2006-08 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	2.00% p.a.	2.00% p.a.

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Sensitivity analysis as at 32 Ashadh 2075

	Gratuity		Medical	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	2,64,88,262		1,62,76,568	
Discount Rate	2,85,37,834	2,46,27,249	1,75,68,159	1,51,07,344
Impact of increase/decrease in 50 bps on DBO	7.74%	-7.03%	7.94%	-7.18%
Salary Growth Rate	2,46,35,349	2,85,08,654	1,51,12,425	1,75,49,744
Impact of increase/decrease in 50 bps on DBO	-7.00%	7.63%	-7.15%	7.82%

	Annual Leave		Sick Leave	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	57,69,200		51,50,815	
Discount Rate	62,22,110	53,59,183	55,38,637	47,98,554
Impact of increase/decrease in 50 bps on DBO	7.85%	-7.11%	7.53%	-6.84%
Salary Growth Rate	53,60,965	62,15,653	48,00,087	55,33,117
Impact of increase/decrease in 50 bps on DBO	-7.08%	7.74%	-6.81%	7.42%

Note 15.2

The Institute operates number of defined benefit and defined contribution plans for its employees of the group. The defined benefit plan of the group includes leave encashment expenses, medical benefit expenses and gratuity expenses. Reconciliation of movement in defined benefit liability during year is given below:

	F.Y. 2074-75			F.Y. 2073-74		
	Gratuity	Accumulated Leave	Medical benefits	Gratuity	Accumulated Leave	Medical benefits
Opening liability	20,321,574	10,770,238	16,561,555	18,887,590	10,137,767	14,815,400
Interest cost	1,625,726	857,859	1,324,924	1,511,007	811,021	1,185,232
Current service cost	3,029,617	1,535,460	2,073,844	2,024,790	1,342,994	2,004,922
Benefit Paid	-	(93,984)	-	(3,228,576)	(2,154,917)	(2,609,797)
Actuarial (gain)/ loss	1,511,345	(2,149,558)	(3,683,755)	1,126,763	633,373	1,165,798
Closing liability	26,488,262	10,920,015	16,276,568	20,321,574	10,770,238	16,561,555
Recognized in Income Statement	4,655,343	1,336,329	3,398,768	3,535,797	2,787,388	4,355,952
Recognized in other comprehensive Income	1,511,345	(1,092,568)	(3,683,755)	1,126,763	-	-

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Notes to the Financial Statements

Note 16

Accounts Payable

See accounting policy in note 2.12 (d)

Fee received in advances are recognized as advance and shown under accounts payables.

	As at 32 Ashadh 2075	As at 31 Ashadh 2074
Annual membership fee received in advance	152,584	101,529
Audit fee payable	499,650	412,640
Creditors, accrued & other liabilities	16,855,843	11,370,010
Withhold tax payable	509,537	367,728
Payable to staff	2,369,539	2,642,980
TOTAL	20,387,153	14,894,887
Non current	4,513,938	6,352,493
Current	15,873,214	8,542,395
TOTAL	20,387,153	14,894,888

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Notes to the Financial Statements

Note 17

Income from Operational Activities

See accounting policy in note 2.14

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Income from educational activities	84,090,406	70,931,454
Income from examination activities	35,656,900	36,555,100
Income from members	19,932,210	16,797,345
Income from professional development activities	17,424,095	11,450,109
Income from publications	1,411,465	1,238,660
TOTAL	<u>158,515,076</u>	<u>136,972,668</u>

Note 18

Government Grant

See accounting policy in note 2.14

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Grant received from Nepal Government	1,200,000	1,200,000
TOTAL	<u>1,200,000</u>	<u>1,200,000</u>

Note 19

Other Income

See accounting policy in note 2.14

Income other than from operational activities are categorized under other income.

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Election Income	41,200	6,300
Miscellaneous Income	519,501	1,353,660
Recruitment Income	7,900	32,300
Gain on sale of PPE	-	41,087
Amortization of deferred income- ADB grant	-	17,831
Amortization of building fund	1,413,843	1,413,843
Reversal of provision	-	23,783
Interest From Others	9,467	16,036
TOTAL	<u>1,991,911</u>	<u>2,904,840</u>

Note 20

Operational Activities

Operational activities expenses are recognized on accrual basis and classified on the same basis as income are classified.

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Educational activity expenses	15,426,953	10,967,794
Examination expenses	16,195,058	14,210,371
Members activity expenses	2,082,300	1,304,888
Professional development activity expenses	10,584,429	8,858,419
International affairs expenses	9,121,603	6,521,030
Publication expenses	1,654,537	1,716,582
Quality assurance board expenses	488,624	265,430
TOTAL	<u>55,553,504</u>	<u>43,844,513</u>

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Notes to the Financial Statements

Note 21

Employee Benefit Expenses

Staff costs include salary and other benefits provided to employees currently working at the institute and recognized in the income statement on accrual basis.

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Salaries and benefits	31,531,590	29,893,807
Medical and leave expenses	4,735,097	7,143,340
Gratuity expenses	4,655,343	3,535,797
Recruitment & promotion expenses	105,147	406,388
Other staff expenses	785,800	403,675
Staff training & skill development	447,317	311,586
TOTAL	<u>42,260,294</u>	<u>41,694,593</u>

Note 22

Other Expenses

Other expenses are the expenses that are incurred not directly tied to a specific function and recognized on accrual basis.

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Local travel expenses	56,218	171,041
Fuel & transportation	838,494	821,588
Communication expenses	305,329	367,505
Printing & stationery	414,355	343,828
Office materials & low cost equipment	879,220	318,917
Notification and publicity	198,762	101,619
Land Lease at Satdobato	21,714	21,714
Books & periodicals	43,230	17,235
Water & electricity	864,602	708,525
Insurance	448,614	377,645
Repair & maintenance	1,032,387	1,352,368
IT related Expenses	1,354,769	1,253,100
Bank charges	24,142	10,245
Meeting expenses	1,077,935	1,121,275
Audit fee	379,368	307,924
Functions expenses	2,955,016	1,417,006
Professional service fees	924,520	505,640
Rates & taxes	163,855	156,180
Office renovation & furnishing	567,690	876,476
Miscellaneous expenses	298,364	144,978
Branch office expenses	2,384,967	1,857,711
TOTAL	<u>15,233,551</u>	<u>12,252,520</u>

Note 23

Interest Income

	<u>FY 2074/75</u>	<u>FY 2073/74</u>
Interest From Call/saving Account	3,045,200	1,444,744
Interest From Fixed Deposit	17,398,768	8,939,323
TOTAL	<u>20,443,968</u>	<u>10,384,067</u>

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Notes to the Financial Statements

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL (ICAN)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 32 Ashadh 2075 (16 July 2018)

1. GENERAL INFORMATION

1.1 Legal and domicile form

The Institute of Chartered Accountants of Nepal (ICAN, or "The Institute") is a statutory body established under a special Act, The Nepal Chartered Accountants Act, 1997 to enhance social recognition and faith of people at large in the accounting profession by raising public awareness towards the importance of accounting profession as well as towards economic and social responsibility of the accountants, and to contribute towards economic development of the country through the development of awareness among the professionals about their responsibility towards the importance of accountancy in order to develop, protect and promote the accounting profession.

The Institute is an autonomous body and the Council is fully authorized by the Act to undertake regulation of accountancy profession in Nepal. Institute is operating its activity via its six branches all over Nepal and its registered office is located at ICAN Marg, Satdobato, Lalitpur, Bagmati Zone, Nepal.

1.2 Date of authorization for issue

The financial statements were authorized for issue by the Executive Committee on 27 Poush 2075.

1.3 Principal activities

Objectives of ICAN are:

- To play the role of a regulatory body to encourage the members to carry on accounting profession being within the extent of code of conduct in order to consolidate and develop accounting profession as a cause for economic development of the nation.
- To enhance social recognition and faith in accounting profession by raising awareness of general public towards the importance of accounting profession and the economic and social responsibility of professional accountants.
- To develop protect and promote the accounting profession by enabling professional accountants understand their responsibility towards the importance of accounting profession and accountancy.
- To develop mechanism of registration, evaluation and examination of accounting professionals in consonance with international norms and practices so as to make the accounting profession respectable and reliable.

1.4 Going concern

The financial statements of the ICAN have been prepared on going concern basis as the organization is making continuous surplus over the years and also getting financial support from government as well as other stakeholders.





Notes to the Financial Statements

1.5 Financial period

The financial period of the Institute represents a twelve month period from 1 Shrawan 2074 (16 July 2017) to 32 Ashadh 2075 (16 July 2018).

1.6 Rounding off and Comparative Figures

Figures are rounded off to nearest Rupees. Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's presentation.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) as pronounced by The Institute of Chartered Accountants of Nepal.

These financial statements comprise the statement of financial position, income statement, statement of comprehensive income, statement of changes in funds and reserves, statement of cash flows and notes to the financial statements.

2.2 Basis of measurement

These financial statements have been prepared on accrual basis and under the historical cost except where appropriate disclosures are made with regard to fair value under relevant notes.

2.3 Comparative figures

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amounts reported in the financial statements, in order to enhance the understanding of the financial statements of the current period and to improve comparability. The comparative figures in income statement, statement of cash flow and statement of comprehensive income are presented for the year ended 32 Ashadh 2075 (16 July, 2018).

2.4 Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately, unless they are immaterial.

2.5 Functional and presentation currency

The financial statements are prepared and presented in Nepalese Rupees (Rs.), which is the Institute's functional currency. All amounts have been rounded to the nearest rupee unless otherwise indicated.

2.6 Critical accounting estimates

The preparation of the financial statements in conformity with Nepal Financial Reporting Standards requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the Institute's accounting policies.

The Institute makes certain estimates and assumptions regarding the future events.





Notes to the Financial Statements

Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual result may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year primarily include provision for employee benefits.

2.7 Current and non-current classification

The Institute presents assets and liabilities in statement of financial position based on current and non-current classification.

The Institute classifies an asset as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

The Institute classifies a liability as current when:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Settled within twelve months after the reporting period or
- No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

2.8 Financial risk management

Financial risk factor

Senior management directly controls day-to-day policies and operations. Financial risk management issues are covered by ICAN's risk management process. The Council and its members are regularly updated on any significant issues relating to financial risk management.

Financial risks to which ICAN is exposed are summarized below:

2.8.1 Currency risk

All day to day transactions are done on functional currency Nepalese Rupees so ICAN does not face any currency risks. However, in the case of registration and renewal of international membership currency risk arises due to exchange rate fluctuation.

2.8.2 Credit risk

ICAN is not exposed to any significant credit risk as all the receivables are from the members and staffs. Vehicle loan provided to ICAN staffs are secured against individual Provident Fund, Gratuity, Leave Encashment and CIT deposits so it does not impose credit risks.





2.8.3 Market risk

ICAN is exposed to market risk that the changes in interest rates will affect the Institute’s income or the value of its holding of financial instruments. The Institute manages and controls the market risk exposure within acceptable parameters, while optimizing the return.

2.9 Property Plant and Equipment (PPE)

Recognition and measurement

Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Institute and the cost of the asset can be measured reliably.

All property, plant and equipment are stated initially at cost and subsequently measured at cost less accumulated depreciation and any impairment losses except building which is subsequently measured using revaluation model. Repair and maintenance cost are recognized in the income statement as incurred. The carrying value of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that carrying value may not be recoverable.

ICAN main building is subsequently carried at fair value, based on periodic valuations by a professionally qualified valuator. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Increases in the carrying amounts arising on revaluation of building is recognized, in other comprehensive income and accumulated in reserves. To the extent that the increase reverses a decrease previously recognized in profit or loss, the increase is first recognized in profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to income statement. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to income statement and depreciation based on the asset’s original cost, is reclassified from the property, plant and equipment revaluation surplus to general reserves.

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Depreciation

Items of property, plant and equipment are not depreciated until they are available for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual value using the straight line basis over their estimated useful lives.

If an item of property, plant and equipment consists of several components with different estimated useful lives, those components that are significant are depreciated over their individual useful lives. Subsequent costs that do not qualify the recognition criteria under NFRS are expensed as and when incurred. Assets costing less than or equal to Rs 5,000 (Five Thousand) is expensed in the year of purchase.

Handwritten signatures and a circular stamp of the Chartered Accountants of Nepal, Kathmandu, with the name 'Shanirmandal, Lalitpur, Nepal'.



Notes to the Financial Statements

The estimated useful lives of various class of PPE are as follows:

Class of PPE	Useful life under SLM method
Vehicles	10 years
Computers and Accessories	5 years
Furniture and Fixtures	10 years
Office equipment	5 years
Partition	10 years
Other fixed assets	5 years

Depreciation on the ICAN main building is charged to income statement over the useful life of remaining period of land lease (44 years remaining period of land lease at time of capitalization as at 1 Shrawan 2072).

Other fixed assets mainly include generator, shredder machine, vacuum cleaner and refrigerator.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.10 Intangible assets

Intangible assets comprise computer software initially recognized at cost incurred to acquire and bring to use the software. Intangible assets are stated at cost less accumulated depreciation. Amortization is charged to income statement on a straight line method over 10 years of estimated useful life.

2.11 Inventories

Inventories are carried at lower of cost and net realized value. The cost is determined on first-in first-out (FIFO) method and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition.

Books, publications and other materials purchased and published solely for sale have been booked as inventory and are initially recognized at cost, and subsequently at the lower of cost and net realizable value.

2.12 Financial Instrument

Financial Assets

Initial Recognition and Measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through income statement, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement:

For purpose of subsequent measurement financial assets are classified in three broad categories:





Notes to the Financial Statements

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Financial assets at amortized cost.

The Institute currently holds only financial assets subsequently measured at amortized cost mainly comprising loans and receivables, cash and cash equivalents and investment.

a) Loans and receivables

Loans and receivables comprising of advances are initially measured at their carrying value which is approximate to their fair value and subsequently measured at amortized cost.

b) Cash and cash equivalent

Cash and cash equivalents are short- term balances, with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of cash flow statements, cash and cash equivalents consist of cash in hand and current/call account deposit with banks

c) Investment

Investments are measured initially at fair value and subsequently at amortized cost less impairment (if any). Investments of the Institute comprise of deposits held in banks and financial institutions with fixed maturity. The investments with more than one year to maturity are stated as long term investments and the investments with less than one year to maturity are treated as short term investment, all investments have been recorded at fair value.

Impairment of financial assets

The Institute assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

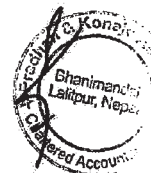
- 12 months expected credit losses, or
- Lifetime expected credit losses

The Institute assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances and security deposits held at amortized cost and are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Financial liabilities

All financial liabilities are initially recognized at fair value plus or minus, in the case of financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

Financial liabilities of the Institute comprise of accounts payable which is subsequently measured at amortized cost.





Notes to the Financial Statements

d) Account payable

Account payable are initially recognized at fair value and subsequently measured and classified at amortized cost or fair value.

2.13 Employee benefits

The Institute has schemes of post-employment benefits namely provident fund, employee gratuity, leave encashment and medical benefits.

a) Short term employee benefits

Short term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. It includes salary, wages and other benefits that are expected to be claimed within 12 months from the end of the reporting period.

b) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Contribution to defined contribution plans (Provident Fund) to approved retirement fund are made on a regular basis as per the Retirement Fund Rules and Regulations and charged to income statement in the year to which they relate.

c) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. This plan includes gratuity. Defined benefit plans are not funded. The defined benefit is calculated by an independent actuary using Projected Unit Credit (PUC) method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using interest rates that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related liability. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions about discount rate future salary increases and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Accordingly, the employee benefit liability is based on the actuarial valuation as at end of reporting period. The Institute's accounting policy for gratuity is to recognize actuarial gains and losses in the period in which they occur in full in the statement of other comprehensive income.

Interest is calculated by applying the discount rate to the defined benefit obligation. The Institute recognizes the following changes in the defined benefit obligation to the income statement:

- Service costs comprising current service costs and past service costs
- Interest expenses

Any changes in the liabilities over the year due to changes in assumptions or experience within the scheme are recognized in other comprehensive income in the period in which they arise.



Notes to the Financial Statements

d) Other long term employee benefits

Other long term employee benefits include items not expected to be settled wholly before twelve months after the end of the annual reporting period. This item includes accumulated leaves and medical benefits. The cost of the defined benefit plan and other employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds due to absence of quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details of assumptions, sensitivity analysis and reconciliation of movement of defined benefit plan and other long term employment benefits are given in note 15.

2.14 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Institute and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Basis for recognition of revenue for individual items of revenue are as below:

Fee Income – is accounted for on accrual basis except Membership Fee and Student Fee which are recognized as income as and when received. Fee received for the period beyond the period of the financial statement is grouped under current liabilities and booked as income in the year it pertains.

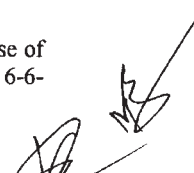

Government Grant – received without any condition or terms of reference is recognized in the income statement in the period in which grant is received. Grants and subsidies related to assets are generally deferred in the statement of financial position and credited to the Income Statement over the useful life of the asset.

Interest Income - on both long term and short term investments are recognized on cash basis using effective interest rate.

Other Income - mainly includes election income, recruitment income, gain on sale of assets and amortization of earmarked building fund which is recognized in the period in which it is received. Earmarked building fund is amortized as income over useful life of related building to match proportionate depreciation expense recognized in the income statement.

2.15 Lease

Agreement between Ministry of Finance and ICAN was made on 23 Kartik 2066 for the lease of Land located at Satdobato, Lalitpur by the Government of Nepal. As per the lease agreement 6-6-





Notes to the Financial Statements

3-1 ropani land was leased for the period of 50 years from the date of agreement made with the yearly lease of Rs. 3,379.08 per ropani. Lease payment for the year 2074/75 has been shown under other expenses as Land lease at Satdobato. Total lease expense charged to income statement for the period is Rs. 21,714. Future minimum lease payments under such non-cancellable operating lease agreement are presented below:

	Not Later than one year	Later than one year and not later than five years	Later than five years
Future minimum lease payments (Rs.)	21,714	86,856	80,3418

The Institute has not entered into any finance lease agreement.

2.16 Reserve and funds***Unrestricted funds***

Unrestricted funds are those that are available for use by the Institute at the discretion of the Council in furtherance of the general objectives of the Institute. Unrestricted funds mainly include general reserve.

Earmarked funds

Earmarked fund is designated fund for specific purpose which includes scholarship fund, medal fund, employee welfare fund, building fund and members benevolent fund. Contribution received to and payment done through such fund is shown under movement of earmarked fund (refer note 14).

2.17 Vehicle scheme and amortization

Institute provides vehicle facility to eligible employees. Under this facility, the Institute pays for the vehicle as per the scheme and deducts the installments equal to residual value of vehicle taking 15% as rate of depreciation over 5 to 7 years (depending on scheme) from employee's salary on monthly basis. After elapse of the individual scheme period, the vehicle is transferred in the name of the respective employee. The amount paid by the Institute for the purchase of the vehicle under scheme is shown under prepayment which is amortized at the rate of 15% per annum. Amount deducted from the employees is shown under account payables as payable to staff.

2.18 Provision and contingencies

A provision is recognized in the statement of financial position, when the Institute has a legal or constructive obligation as a result of a past event, it is probable that an outflow of assets will be required to settle the obligation and the obligation can be measured reliably. Provisions include provision for employee benefits.

Contingencies are:

- possible assets or obligation that arise from past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events not wholly within the control of the Institute; or





Notes to the Financial Statements

- a present obligation that arises from past event but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

2.19 Events after the reporting period

There are no material events occurring after the reporting period which would require adjustment or disclosures.

2.20 Taxation

Income Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in income statement except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

Current Tax

Current tax is the expected tax payable or recoverable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. Corporate Income Tax liability is calculated as per the provisions of Income-Tax Act, 2058. Any variation occurring in the course of final tax assessment is adjusted in the year of acceptance by the Institute.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rate applicable to the entity as at the reporting date which is expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the temporary differences can be utilized.

3. Related Party Transaction

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged. Following related party transactions are occurred during the current fiscal year:

Key management compensation:

Key management personnel are those having authority and responsibility for planning, directing, and controlling the activities of the institute, directly or indirectly, including any Council members (whether executive or otherwise) of the institute.

Following were the Council members for the fiscal year 2074/75 (2017/18)

S. No.	Name	Relationship with The Institute
1	CA. Prakash Jung Thapa	President
2	CA. Jagannath Upadhyay (Niraula)	Vice-President

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Notes to the Financial Statements

3	CA. Mahesh Khanal	Immediate Past President
4	CA. Prakash Lamsal	Council Member
5	CA. Bharat Rijal	Council Member
6	CA. Suresh Devkota	Council Member
7	CA. Ram Prabodh Sah	Council Member
8	CA. Sunil Jakibanja	Council Member
9	CA. Bhaskar Singh Lala	Council Member
10	CA. Bhavanath Dahal	Council Member
11	RA. Yadav Prasad Nyaupane	Council Member
12	RA. Surya Prasad Adhikari	Council Member
13	RA. Ganesh Raj Rai	Council Member
14	RA. Dhurba Prasad Paudel	Council Member
15	Mr. Babu Ram Gautam	Council Member
16	Mr. Mukunda Raj Panthi	Council Member
17	Mr. Jagannath Devkota	Council Member

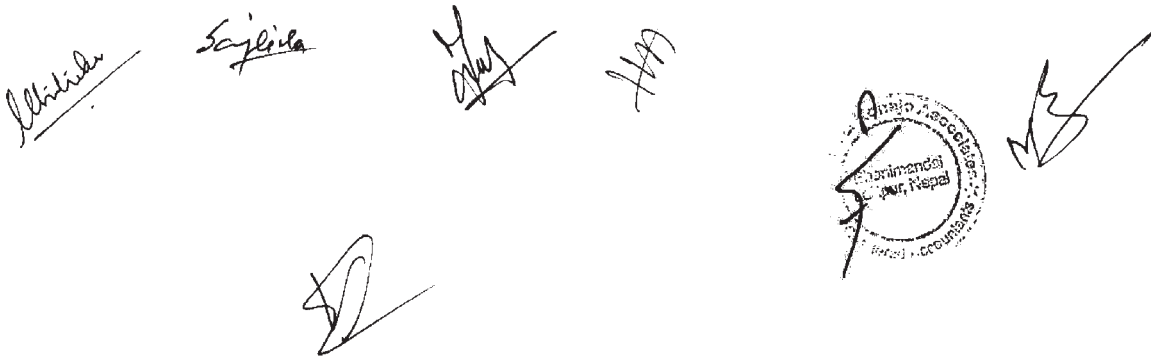
ICAN provides following meeting allowances to the Council Members:

Particulars	Amount (Rs.)
Council Meeting	2,400
Committee Meeting	1,200

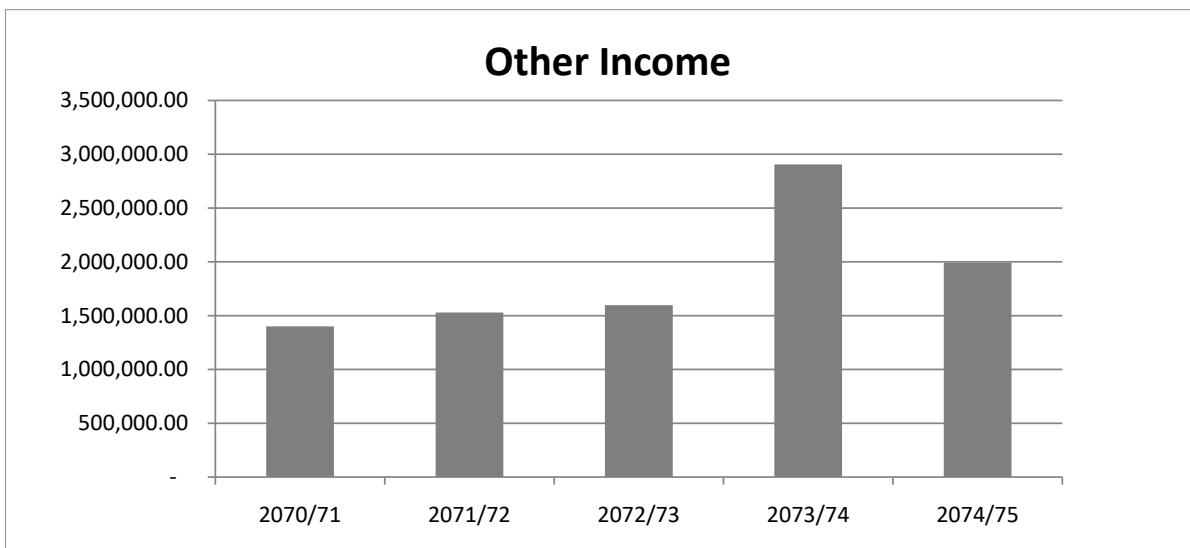
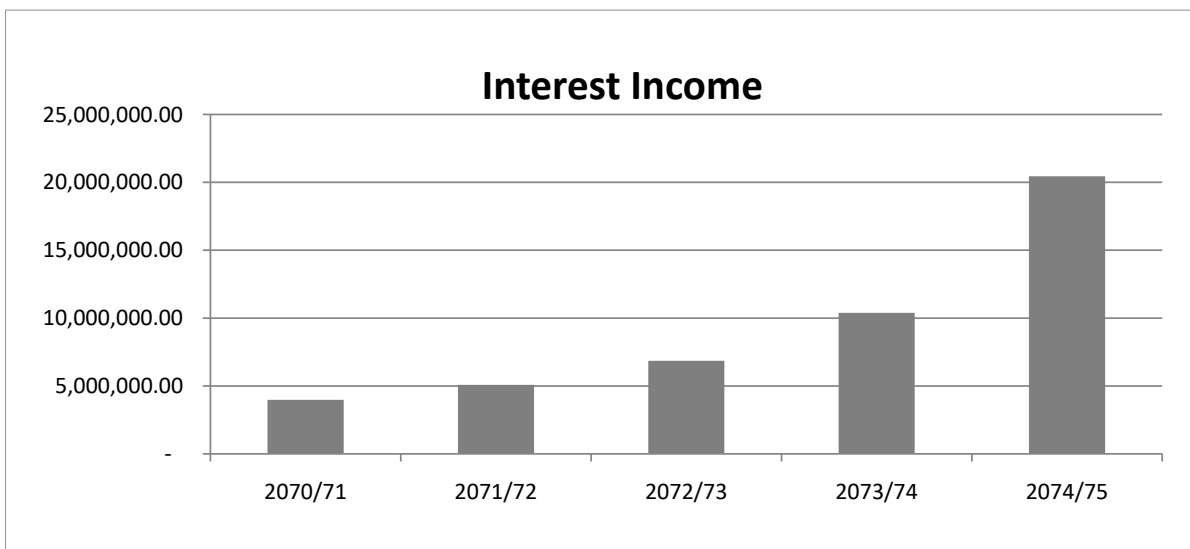
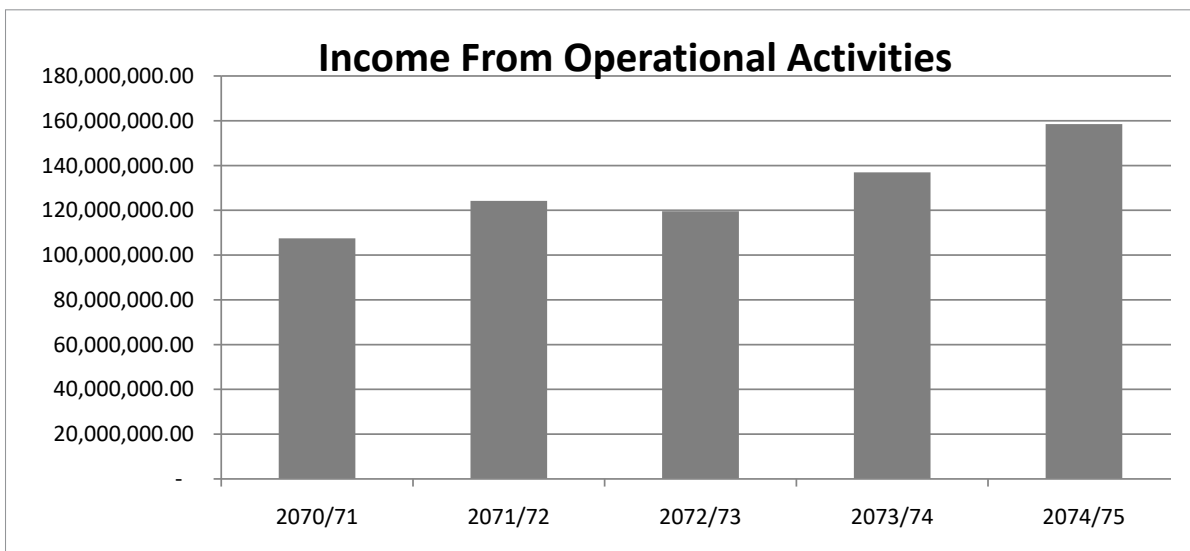
(a) *Executive Director (ED)*: Executive Director is a full time employee of the Institute and has a specified decision making role. During this fiscal year 2074/75, CA. Sanjay Kumar Sinha was appointed as Executive Director with effect from 16 Bhadra, 2074. He was paid salary and allowances amounting Rs. 2,513,548.38 for ten and half months, a vehicle with monthly fuel limit of 100 litres petrol and mobile facility with monthly bill limit of Rs. 3,000.

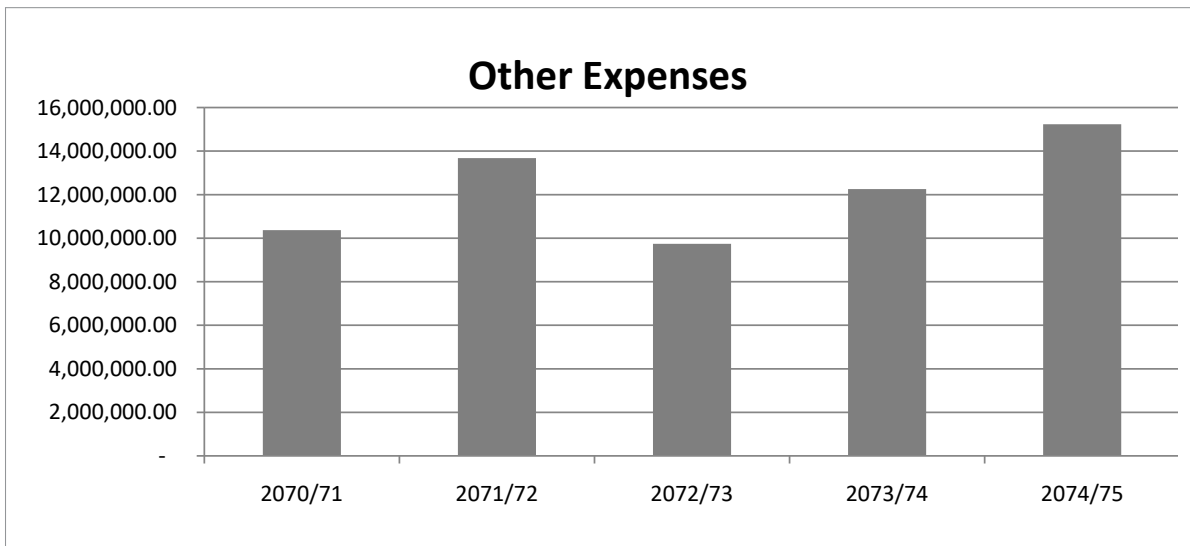
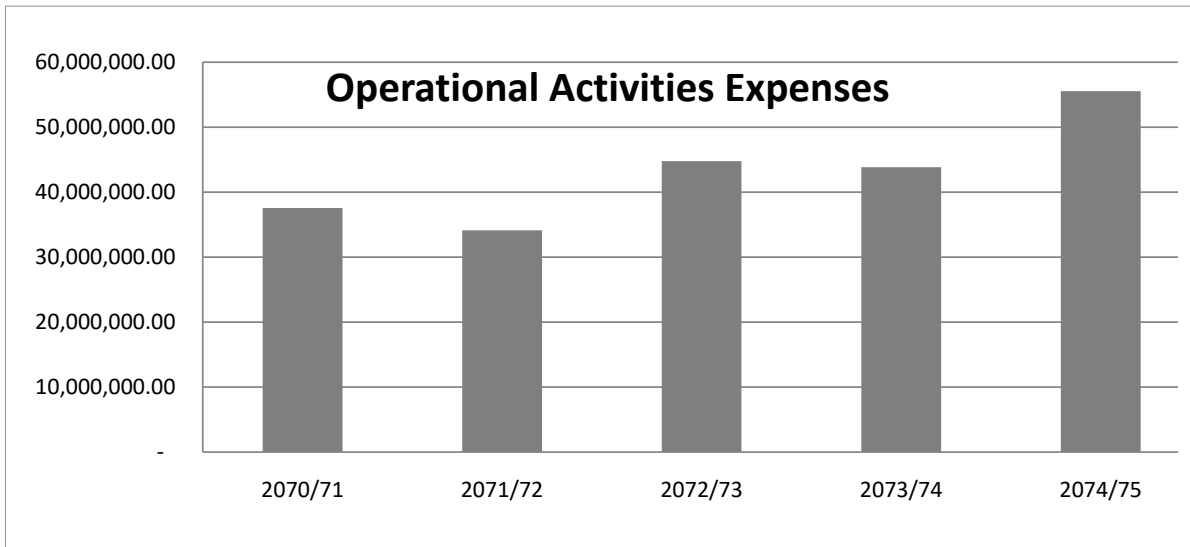
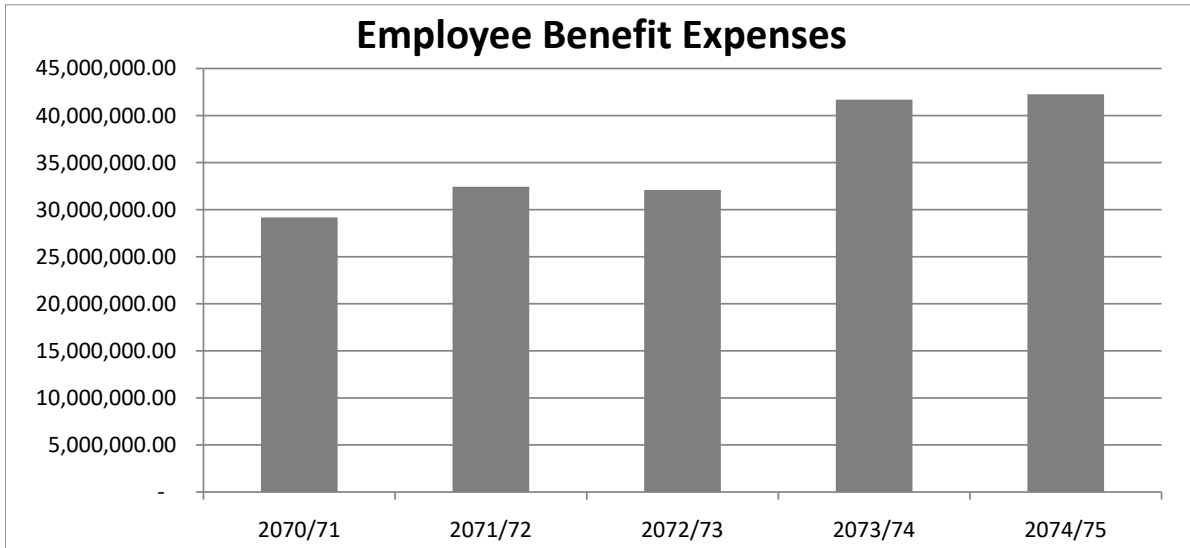
(b) *President*: ICAN provides monthly fuel limit of 60 litres petrol, mobile facility with monthly bill limit of Rs. 3,000 and Driver facility to the President. However, President CA. Prakash Jung Thapa has not claimed any such facilities.

(c) *Vice-President*: ICAN provides monthly fuel limit of 40 litres petrol and mobile facility with monthly bill limit of Rs 2,000 to the Vice President. However, Vice-President CA. Jagannath Upadhyay (Niraula) has not claimed any such facilities.







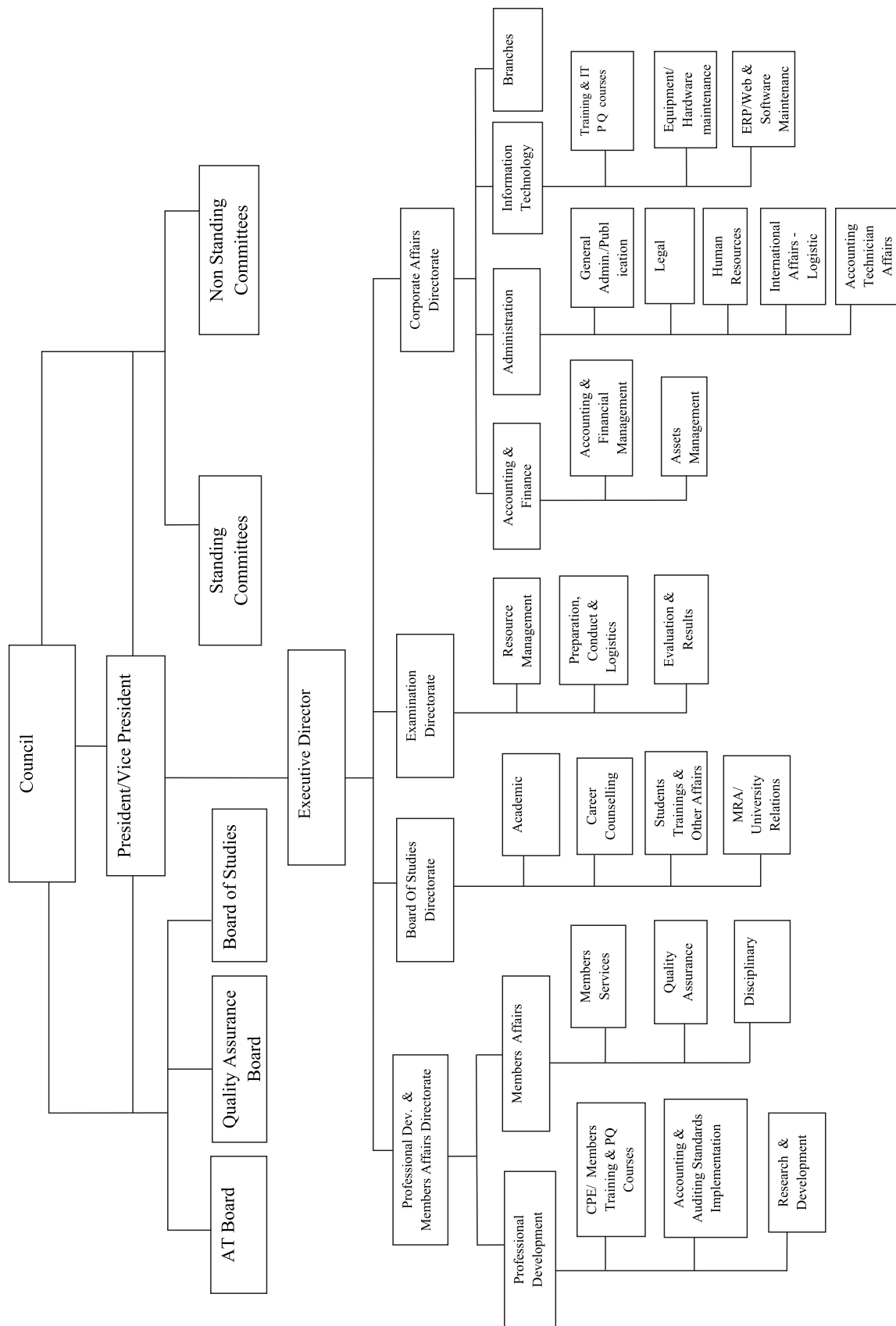




Annexure - I

Institute Of Chartered Accountants of Nepal

Organisation Structure





Annexure II

Accounting and Auditing Standards

As per the provision of the Nepal Chartered Accountants Act, 1997, the Institute pronounced the following Accounting and Auditing Standards for implementation upon the recommendation from the Accounting Standard Board (ASB) and the Auditing Standard Board (AuSB) which is prepared in the line with the International Financial Reporting Standards (IFRS).

Nepal Financial Reporting Standards

S.N.	NFRSs	Name of Standards
		Preface
		Conceptual Framework
1.	NAS 1	Presentation of Financial Statements
2.	NAS 2	Inventories
3.	NAS 7	Statement of Cash Flows
4.	NAS 8	Accounting Policies, Changes in Accounting Estimates & Error
5.	NAS10	Events after the Reporting Period
6.	NAS 11	Construction Contracts
7.	NAS 12	Income Taxes
8.	NAS 16	Property, Plant & Equipment
9.	NAS 17	Leases
10.	NAS 18	Revenue
11.	NAS 19	Employee Benefits
12.	NAS 20	Accounting for Government Grants & Disclosure of Government Assistance
13.	NAS 21	The Effects of Changes in Foreign Exchange Rates
14.	NAS 23	Borrowing Cost
15.	NAS 24	Related Party Disclosures
16.	NAS 26	Accounting & Reporting by Retirement Benefit Plans
17.	NAS 27	Separate Financial Statements
18.	NAS 28	Investments in Associates & Joint Ventures
19.	NAS 32	Financial Instruments: Presentation
20.	NAS 33	Earnings Per Share
21.	NAS 34	Interim Financial Reporting
22.	NAS 36	Impairment of Assets
23.	NAS 37	Provisions, Contingent Liabilities and Contingent Assets
24.	NAS 38	Intangible Assets
25.	NAS 39	Financial Instruments: Recognition and Measurement
26.	NAS 40	Investment Property
27.	NAS 41	Agriculture
28.	NFRS 1	First-Time Adoption of NFRS
29.	NFRS 2	Share based Payment
30.	NFRS 3	Business Combination
31.	NFRS 4	Insurance Contracts
32.	NFRS 5	Non-Current Assets Held for Sale & Discontinued Operation
33.	NFRS 6	Exploration for and evaluation of mineral resources
34.	NFRS 7	Financial Instruments: Disclosure
35.	NFRS 8	Operating Segments
36.	NFRS 9	Financial Instruments
37.	NFRS 10	Consolidated Financial Statements
38.	NFRS 11	Joint Arrangements
39.	NFRS 12	Disclosure of Interests in other Entities
40.	NFRS 13	Fair Value Measurements
1.	IFRICs and SICs	



The Entities to which NFRSs shall be applicable and the financial year in which fully NFRSs complied Financial Statements to be prepared shall be as follows. However, NFRS-9, Financial Instrument shall be applicable with effect from 16 July, 2015 onwards.

Type	Entities Requiring adoption of NFRS	Applicable Date
A	1. Listed Multinational Manufacturing Companies	2014-15 (2071-72)
	2. Listed State-Owned Enterprises (SOEs) with minimum paid up capital of Rs. 5 billion (except Banks and Financial Institutions under BAFIA 2006)	
B	1. Commercial Banks, including State Owned Commercial Banks;	2015-16 (2072-73)
	2. All other Listed State-Owned Enterprises (SOEs)	
C	1. All other Financial Institutions not covered under A & B above	2016-17 (2073-74)
	2. All other SOEs	
	3. Insurance Companies	
	4. All other Listed Companies	
	5. All other Corporate Bodies/Entities not defined as SMEs.	
D	NFRS for SMEs (SMEs as defined and classified by ASB)	2019-20 (2076-77)

NOTE:

1. Early Implementation of NFRS is encouraged/recommended.
2. Until the implementation of NFRS as per above schedule, existing NASs shall continue to be effective to such entities.

Nepal Standards on Auditing

The following Nepal Standards on Auditing 2018 are applicable voluntarily from 1st Shrawan 2075 and Mandatory from 1st Shrawan 2076 except for NSA 701- Communicating Key Audit Matters in the Independent Auditor's Report.

S.No.	NSA No.	Standards
		Preface to the Nepal Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements Glossary of Terms NEPAL STANDARDS ON QUALITY CONTROL
1	NSQC 1	Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements
AUDITS OF HISTORICAL FINANCIAL INFORMATION		
200-299 GENERAL PRINCIPLES AND RESPONSIBILITIES		
1	NSA 200	Overall Objective of the Independent Auditor and the conduct of an Auditor in Accordance with Nepal Standards on Auditing
2	NSA 210	Agreeing the Terms of Audit Engagements
3	NSA 220	Quality Control for an Audits of Financial Statements
4	NSA 230	Audit Documentation
5	NSA 240	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements
6	NSA 250	Consideration of Laws and Regulations in an Audit of Financial Statements
7	NSA 260 (Revised)	Communication with Those Charged with Governance
8	NSA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management
300-499 RISK ASSESSMENT AND RESPONSE TO ASSESSED RISKS		
9	NSA 300	Planning an Audit of Financial Statements
10	NSA 315 (Revised)	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment
11	NSA 320	Materiality in Planning and Performing an Audit
12	NSA 330	The Auditor's Responses to Assessed Risks
13	NSA 402	Audit Considerations Relating to an Entity Using a Service Organization
14	NSA 450	Evaluation of Misstatements Identified during the Audit
500-599 AUDIT EVIDENCE		
15	NSA 500	Audit Evidence
16	NSA 501	Audit Evidence-Specific Considerations for Selected Items



17	NSA 505	External Confirmations
18	NSA 510	Initial Audit Engagements—Opening Balances
19	NSA 520	Analytical Procedures
20	NSA 530	Audit Sampling
21	NSA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures
22	NSA 550	Related Parties
23	NSA 560	Subsequent Events
24	NSA 570 (Revised)	Going Concern
25	NSA 580	Written Representations
600-699 USING THE WORK OF OTHERS		
26	NSA 600	Special considerations-Audits of Group Financial statements (including the work of component Auditors)
27	NSA 610 (Revised 2013)	Using the work of Internal Auditors
28	NSA 620	Using the work of an Auditors Expert
700-799 AUDIT CONCLUSIONS & REPORTING		
29	NSA 700 (Revised)	Forming an opinion and Reporting on financial statements
30	NSA 701	Communicating Key Audit Matters in the Independent Auditor's Report
31	NSA 705 (Revised)	Modifications to the opinion in the Independent Auditors report
32	NSA 706 (Revised)	Emphasis of Matter Paragraphs and other Matter Paragraphs in the Independent Auditors Report
33	NSA 710	Comparative information-corresponding Figures and comparative Financial Statements
34	NSA 720 (Revised)	The auditor's responsibilities relating to Other information in Documents Containing Audited Financial statements.
800-899 SPECIALIZED AREAS		
35	NSA 800 (Revised)	Special Considerations-Audit of financial statements Prepared in Accordance with special Purpose Frameworks
36	NSA 805 (Revised)	Special Considerations-Audits of Single Financial statements and Specific Elements, Accounts or Items of a Financial statements
37	NSA 810 (Revised)	Engagements to Report on Summary of Financial Statements
NEPALAUDITING PRACTICE NOTES		
38	NAPN 1000	Special Considerations in Auditing Financial Instruments
AUDITS AND REVIEW OF HISTORICAL FINANCIAL INFORMATION		
2000-2699 NEPAL STANDARDS ON REVIEW ENGAGEMENTS(ISREs)		
39	NSRE 2400 (Revised)	Engagement to Review Financial Statements
40	NSRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity
ASSURANCE ENGAGEMENTS OTHER THAN AUDITS OR REVIEWS OF HISTORICAL FINANCIAL INFORMATION		
3000-3699 NEPAL STANDARDS ON ASSURANCE ENGAGEMENTS(NSAEs)		
3000-3399 APPLICABLE TO ALL ASSURANCE ENGAGEMENTS		
41	NSAE 3000 (Revised)	Assurance Engagements Other than Audits or Reviews of Historical Financial Information
3400-3699 SUBJECT SPECIFIC STANDARDS		
42	NSAE 3400	The Examination of Prospective Financial Information (Previously NSA 810)
43	NSAE 3402	Assurance Reports on Controls at a Service Organization
44	NSAE 3410	Assurance Engagements on Greenhouse Gas Statements
45	NSAE 3420	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus
RELATED SERVICES		
4000-4699 NEPAL STANDARDS ON RELATED SERVICES(NSRSs)		
46	NSRS 4400	Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (Previously NSA 920)
47	NSRSs 4410 (Revised)	Compilation Engagements
AUDIT QUALITY		
48		A Framework for Audit Quality: Key Elements that Create an Environment for Audit Quality
ASSURANCE FRAMEWORK		
49		Amended Nepal Framework for Assurance Engagements

Annexure III

Standing and Non Standing Committees and Member for the year 2017-2018

As per the Nepal Chartered Accountant Act, there is a provision of formation of various Committees and Boards to advise and facilitate the council and its decisions. During the year, four standing committee, 24 non standing committees, Accounting Technician Board, Board of Studies, Quality Assurance Board and Branch Advisory Committees were formed. The name of Committees/Board and members for 2017/2018 (2074/75) is as follows:

Standing Committees

1 Executive Committee		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	President
2	CA. Jagannath Upadhyay Niraula	Vice- President
3	CA. Suresh Devkota	Council Member
4	RA. Ganesh Raj Rai	Council Member
5	CA. Sanjay Kumar Sinha	Secretary

2 Professional Development Committee		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Chairman
2	CA. Jagannath Upadhyay Niraula	Vice- President
3	CA. Ram Prabodh Sah	Council Member
4	RA. Yadav Prasad Nyaupane	Council Member
5	Mr. Babu Ram Gautam	Council Member
6	CA. Bijay Raj Ghimire	Member
7	RA. Badri Prasad Bhattarai	Member
8	Mr. Binod Prasad Neupane	Secretary

3 Disciplinary Committee		
S.N.	Member Name	Position
1	CA. Mahesh Khanal	Chairman
2	CA. Bhaskar Singh Lala	Council Member
3	RA. Surya Prasad Adhikari	Council Member
4	Mr. Mukunda Raj Panthi	Council Member
5	CA. Kumud Tripathy	Member
6	RA. Dol Prasad Dahal	Member
7	Mr. Padamraj Poudel	Member
8	Ms. Goma Raut	Secretary

4 Examination Committee		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Chairman
2	CA. Jagannath Upadhyay Niraula	Vice- Chairman
3	CA. Bharat Rijal	Council Member
4	RA. Dhruva Prasad Paudel	Council Member
5	Mr. Jagannath Devkota	Council Member
6	CA. Binay Prakash Shrestha	Member
7	RA. Kedar Nath Poudel	Member
8	Mr. Shyam Mani Dahal	Secretary

Non Standing Committees

1 Editorial Committee		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Chairman
2	CA. Jagannath Upadhyay Niraula	Vice- Chairman
3	CA. Hemanta Pokharel	Member
4	CA. Kusum Bhandari	Member
5	CA. Rishi Ram Poudel	Member
6	CA. Prakash Adhikari	Member
7	RA. Dev Bahadur Bohara	Member
8	RA. Dharanidhar Adhikari	Member
9	RA. Dilli Prasad Dahal	Member
10	Mr. Binod Neupane	Secretary

2 Ethics Committee		
S.N.	Member Name	Position
1	CA. Madhu Bir Pande	Chairman
2	CA. Bhava Nath Dahal	Council Member
3	CA. Bhuban Kadel	Member



4	CA. Shyam Karki	Member
5	CA. Rajesh Prasad Giri	Member
6	CA. Santosh Lamsal	Member
7	CA. Puspa Chandra Khanal	Member
8	RA. Pradip Kumar Yadav	Member
9	RA. Ram Gopal Maharjan	Member
10	Ms. Goma Raut	Secretary

3 Continuing Professional Education Committee		
S.N.	Member Name	Position
1	CA. Suvod Kumar Karn	Chairman
2	RA . Dhruva Prasad Paudel	Council Member
3	CA. Chhetra Gopal Pradhan	Member
4	CA. Ganesh Parajuli	Member
5	CA. Bhoj Raj Pandey	Member
6	CA. Prabin Raj Kafle	Member
7	CA. Himanchal Prasad Pathak	Member
8	RA. Vinod Kumar Chakhun	Member
9	RA. Jaya Kumari Jha	Member
10	Mr. Binod Prasad Neupane	Secretary

4 NFRS Implementation Committee (Other than Banking)		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Chairman
2	CA. Bharat Rijal	Council Member
3	CA. Mahesh Kumar Guragain	Member
4	CA. Rabindra Rajbhandari	Member
5	CA. Ashish Garg	Member
6	CA. Surendra Shrestha	Member
7	RA. Kumar Prasad Khatiwada	Member
8	RA. Meera Shrestha	Member
9	Ministry of Finance Ministry Representative	Invitee
10	Mr. Santosh Kumar Dahal	Invitee
11	Mr. Nabaraj Adhikari	Invitee
12	Mr. Santosh Karki	Invitee
13	FNCCI Representative	Invitee
14	CA. Gaurav Khwaunju Shrestha	Secretary

5 NFRS Implementation Committee (Bank & Financial Institutions)		
S.N.	Member Name	Position
1	CA. Prakash Lamsal	Chairman
2	CA. Aswani Bansal	Member
3	CA. Nil Bahadur Saru Magar	Member
4	CA. Aman Uprety	Member
5	CA. Rupesh Luitel	Member
6	RA. Bholu Nath Pathak	Member
7	RA. Keshab Raj Acharya	Member
8	Ministry of Finance Ministry Representative	Invitee
9	CRO Representative	Invitee
10	Securities Board Of Nepal (SEBON) Representative	Invitee
11	NRB Representative	Invitee
12	CA. Gaurav Khwaunju Shrestha	Secretary

6 Auditing Standards Implementation Committee		
S.N.	Member Name	Position
1	CA. Mahesh Khanal	Chairman
2	RA. Dhruva Prasad Paudel	Council Member
3	CA. Prabin Kumar Jha	Member
4	CA. Gyanendra Bahadur Bhari	Member
5	CA. Sudhir Kumar Sharma	Member
6	CA. Gopal Kumar Shrestha	Member
7	CA. Thanesor Bashyal	Member
8	CA. Jeevan Kumar Basnet	Member
9	RA. Purna Bahadur Chand	Member
10	CA. Gaurav Khwaunju Shrestha	Secretary

7 Committee on Public Finance NPSAS		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Chairman
2	CA. Bhaskar Singh Lala	Council Member
3	CA. Anup Kumar Shrestha	Member
4	CA. Lila Raj Dhakal	Member
5	RA. Shiva Prasad Acharya	Member
6	Office Of the Auditor General Representative	Invitee
7	Mr. Hem Raj Poudel	Invitee
8	CA. Gaurav Khwaunju Shrestha	Secretary



8 Audit Committee		
S.N.	Member Name	Position
1	CA. Ram Prabodh Sah	Chairman
2	RA. Yadav Prasad Nyaupane	Council Member
3	Mr. Mukunda Raj Panthi	Council Member
4	CA. Gaurav Khwaunju Shrestha	Secretary

9 Expert Advisory Committee		
S.N.	Member Name	Position
1	CA. Narendra Bhattarai	Chairman
2	CA. Bhava Nath Dahal	Council Member
3	CA. Prabin Dhoj Joshi	Member
4	CA. Gopal Prasad Pokharel	Member
5	CA. Achyut Raj Joshi	Member
6	CA. Yagya Raj Bhatta	Member
7	RA. Tanka Prasad Pandey	Member
8	RA. Devi Prasad Dallakoti	Member
9	RA. Madhav Prasad Parajuli	Member
10	Mr. Binod Prasad Neupane	Secretary

10 Information Technology Committee		
S.N.	Member Name	Position
1	CA. Bharat Rijal	Chairman
2	CA. Pramod Nath Pyakuryal	Member
3	CA. Sujan Shrestha	Member
4	CA. Abhaya Poudel	Member
5	CA. Mukund Pokharel	Member
6	CA. Ramesh Kumar Dhital	Member
7	CA. Subash Poudel	Member
8	RA. Hriratna Bajracharya	Member
9	RA. Pradip Raj Osti	Member
10	Mr. Basanata Krishna Lokeshwor Ranjitkar	Secretary

11 Small and Medium Practices Committee		
S.N.	Member Name	Position
1	CA. Jagannath Upadhyay Niraula	Chairman
2	CA. Sunil Jakibanja	Council Member
3	CA. Jaldeep Karki	Member
4	CA. Dhruva Adhikari	Member
5	CA. Sunil Adhikari	Member

6	CA. Darshan Neupane	Member
7	RA. Rajendra Prasad Dhungana	Member
8	RA. Balram Chaudhary	Member
9	RA. Shobha Kant Jha	Member
10	Mr. Binod Prasad Neupane	Secretary

12 Monitoring Committee		
S.N.	Member Name	Position
1	CA. Suresh Devkota	Chairman
2	RA. Ganesh Raj Rai	Council Member
3	CA. Sujan Kumar Kafle	Member
4	CA. Rabin Sapkota	Member
5	CA. Deepak Pyakurel	Member
6	CA. Ramesh Nepal	Member
7	RA. Bharat Kumar Shrestha	Member
8	RA. Poshak Lal Shrestha	Member
9	RA. Shibaji Pandey	Member
10	Ms. Goma Raut	Secretary

13 Recruitment Committee		
S.N.	Member Name	Position
1	CA. Jagannath Upadhyay Niraula	Chairman
2	RA. Surya Prasad Adhikari	Council Member
3	Mr. Babu Ram Gautam	Council Member
4	CA. Sanjay Kumar Sinha	Secretary

14 Financial Reporting Review Committee		
S.N.	Member Name	Position
1	CA. Pradeep Kumar Shrestha	Chairman
2	CA. Jagannath Upadhyay Niraula	Vice-Chairman
3	CA. Purneshwor Shrestha	Member
4	CA. Rajesh Paudel	Member
5	CA. Parakram Nath Sharma	Member
6	CA. Jitendra Kumar Mishra	Member
7	RA. Jhalak Mani Lamsal	Member
8	CA. Gaurav Khwaunju Shrestha	Secretary



15 Committee for Members in Industry		
S.N.	Member Name	Position
1	CA. Mahesh Khanal	Chairman
2	CA. Muktibodh Neupane	Member
3	CA. Devendra Raman Khanal	Member
4	CA. Mahesh Rimal	Member
5	CA. Dhiraj Raj Subedi	Member
6	CA. Sangita Kadariya	Member
7	CA. Kumar Gnawali	Member
8	RA. Rajendra Lal Shrestha	Member
9	RA. Maya Bade Shrestha	Member
10	Ms. Pragya Aryal	Secretary

16 Research & Development		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Chairman
2	CA. Sunil Jakibanja	Council Member
3	CA. Suman Rayamajhi	Member
4	CA. Roshan Shakya	Member
5	CA. Kabi Raj Adhikari	Member
6	CA. Ranjeev Shrestha	Member
7	CA. Nirdesh Shrestha	Member
8	RA. Mohan Kumar Parajuli	Member
9	RA. Hari Bahadur Karki	Member
10	CA. Sanjay Kumar Sinha	Secretary

17 Law Reform Committee		
S.N.	Member Name	Position
1	CA. Jagannath Upadhyay Niraula	Chairman
2	CA. Ram Prabodh Sah	Council Member
3	CA. Bhanu Bhakta Joshi	Member
4	CA. Kiran Dongol	Member
5	CA. Kabindra Dahal	Member
6	CA. Pramesh Parajuli	Member
7	CA. Shailendra Uprety	Member
8	RA. Prem Bahadur Shrestha	Member
9	RA. Atmaram Chapagain	Member
10	Ms. Goma Raut	Secretary

18 Fiscal & Taxation Committee		
S.N.	Member Name	Position
1	CA. Bhava Nath Dahal	Chairman
2	CA. Shambhu Prasad Chaudhary	Member
3	CA. Teknath Acharya	Member
4	CA. Bishnu Prasad Bhandari	Member
5	CA. Keshab Prasad Neupane	Member
6	CA. Kaushlendra Kumar Jha	Member
7	RA. Trilochan Prasad Joshi	Member
8	RA. Keshav Prasad Paudyal	Member
9	RA. Surendra Man Shrestha	Member
10	Mr. Mahesh Chitrakar	Secretary

19 RA. Member Capacity Development Committee		
S.N.	Member Name	Position
1	RA. Surya Prasad Adhikari	Chairman
2	CA. Bhaskar Singh Lala	Council Member
3	RA. Yadav Prasad Nyaupane	Council Member
4	RA. Uku Lal Maharjan	Member
5	RA. Bahadur Singh Bista	Member
6	RA. Niranjan Prasad Neupane	Member
7	RA. Utsab Kc	Member
8	RA. Pradip Raj Pant	Member
9	RA. Ramji Prasad Adhikari	Member
10	RA. Posh Raj Nepal	Member
11	RA. Narayan Bahadur Bhandari	Member
12	RA. Kamod Jha	Member
13	RA. Tilak Bahadur Adhikari	Member
14	Mr. Binod Prasad Neupane	Secretary

20 Contemporary Issue Discussion Committee		
S.N.	Member Name	Position
1	CA. Sunil Jakibanja	Chairman
2	CA. Bhupendra Pandey	Member
3	CA. Badri Kumar Guragain	Member
4	CA. Ananda Raj Sharma Wagle	Member
5	CA. Sandip Babu Paudel	Member
6	RA. Durga Nand Chaudhari	Member



7	RA. Jhanak Raj Dhungel	Member
8	Mr. Binod Prasad Neupane	Secretary

21 Committee For NPO's and Cooperative		
S.N.	Member Name	Position
1	CA. Bhaskar Singh Lala	Chairman
2	CA. Janardan Thaiba	Member
3	CA. Pramila Shrestha	Member
4	CA. Sudip Dahal	Member
5	CA. Prakash Baral	Member
6	CA. Rajan Ghimire	Member
7	RA. Dilli Ram Upadhyay (Subedi)	Member
8	RA. Chiranjibi Dwa	Member
9	RA. Krishna Prasad Paudel	Member
10	Mr. Mahesh Chitrakar	Secretary

22 ICAN Advisory Committee		
S.N.	Member Name	Position
1	CA. Prakash Jung Thapa	Co-ordinator
2	CA. Mahesh Khanal	Member
3	CA. Prakash Lamsal	Member
4	CA. Komal Bahadur Chitrakar	Member
5	CA. Tirtha Raj Upadhyaya	Member
6	CA. Kaushalendra Kumar Singh	Member
7	CA. Gopal Prasad Rajbahak	Member
8	CA. Prabhu Ram Bhandary	Member
9	CA. Bijay Kumar Agrawal	Member
10	CA. Pradeep Kumar Shrestha	Member
11	CA. Puspa Lall Shrestha	Member
12	CA. Narayan Bajaj	Member
13	CA. Ratna Raj Bajracharya	Member

14	CA. Tanka Prasad Paneru	Member
15	CA. Suvod Kumar Karn	Member
16	CA. Sunir Kumar Dhungel	Member
17	CA. Sudarshan Raj Pandey	Member
18	CA. Madhu Bir Pande	Member
19	CA. Mahesh Kumar Guragain	Member
20	CA. Narendra Bhattarai	Member
21	CA. Sanjay Kumar Sinha	Secretary

23 Building Committee		
S.N.	Member Name	Position
1	CA. Suvod Kumar Karn	Chairman
2	CA. Mahesh Khanal	Council Member
3	RA. Ganesh Raj Rai	Council Member
4	CA. Subhash Kumar Jhunjhunwala	Member
5	RA. Rajendra Kumar Shrestha	Member
6	RA. Dev Bahadur Bohara	Member
7	RA. Dilip Kumar Dhungana	Member
8	RA. Badri Prasad Bhattarai	Member
9	RA. Mohan Raj Regmi	Member
10	Mr. Jay Dev Shrestha	Member
11	CA. Sanjay Kumar Sinha	Secretary

24 Mutual Recognition Agreement (MRA) Committee		
S.N.	Member Name	Position
1	CA. Suvod Kumar Karn	Chairman
2	CA. Prakash Jung Thapa	Member
3	CA. Jagannath Upadhyay Niraula	Member
4	CA. Prakash Lamsal	Member
5	CA. Bharat Rijal	Member
6	RA. Ganesh Raj Rai	Member
7	CA. Sanjay Kumar Sinha	Secretary

Boards

1 Accounting Technician Board		
S.N	Name	Position
1	CA. Suvod Kumar Karn	Chairman
2	CA. Suresh Devkota	Council Member
3	CA. Bhavanath Dahal	Council Member

4	RA. Yadav Prasad Nyaupane	Council Member
5	RA. Surya Prasad Adhikari	Council Member
6	Mr. Baburam Gautam	Council Member
7	Mr. Ram Chandra Poudel	Member
8	CA. Gaurav Khwaunju Shrestha	Secretary



2 Board Of Studies		
S.N	Name	Position
1	CA. Prakash Lamsal	Chairman
2	CA. Suresh Devkota	Council Member
3	CA. Ram Prabodh Sah	Council Member
4	RA. Ganesh Raj Rai	Council Member
5	Mr. Mukunda Raj Panthi	Council Member
6	CA. Dr. Govinda Ram Agrawal	Member
7	RA. Dinkar Man Singh Pradhan	Member
8	Mr. Ramesh Silwal	Member
9	Mr. Saroj Krishna Ghimire	Member
10	CA. Gaurav Khwaunju Shrestha	Secretary

3 Quality Assurance Board		
S.N	Name	Position
1	Mr. Ramesh Raj Satyal	Chairman
2	CA. Jagannath Upadhyay (Niraula)	Council Member
3	RA. Dhruva Prasad Paudel	Council Member
4	CA. Krishna Prasad Acharya	Member
5	RA. Laxman Khanal	Member
6	Mr. Nil Bahadur Saru Magar	Member
7	Mr. Bishwonath Regmi	Member
8	CA. Sanjay Kumar Sinha	Secretary

Branch Advisory Committee

1 Butwal Branch Advisory Committee		
S.N	Name	Position
1	CA. Hari Lamsal	Co-ordinator
2	CA. Prem Bhurtel	Member
3	CA. Pramod Panthee	Member
4	RA. Shridhar Raj Sharma	Member
5	RA. Govinda Prasad Regmi	Member

2 Biratnagar Branch Advisory Committee		
S.N	Name	Position
1	CA. Pawan Kumar Rathi	Co-ordinator
2	CA. Sushil Kumar Agrawal	Member
3	CA. Manoj Adhikari	Member
4	RA. Posh Raj Nepal	Member
5	RA. Prakash Narayan Chaudhary	Member
6	RA. Phanendra Prasad Parajuli	Member
7	RA. Bijay Hari Sharma	Member

3 Birgunj Branch Advisory Committee		
S.N	Name	Position
1	CA. Arvind Kumar Khetan	Co-ordinator
2	CA. Ramesh Agrawal	Member
3	CA. Subhash Khandelwal	Member
4	CA. Sandip Rauniyar	Member
5	RA. Manoj Sriwastab	Member

6	RA. Din Nath Rauniyar	Member
7	RA. Pradyumna Sedai	Member

4 Pokhara Branch Advisory Committee		
S.N	Name	Position
1	CA. Rudra Nath Pokharel	Co-ordinator
2	CA. Amit Thapa	Member
3	CA. Laxman Adhikari	Member
4	RA. Kesh Bahadur K.C	Member
5	RA. Chandra Subedi	Member
6	RA. Chandra Bahadur Thapa	Member

5 Nepalgunj Branch Advisory Committee		
S.N	Name	Position
1	CA. Kanaihyalal Tandon	Co-ordinator
2	CA. Chhabilal Acharya	Member
3	RA. Ashok Kumar Basnet	Member
4	RA. Binam Kumar Shrestha	Member
5	RA. Mohammad Zuber Rai	Member
6	RA. Abdul karim Khan	Member
7	RA. Gokarna Prasad Acharya	Member



Staff Members of ICAN

The Institute of Chartered Accountants of Nepal

Past Presidents



CA. Komal Bahadur Chitracar
(1997-1998)



CA. Tirtha Raj Upadhyay
(1998-1999)



CA. Kaushalendra Kumar Singh
(1999-2000)



CA. Gopal Prasad Rajbahak
(2000-2001)



CA. Prabhu Ram Bhandary
(2001-2002)



CA. Bijay Kumar Agrawal
(2002-2003)



CA. Pradeep Kumar Shrestha
(2003-2004)



CA. Pushpa Lal Shrestha
(2004-2005)



CA. Narayan Bajaj
(2005-2006)



Late. CA. Binod B. Rajbhandary
(2006-2007)



CA. Ratna Raj Bajracharya
(2007-2008)



CA. Tanka Prasad Paneru
(2008-2009)



CA. Suvod Kumar Karn
(2009-2010)



CA. Sunir Kumar Dhungel
(2010-2011)



CA. Sudarshan Raj Pandey
(2011-2012)



CA. Madhu Bir Pande
(2012-2013)



CA. Mahesh Kumar Guragain
(2013-2014)



CA. Narendra Bhattarai
(2014-2015)



CA. Prakash Lamsal
(2015-2016)



CA. Mahesh Khanal
(2016-2017)



CA. Prakash Jung Thapa
President (2017-18)

Branch Offices

Pokhara

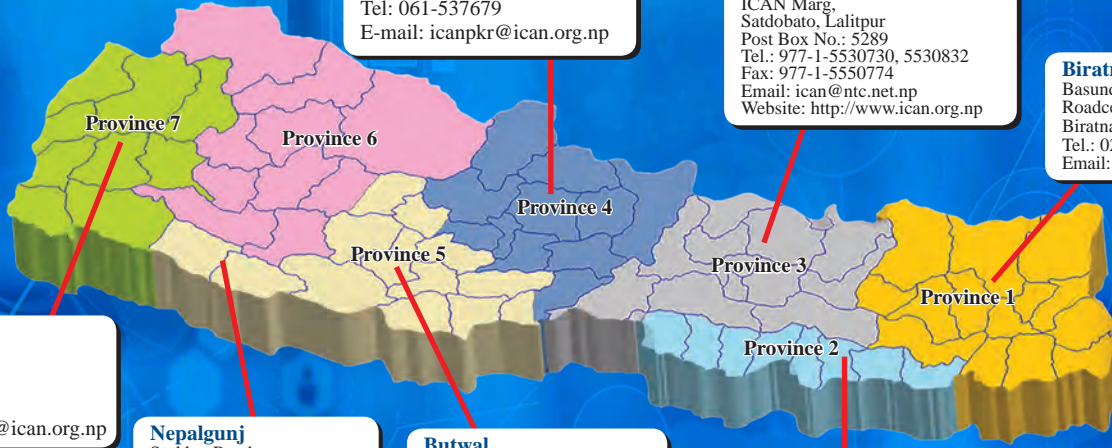
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