

ANNUAL REPORT 2077/78



UPHOLDING PUBLIC INTEREST

EDUCATE | REGULATE | ASSIST



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL

(Established under the Nepal Chartered Accountants Act, 1997)



Fundamental Principles of Professional Accountants

INTEGRITY

OBJECTIVITY

PROFESSIONAL
COMPETENCE
AND DUE CARE

CONFIDENTIALITY

PROFESSIONAL BEHAVIOR



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

Contents

02	About Us
05	Strategic Direction
07	Year at a Glance (2077/78)
11	International and National Milestones
13	President's Review
15	Strategic Review
35	Financial Review
39	Management Review
41	Way Forward
43	Going Forward
45	Council
47	Committees and Boards
51	Financial Statements
87	Awards and Recognition
89	Acknowledgment and Appreciation

About Us

We are guided by the Vision of Credible Accounting Body

The Institute of Chartered Accountants of Nepal (ICAN), an autonomous body, established under an Act, The Nepal Chartered Accountants Act 1997, is entrusted by the statute to promote and regulate the accounting profession in the country. ICAN is committed to contribute in the economic development of the country and under take responsibility of leadership on matters of public interest, constructive submissions on legislation and Government Policy, and enhancement of social recognition and faith in the accounting profession. The Institute provides access to Chartered Accountancy and Accounting Technician education to the aspiring students. Our members provide professional accounting services and we aspire to equip them with the expertise for professional excellence.

ICAN is a full member of the International Federation of Accountants (IFAC), which represents more than three million professional accountants in 135 countries through 180 Professional Accountancy Organizations (PAOs). The Institute is also a full member of Confederation of Asian and Pacific Accountants (CAPA), a regional organization representing thirty-three national professional accountancy organizations in the Asia-Pacific Region and South Asian Federation of Accountants (SAFA), a forum of regional Professional Accounting Bodies in the South Asian Region.

Furthermore, ICAN is supportive towards:

- The government with constructive suggestions on formulation and the revision of legislations relating to industry and commerce, trades, corporate bodies, public financial management, government accounts etc.
- Increasing public awareness regarding accounting and accounting profession so as to enhance the public recognition and trust towards accounting and accounting profession
- The economic development process by increasing the confidence among investors and general public towards the capital market by pronouncing the standards of disclosures in the financial reporting practices

“We have come across a long way
since we began with zeal to
develop, regulate and promote
accounting profession in country.”

The Logo of **the Institute of Chartered Accountants of Nepal (ICAN)** bears a well-known line inscribed with a rich moral lesson- पुनन्तु मनसा धियः. It is extracted from second line of the four line stanza in Chapter XIX (text line no.39) of the Shuklayajurveda. 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 recited as swosti vachana (invocation of auspiciousness) for purification of mind, body and environment.

ICAN believes and propagates that internally purified mind enlightened with wisdom 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.

We wish to be blessed with your best wishes for our success.

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, Fairness and Professional Excellence.

OBJECTIVES

To play effective role of a regulatory body to encourage the members to carry on accounting profession being within the extent of the 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 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 practices so as to make the accounting profession respectable and reliable.

STRATEGIC DIRECTION

The Institute has successfully implemented ICAN Strategic Plan 2074/75 – 2076/77 which was further adopted during the Fiscal Year 2077/78. And, the 9th Council has approved the Strategic Plan 2078/79 – 2080/81 as roadmap to align the Institute's functional activities to achieve the Institute's goal, for next three years. The Strategic Domain identified in both Strategic Plan have been presented below. Every Strategic Domain has set out its Strategic Goals, Objectives, Priorities and Strategic Action Plans.



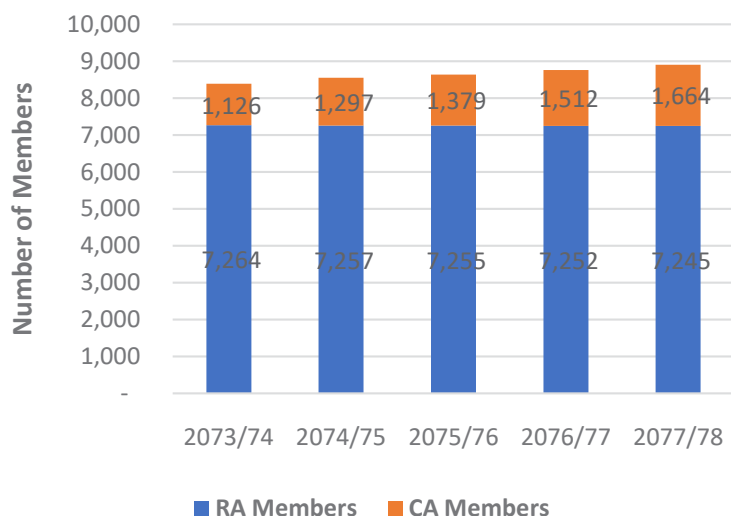
The strategic domain from the Strategic Plan 2074/75 – 2076/77 has been thoroughly reviewed and revised in the Strategic Plan 2078/79 – 2080/81. Major emphasis has been placed in the Regulation and Supervision Role of the Institute. Likewise, strategies are developed to lead the Institution, its members and student towards International Standings. Logical Framework along with the Performance Indicator has been prepared for every Strategic Action Plan of the Strategic Domain for effective implementation and attainment of the Strategic objectives.



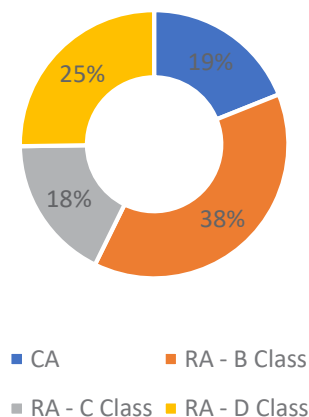
YEAR AT A GLANCE (2077/78)

Total Members	8,909
Chartered Accountant Members	1,664
Registered Auditor Members	7,245
Chartered Accountants	
Fellow Chartered Accountant Members	388
Chartered Accountant Members in Practice	677
Chartered Accountants Firms	559
Chartered Accountants Residing Abroad	104
Chartered Accountants Qualified from ICAN	625
Female Chartered Accountant Members	255
Female Chartered Accountant Members in Practice	28
Number of New CA Members	164
Number of New Female CA Members	40
Number of New Fellow Members	35
Removal of Name of Members due to Death of Members	4
Registered Auditors	
B Class Registered Auditor Members	3,425
C Class Registered Auditor Members	1,563
D Class Registered Auditor Members	2,257
Female Registered Auditor Members	151
Registered Auditors Firms	2,791
Members Upgrade from C to B	8
Members Upgrade from D to C	0
Removal of Name of Members due to Death of Members	7
Total Active Students	9,010
Enrolled in CAP- I Level	3,315
Enrolled in CAP- II Level	4,100
Enrolled in CAP- III Level	1,595
New Registration in CA Course (CAP-I, CAP-II and CAP-III)	3,114
At CAP-I Level	2,126
At CAP-II Level	821
At CAP-III Level	167
New Registration in AT Course	2
Number of New Students Registered for Articleship Training	163
Number of New Articleship Completion Issued	309
Total -Accounting Technician	37

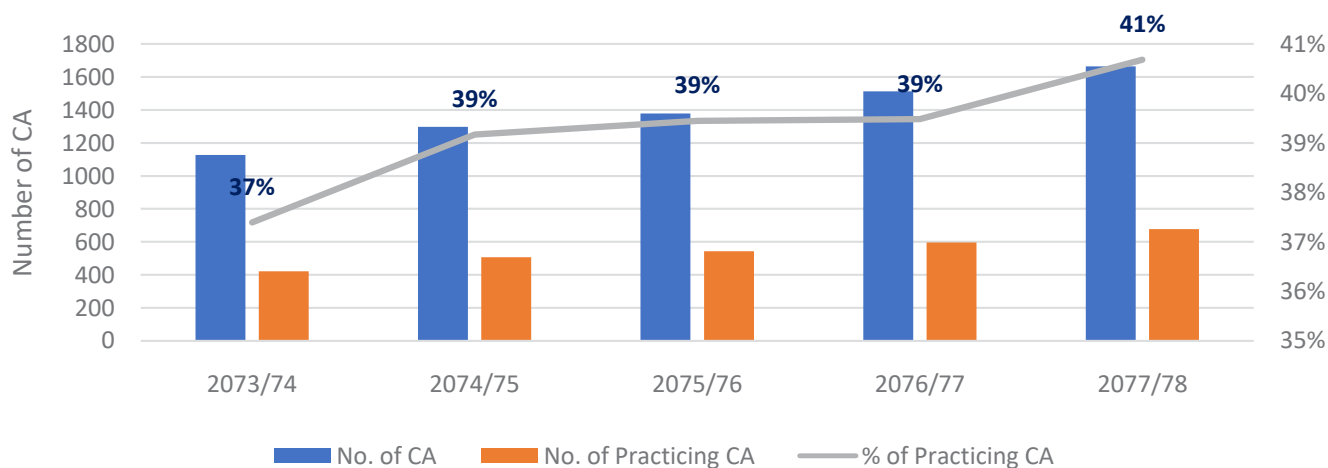
Total Chartered Accountant and Registered Auditor Members



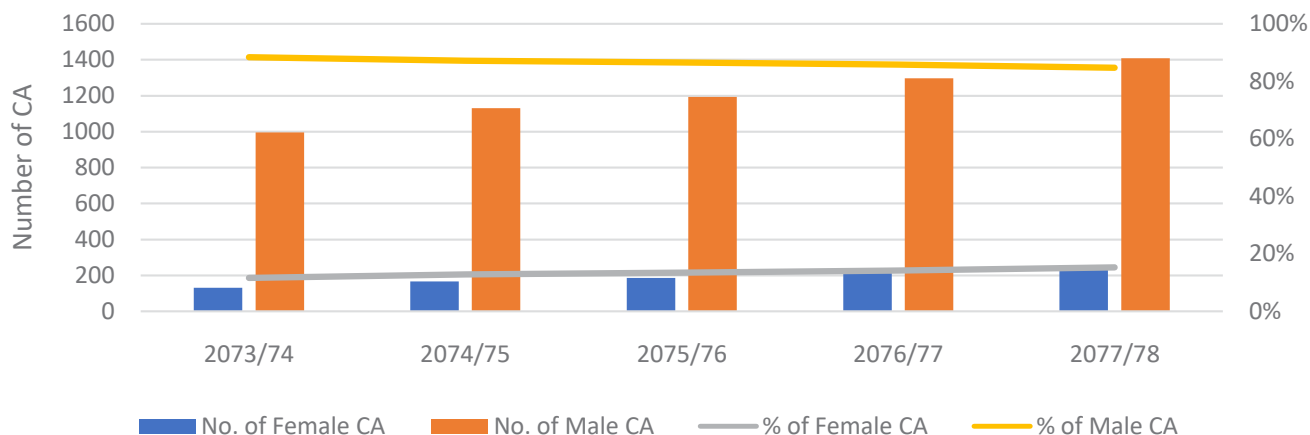
Members 2077/78

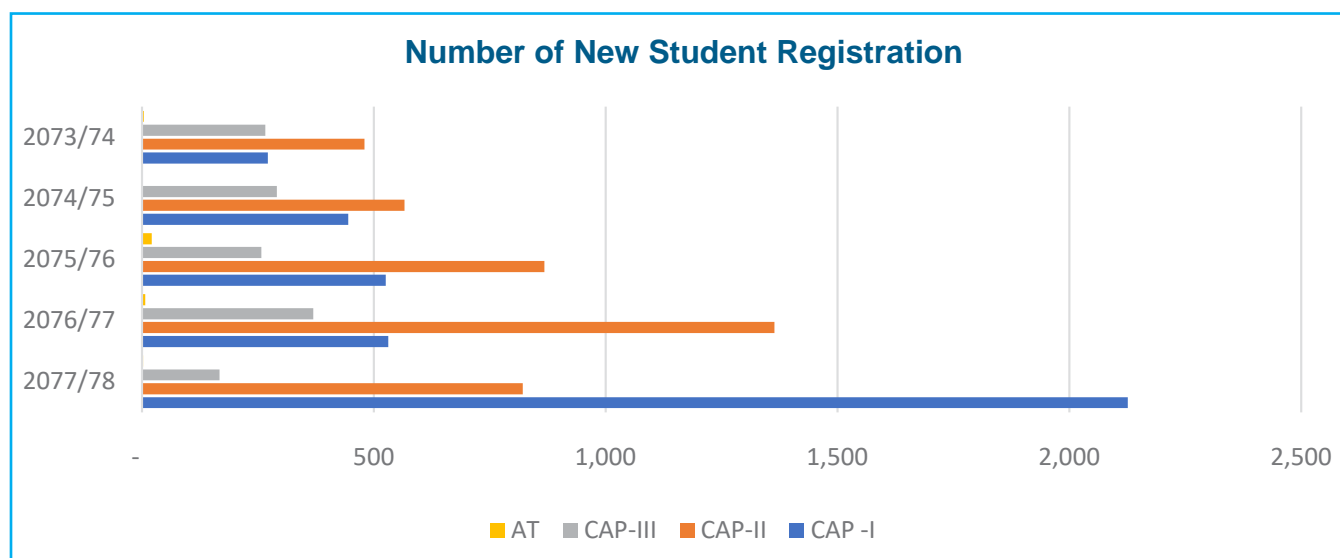


Practicing and Non-Practicing CA Members



Number of Female and Male Chartered Accountant Members





NPR 767 Million

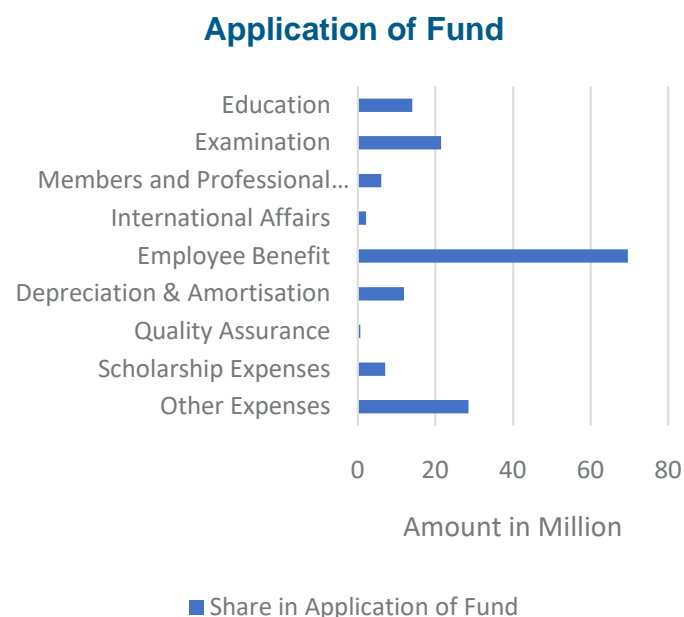
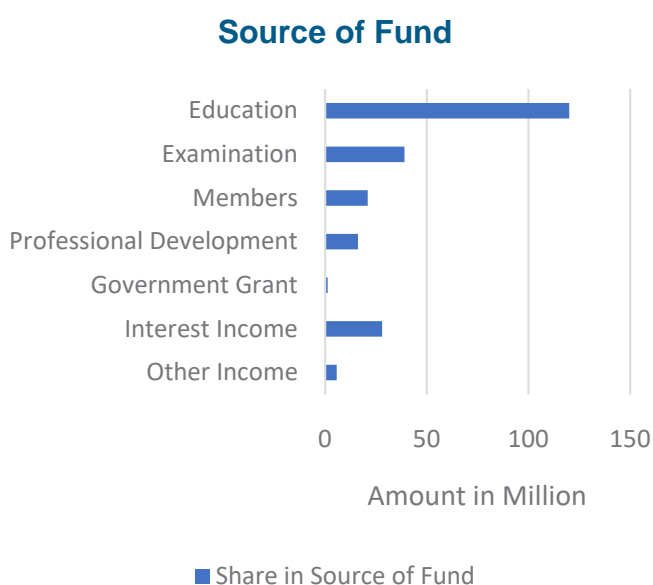
TOTAL ASSETS

NPR 587 Million

TOTAL FUND AND RESERVES

NPR 53 Million

SURPLUS AFTER TAX





ICAN Building, ICAN Marg, Satdobato, Lalitpur

INTERNATIONAL & NATIONAL MILESTONES

The International and National Milestones of the Institute since its establishment in the Year 1997 has been presented below:

INTERNATIONAL MILESTONES

International Affiliations:

The Institute is member of following International and Regional Accounting Bodies:



The International Federation of Accountants (IFAC) represents more than three million professional accountants in 135 countries through 180 Professional Accountancy Organization (PAOs). ICAN became associate member of IFAC in 2003 and full member in 2008.



The Confederation of Asian and Pacific Accountants (CAPA) is a regional organization representing 32 national PAOs from 23 jurisdictions that operate in, or have an interest in, the Asia-Pacific region. The membership of these organizations comprises over 2 million professional accountants. ICAN became the member of CAPA in 1998.



South Asian Federation of Accountants (SAFA) is an apex body of South Asian Association for Regional Co-operation (SAARC), alliance of accounting bodies in South Asia Region. SAFA as an IFAC network Partner represents over 3,75,000 accountants having membership of the national chartered accountancy and cost and management accountancy institutions in the South Asian countries namely Bangladesh, India, Maldives, Nepal, Pakistan and Sri Lanka, Afghanistan. ICAN became the member of SAFA in 1997.

Mutual Recognition Agreement/Memorandum of Understanding/ Technical Collaboration Agreement:

The Institute has MRA/MoU/TA with following National and International Organization/Institutions:



The Institute renewed Recognition Agreement (The ICAEW/ ICAN Membership and Examination Arrangements) with the Institute of Chartered Accountants in England & Wales (ICAEW), UK in March, 2021. The Institute has signed its first Mutual Recognition Agreement with the ICAEW in 2016.







The Institute has signed Memorandum of Understanding (MoU) with The Chartered Accountants Australia and New Zealand (CA ANZ) on 07th March, 2018 and subsequently a further extension to 2018 MoU was signed on 06th December, 2021.



The Institute has signed Memorandum of Understanding (MoU) with The Chartered Institute of Public Finance and Accountancy (CIPFA) on 31st January, 2018 and subsequently a supplementary agreement was signed on 13th May, 2018.



The Institute has signed Mutual Collaboration Agreement with The Association of Chartered Certified Accountants on 01st May, 2019.

	<p>The Institute has signed Memorandum of Understanding (MoU) with Association of International Certified Professional Accountants (AICPA) on 31st May, 2019.</p>
	<p>The Institute has signed Membership Pathway Agreement with CPA Australia on 10th March, 2016.</p>
	<p>The Institute signed Mutual Recognition Agreement (MRA) with The Institute of Chartered Accountants of India (ICAI) on 22nd October, 2020. Prior to this MRA, ICAN has signed MRA/MoU with ICAI on 1998, 2004 and 2017.</p>
	<p>The Institute has signed Memorandum of Understanding (MoU) with The Institute of Internal Auditors, India (IIA India) on 16th April, 2021</p>

Overseas Chapter

Australia Chapter of ICAN

The “Australia Chapter of ICAN” is the first overseas chapter of the ICAN and it was established in Sydney, Australia.

US Chapter of ICAN

The “US Chapter of ICAN” was established in the state of Virginia, United States of America. It was inaugurated on 24th March, 2018 in presence of a high-level delegation from “The Institute of Chartered Accountants of Nepal”. The main objective of the chapter is to facilitate professional development of the members through continuous learning and networking.

Year	NATIONAL MILESTONES	Milestone
20 th July, 2016	Signed Memorandum of Understanding (MoU) with Pokhara University (PU) to establish mutually beneficial relationship between PU and ICAN.	
28 th March, 2019	Signed Agreement with Inland Revenue Department (IRD) for facilitating exchange of information related to tax payer entity and auditors with the objective to promoting effective taxation by taxpayers and ensuring independent, responsible and professional practice of the auditors	
19 th April, 2021	Signed Agreement with Securities Board of Nepal (SEBON) for facilitating exchange of information and mutual cooperation in the areas of financial reporting and good governance.	

President's Review

Dear Professional Colleagues,

On behalf of the Council of the Institute of Chartered Accountants of Nepal it is an honor to present before you the Annual Report of the Institute for the fiscal year ended 2077/78 (2020/21). This report incorporates significant events and achievements of the Institute during the period along with the status of our financial standing.

Today, is the great day for the Institute and for us as well because today, the Institute has completed its twenty-five years of glorious establishment and added one more step towards the Journey of Professional Excellence. I also believe, this is one of the special events in the history of accounting profession in Nepal. And on this auspicious occasion, I place my sincere appreciation to our Past Presidents, Council Members, Committee Members, Members of Task Force and Management of the Institute for their continuous guidance and contribution for shaping and embracing the standing of Institute and that of the Accounting Profession in Nepal. On behalf of Council, I would like to express my sincere gratitude and thank the Ministry of Finance, Government Ministries, Office of Auditor General and other Stakeholder Organizations including Development Partners for their continued support to the Institute and Profession for Upholding Public Interest.

Before presenting the Annual Report for the year 2077/78, I would like to draw your attention towards few remarkable achievements made by the Institute during the year. Institute's activities during the year were guided by the priorities laid down in its Strategic Plan 2074/75 - 2076/77 which was also adopted during the year 2077/78 as well, as the restrictions imposed by Pandemic affected the strategy formulation, and followed by our annual workplan and budget approved by the Council.

Public and Government

The Institute is focused towards enhancement of dignity and respect of the accounting professionals through development and administration of self-regulatory process that ensures professional and ethical compliance of all Members which develops high reputation in public and government. In furtherance to this, the Institute has been organizing various program with the participation of other regulatory bodies and government officials. During this period, the Institute organized interaction program in the presence of Hon'ble Auditor General to update about current development within the Institute and other contemporary topics like "Federal Budget 2078/79 and its Impact on Economy", "Risk Management in Banking and Insurance Sector" "Audit and its Challenges", etc.,

As a regulatory body, we are concerned about the activities of our members and we are committed to review and monitor the practicing members and firms through robust and independent mechanism to ensure the compliance of technical and ethical standards and to enhance their professional capacity. Keeping with this, Quality Assurance Board of the Institute conducted quality assurance review of selected 41 Audit Firms during current fiscal year. Quality Assurance Review of Registered Auditor firms has been started from the year under review. Simultaneously, the



CA. Yuddha Raj Oli
President

Institute has issued Audit Firm Standards and Minimum Fee Directive, 2078 that is applicable from 01st of Shrawan, 2078. The Institute also upgraded the UDIN application to facilitate a real time data integration with Inland Revenue Department.

Members and Accounting Profession: Ethics and Capacity Development

Over the years, the Institute is focused to ensure that members are able to meet the market challenges with the necessary skills and intellect. Towards the end, the conduct of our members speaks about the value addition that our profession makes to the Nation and the National Economy. The Institute is determined to ensure that the members continuously strengthen their professional competence while complying with robust ethical practices that the profession demands. In this regard, the Institute continued to conduct various training and courses to our members besides the regular Continued Professional Education (CPE) Program.

During this period, the Institute has organized 19 CPE training programs through physical and virtual mode and this benefited members at large. Moreover, a post qualification certification course on "Forensic Accounting and Fraud Detection (FAFD)" and "Information System Audit (ISA)" was organized in technical collaboration with the Institute of Chartered Accountants of India (ICAI). In addition, the Institute organized other 7 trainings on various topics to facilitate it members.

Members and Accounting Profession: Market Development

The Institute has always prioritized to increase professional opportunities access of its members. In accordance with the same, the Institute has organized an Online Orientation Program on "Valuation Standards" in technical support of the Institute of Chartered Accountants of India (ICAI). Similarly, an online program on "Opportunities in Internal Audit for ICAN Members: Membership of IIA India" was organized with the support of Institute of Internal Auditors (IIA), India.

Moreover, the Institute has also signed MoU with Vritti Solutions Limited a software developer company of India for launching practice management software in Nepal.

Education

Maintaining the quality of education and facilitating our students has remain one of the primary focused areas of the Institute. The attraction of students towards Chartered Accountancy (CA) Education is in increasing trend since last few years and the Institute is working to produce future ready

Chartered Accountants for the development of nation. The Institute continued to organize revision classes to students and has been updating the study material and reference material on regular basis. Also, considering the increasing flow of students in library, the Institute has extended the space of library to double its previous space. And, for all round development of students, the Institute has organized Quiz and Elocution Contest including facilitating students' participation in International CA Students Program.

During the year, the Institute successfully conducted CA Examination of December, 2020 merging postponed CA Examination of June 2020 as the examination of June 2020 was affected due to lockdown imposed by Government and, the scheduled examination of June, 2021 was conducted in August, 2021. Likewise, CA Membership, Accounting Technician and RA Upgrading Examination was also conducted successfully. Also, the Institute developed a Procedure allowing students to view their answer papers and obtain photocopy of their answer papers.

The Institute with the objective to extend support to meritorious and financially deprived and locational disadvantaged students pursuing CA course, has revised Scholarship Procedure 2078 increasing the amount of annual contribution to regular scholarship fund from 5% of annual surplus to 5% of total registration fees collected from the students and additional, 1% of the registration fee is now contributed to the disaster and pandemic scholarship fund. And, for the year under review, Institute has granted scholarship to total 265 students which amounts to around NPR 7 million. Besides, the continuous General Management and Communication Skills Training for CAP-III level and CAP-I Orientation for newly registered students, the Institute has now commenced the system of Articleship Orientation Training to the students who qualify their CAP-II level examination and the first batch of Articleship Orientation training was conducted in March 2021.

International Relations and Global Positioning

As a continuity to establish International relations to enhance its credibility and achieve Professional Excellence, the Institute signed Mutual Recognition Agreement (MRA) with The Institute of Chartered Accountants of India (ICAI). Likewise, The Institute has signed MoU with the Institute of Internal Auditors, India (IIA India) for providing a framework of cooperation and facilitating collaboration between the Parties in the areas of common interest including adoption of the International Professional Practice Framework (IPPF) and its various components.

Leadership and Guidance

The vision set by our predecessors guide us to attain the leadership role for the development of Accounting Profession and the relation of the Institute with Stakeholders, Government and International Bodies provides leadership strength to the Institute.

By the virtue of Statue, election of 9th Council shall have been conducted during this fiscal year, however because of the prohibitory order issued by the Government due to Covid-19 pandemic, election was held only after couple of months from

due date. Besides, all these challenges the 9th Council of the Institute were elected successfully with due compliance with legal provision and assumed their formal position after the Oath taking ceremony held on 17th September, 2021.

During the year, the Institute has signed MoU with The Securities Board of Nepal for facilitating exchange of information and mutual cooperation in the areas of financial reporting and good governance. The Institute also organized an Interaction Program on "Role of ICAN in Strengthening Public Financial Management" in the presence of Hon'ble Auditor General.

Institutional Development and Sustainability

The Institute is exploring ways to strengthen its institutional capacity with a commitment to establish the Institute as a Center for Excellence. During this fiscal year, the Institute has launched Online Students Registration Portal, Online Payment Gateway System and Online Multipurpose Empanelment form for its members. Likewise, the Institute organized various programs and trainings for its staffs. During the year, the Institute expended NPR 162 million in various activities for members, students and other stakeholders and generated revenue of NPR 231 million. The Institute added NPR 534 million in fund and reserve during the year reaching fund and reserve to NPR 587 million. The Institute has sufficient human and financial resources for the timely implementation of its strategic plan 2078/79 – 2080/81.

On way forward, the operation of the Institute shall be guided by the action plan as specified in its Strategic Plan 2078/79-2080/81 which has identified six major strategic domains for the Institute as; Regulation and Supervision, Professional Development, Education, National Relation: Public and Government, International Relation: Global Positioning and Leadership and Institutional Development and Sustainability. And, I am confident that the Institute will be able to implement the Strategic Plan 2078/79-2080/81 successfully to achieve its mission and objectives.

To conclude, I express my sincere appreciation to the fellow Council Members of the eighth Council and Immediate Past President CA. Madan Krishna Sharma for their guidance, untiring efforts and determination throughout the year. On behalf of the Council, I take this opportunity to acknowledge the contribution and support extended by International Member Bodies, Development Partners, Other Regulatory Bodies, Oversee Chapters and all our Members and Stakeholders for their support in the activities of the Institute. Lastly, I would like to acknowledge the contribution made by Institute's Management Team and staff led by the Executive Director, CA. Sanjay Kumar Sinha for their hard work and dedication and assisting the Council in discharging its responsibilities and strengthening the Institute.

With Best Wishes.



CA. Yuddha Raj Oli
President
2078/10/17

Strategic Review

Operating Environment

As the Institute is entrusted by statute to promote and regulate the accounting profession in the country it is committed to protect accounting profession by upholding professional and technical standards and regulating conduct of its members. For achieving its objectives, the Institute engages stakeholders including Government, development partners, society, members and students in its activities. The political changes from unitary to federalism has increased the stakeholders and induced changes in economic administration of economic units. The stability in the political scenario of the nation is expected to induce economic activities at a greater pace. Globally, accounting profession is undergoing changes. New technical standards relating to financial reporting and auditing are introduced. At national level, we cannot remain aloof from the changes in global front. During this period, the Institute has made its best effort towards development of Members and Students by organizing online CPE programs and student revision classes, despite COVID -19 Pandemic imposed restrictions.

What We Delivered

During the period 2077/78 we continued to deliver on the priorities of Strategic Plan (Year 2074/75 – 2076/77). Our activities were focused on achieving goals set for the identified seven Strategic Domains. We are pleased to share the key activities and achievements in every Strategic Domain.

Strategic Domain 1: Public and Government

Strategic Goals

Develop and administer independent and transparent self-regulatory mechanism that ensures adherence to higher ethical standards of all members to help enhance the reputation of the profession in Public and Government.

As per the priorities for enhancement of dignity of the accounting profession, regular study and participation in formulating fiscal policies and laws, transparency and accountability of regulatory actions, and active participation in strengthening public financial management, the Institute organized and participated in various meetings, workshops and interaction programs. President, Vice President, Council Members, Executive Director and other officials represented the Institute in those meetings, workshops and interaction programs to put forward the ideas and views of the Institute.

Those events were fruitful to enhance reputation of the accounting profession, strengthen role of the Institute, promote the role of the members, regulatory cooperation, sharing of information, exploring areas for future course of actions on mutual cooperation. These events strengthened relation of the Institute with stakeholders, government and government bodies. Efforts of the Institute to strengthen public financial management, implementation of financial reporting standards and advocate role of Institute and its members were performed throughout the year.

Key Activities and Achievements

Unique Document Identification Number (UDIN)

The Institute with the objective to provide assurance of authenticity of document certified by practicing members and systematize and regulating the accounting profession of its members had launched UDIN application that allows generation of 18 digits Unique Document Identification Number (UDIN) for every certification / audit service provided by ICAN members having Certificate of Practice (CoP).

UDIN system was launched with voluntary compliance from 01 Shrawan, 2076 and mandatory compliance from 01 Kartik, 2076.

During the Fiscal Year 2077/78 the Institute has upgraded the application based on the suggestion and feedback received from its practicing members. Also, a real time integration with Inland Revenue Department was done for maximizing the applicability and effectiveness of UDIN and regulating the Profession.

Quality Assurance Review

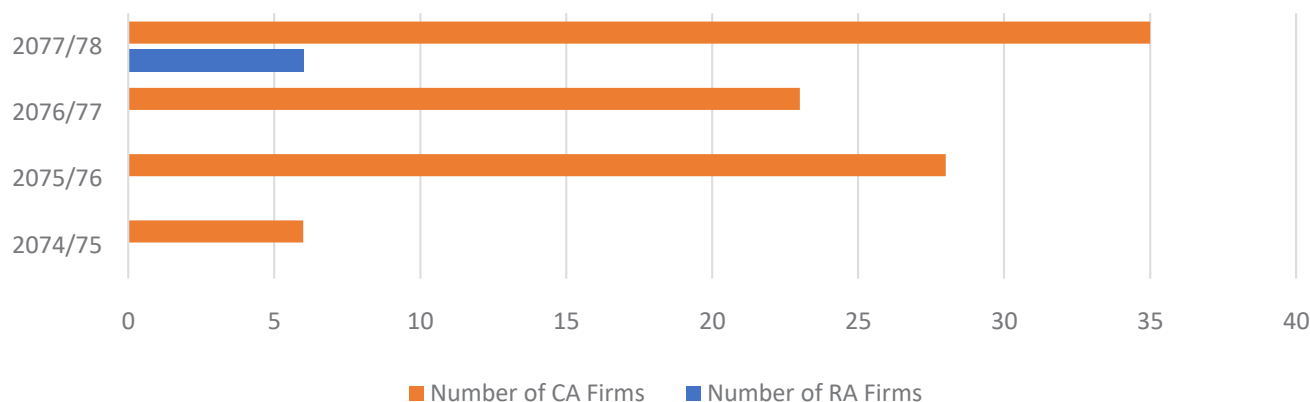
The Quality Assurance Unit of the Institute along with the steering and oversight of Quality Assurance Board conducted quality assurance review of 41 Audit Firms during this period out of which, 35 were Chartered Accountants Firms and 6 were Registered Auditor Firms. Thereby, the total number of Quality Assurance Review Conducted has reached to 98 Firms.

The Guest of the program Hon'ble Auditor General focused on the regulatory role of the Institute. ICAN President, CA. Madan Krishna Sharma emphasized on the current and the ongoing activities of the Institute. Similarly, Immediate Past President, CA. Krishna Prasad Acharya briefed about the coordination with the Government Entities and other Stakeholders and CA. Jagannath Upadhyay lightened on the improvement of Information Technology System at Institute level. Vice President, CA. Yuddha Raj Oli concluded the program with vote of thanks to all participants.

Best Presented Annual Report Award 2019

Coinciding with the Oath Taking Ceremony, National Best Presented Annual Report Award- (BPA Award, 2019) was also organized in virtual presence of the Hon'ble Finance Minister and the Minister of Communication and Information Technology Dr. Yuba Raj Khatriwada and the Hon'ble Auditor General Tanka Mani Sharma Dangal.

Number of Quality Assurance Review Conducted



Interaction Program on Current Developments

The Institute organized an interaction program virtually in the presence of Hon'ble Auditor General, Mr. Tanka Mani Sharma Dangal to Update on Current Developments being undertaken at the Institute on 2nd December, 2020.

The aim of the interaction program was to deliberate the institutional progress and future strategies to the concerns. The program was participated by ICAN President CA. Madan Krishna Sharma, Vice President, CA. Yuddha Raj Oli, Immediate Past President, CA. Krishna Prasad Acharya, Past President, CA. Jagannath Upadhyay Niraula, Council Members, Members of Standing Committees and representatives of different Boards.

The basic objective of the Best Presented Annual Report Award is to promote better presentation of financial and other pertinent information and disclosures in the Annual Report of the reporting entities. BPA Award, 2019 was held under five different categories. Altogether, Six Company from Nepal were selected for as winner and runner up in four different categories. Winners of BPA Award 2019 were nominated for South Asian Federation of Accountants (SAFA) level Best Presented Annual Report Award Competition.

International Accounting Day Celebrated

The Institute of Chartered Accountants of Nepal (ICAN) celebrated "International Accounting Day" in

the remembrance of Father of Accounting, Luca Pacioli virtually on 10th November, 2020.



Hon'ble Finance Minister Bishnu Prasad Paudel delivering speech on the occasion of International Accounting Day, November 10, 2020

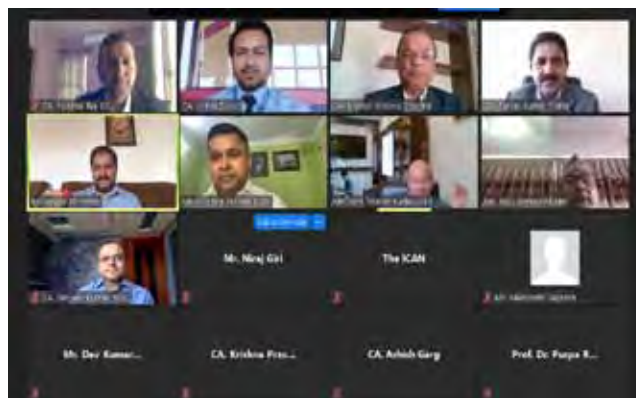
The celebration program was organized under the Chairmanship of ICAN President CA. Madan Krishna Sharma. Where, Hon'ble Finance Minister, Mr. Bishnu Prasad Paudel was the Chief Guest of the program and Hon'ble Auditor General, Mr. Tanka Mani Sharma Dangal, Financial Comptroller General, Mr. Madhu Kumar Marasini, and Prof. Dr. Dilli Raj Sharma were the Special Guest and the Guest of Honors respectively. Similarly, first President of ICAN, CA. Komal Bahadur Chitracar, ACAN President, CA. Ananda Raj Sharma Wagle and AuDAN President, Mr. Mohan Raj Regmi were the Guest Speakers in the program. This program was attended by the members, students, staffs of ICAN besides stakeholders, and other professionals.

Highlights of Federal Budget 2078/79

The Institute published the highlights of Federal Budget 2078/79 for ready reference by its Members, Students and other Stakeholders.

Interaction Program on Federal Budget 2078/79 and its Impact on Economy

The Institute organized an Interaction Program on Federal Budget 2078/79 and its Impact on Economy on 7th June 2021 via virtual mode. The objective of the interaction program was to review highlight and analyze various factors associated with balanced development of national economy and to access chances that Federal Budget 2078/79 will be able to meet those expectations.



A glimpse of virtual Interaction Program on Federal Budget 2078/79 and its Impact on Economy

The interaction program has a panel discussion from Regulator and Business Forum and a paper presentation on topic "Changes by Budget in Tax Policy and Tax Administration". The program was participated by more than 400 Members, Students and other Professionals.

Interaction Program on Audit and it's Challenges

The Institute organized an interaction program on "Audit and It's Challenges" on 26th February, 2021 in Pokhara. The program highlighted about the status of NFRS implementation, taxation, requirement of listing by Audit Firms, RA member up-gradation and other member related issues and various initiatives being undertaken at the Institute for advancement of the profession.

The program was participated by ICAN President, Vice President, Council Members, Executive Director, Mayor of Pokhara Metropolitan City, Chief District Controller Treasurer Office, Chief District Coordination Committee, District Education Officer, Chief Tax Officer Inland Revenue Office, AuDAN President and other Government Officials and more than 100 Members and Stakeholders.

Interaction Program on "Risk Management in Banking Sector"

The Institute with its objective to enhance and empower its Members and other Stakeholders with Professional technical skills organized Interaction Program on "Risk Management in Banking Sector" on 23rd June, 2021 through virtual mode.



A glimpse of virtual Interaction Program on Risk Management in Banking Sector

The program was focused on providing professional and subjective knowledge about risk associated with the banking sector, current business and regulatory scenarios, remedies and action mechanisms to reduce the risk and explore and address current issues associated with risk management in banking sector. The program had a Paper Presentation and Panel Discussion. The program was participated by more than 400 participants.

Interaction Program on “Risk Management in Insurance Sector”

The Institute with its objective to enhance and empower members and other stakeholders with Professional technical skills organized online interaction program on “Risk Management in Insurance Sector” on 05th July, 2021. The aim of the program was to help identify the challenges and risks underlying in Insurance Sector which will ultimately empower all the participants of the program to handle those risks in a unified manner.

This interaction program was designed to enhance the capacity of understanding various issues and challenges associated with Risk Management in Insurance Sector and the way forward to have systematic risk management. The program also covered some practical examples related to risk management in Insurance Sector.



President CA. Madan Krishna Sharma Presenting Token of Love to Hon'ble Finance Minister Mr. Bishnu Prasad Paudel

Strategic Domain 2: Members and Accounting Profession: Ethics and Capacity Development

Strategic Goals

Enhance, promote and protect the reputation of the members and establish ICAN members as efficient and effective service providers in senior management, accounting, assurance, taxation, finance and business advisory services to the private and public sector.

Members are strength of the Institute and strengthening them strengthens the Institute. Being a professional membership body, the Institute encourages continuous capacity development of members. As a regulator the Institute regulates the accounting profession and conduct of its members and this is successful when we align our practice continuously to cater the expectation of stakeholders. During the financial year 2077/78, the Institute witnessed many changes in the accounting profession. The need of the hour to align our financial reporting and accounting practices with

global standards was on priority. Nationwide aspiration and action towards economic prosperity and economic development has created ample opportunities for accounting professionals in midst of complex challenges associated with the profession. Recognizing the necessity of updating knowledge base and skill set of the members for leading the changes in economic environment, the Institute has continued its efforts for capacity development of members. Despite of the complexities resulting from COVID -19 Pandemic the Institute continued to work for growth and developments of members. Though the journey of change and equipping oneself does not end, the Institute thrive to upgrade delivery embracing the technological changes. Number of activities and events were conducted to support learning of members.

Key Activities and Achievements

Online Certification Course on Forensic Accounting and Fraud Detection

The Institute conducted online “Certification Course on Forensic Accounting and Fraud Detection” in technical collaboration with The Institute of Chartered Accountants of India (ICAI) from 15th January to 28th January, 2021.

The objective of the program was to equip and empower members with the technical capacity to detect fraud by utilizing accounting, auditing, data analysis and investigative skills. In the 14 days long training program different topics were covered with case studies in practical aspects by resource persons. Participating members were provided with learning materials (hands out) and e-learning materials of the course.

Altogether 76 participants including corporate participants actively participated in the online training program. The participants of the course were distributed Certificate of Participation on 7th February, 2021 at ICAN premises.

Online Certification Course on Information System Audit (ISA)

The Institute with its objective to empower members with professional technical skills has organized an “Online Certification Course on Information System Audit (ISA)” as a Post Qualification course from 30th March to 20th April, 2021. The course was conducted in technical support of The Institute of Chartered Accountants of India (ICAI).

The Course covered Information Systems Audit, Governance and Management of Enterprise Information Technology, Risk Management, Compliance & BCM Section, System Development, Acquisition, Implementation and Maintenance, Application System Audit, Information Systems Operations and Management, Protection of Information Assets and Emerging Technologies. Altogether 35 members of the Institute participated in the online course.

Continuing Professional Education (CPE)

Staying relevant is the one of the core necessities of our profession. As our profession should embrace and align itself with the external environment, we cannot remain aloof from understanding and facilitating the changes. The Institute with a view to enhance the competencies of its Members, has been regularly conducting Continuous Professional Education (CPE) Programs, Members Capacity Development Program along with Workshops/ Seminars in joint effort with other regulatory bodies and professional associations. Considering the widespread base of our membership we conducted CPE programs in different parts of the country. Also, several trainings and programs were organized virtually to facilitate the Members. CPE training focused on the technical standards guiding our practice, ethical standards, information technology, and contemporary issues.

During the year, the Institute along with the Program Organizing Units (POUs) had conducted altogether 19 CPE trainings where 14 trainings were conducted physically in Kathmandu, Dang, Pokhara, Janakpur, Nepalgunj, Jhapa, Birgunj, and Mahendranagar. Altogether 800 Members benefitted from the CPE trainings. Details presented hereunder:

Place	Program Date	Organized by	CPE Hours
Kathmandu	19 th to 21 st March, 2021	ICAN	30
Dang	02 nd to 04 th April, 2021	ICAN	30
Nepalgunj	09 th to 11 th April, 2021	ICAN	30
Kathmandu	16 th -18 th April, 2021	ICAN	30
Virtual	03 rd -08 th May, 2021	ICAN	18
Virtual	27 th May-02 nd June, 2021	ICAN	21
Virtual	14 th -20 th June, 2021	ICAN	21
Virtual	30 th June -7 th July, 2021	ICAN	27
Chitwan	18 th -20 th March, 2021	ACAN	30
Hetauda	25 th -27 th March, 2021	AuDAN	30
Dhangadi	25 th -27 th March, 2021	AuDAN	30
Pokhara	02 nd -04 th April, 2021	AuDAN	30
Janakpur	02 nd -04 th April, 2021	AuDAN	30
Birgunj	09 th -11 th April, 2021	AuDAN	30
Jhapa	09 th -11 th April, 2021	AuDAN	30
Mahendranagar	16 th -18 th April, 2021	AuDAN	30
Virtual	04 th -13 th June, 2021	AuDAN	30
Nepalgunj	16 th -17 th April, 2021	AuSB	20
Kathmandu	09 th -10 th July, 2021	AuSB	20

Issuance of Directive on Audit Firms Standards and Minimum Fee

The Institute has issued Audit Firm Standards and Minimum Fee Directive, 2078 incorporating the quality requirement of an audit firm's in terms of their corporate structure, human resources, training and development of human resources and written operating system procedures manual which is essential for ensuring auditor's compliance with the ethical requirement, Nepal Standards on Auditing (NSAs) and Nepal Standard Quality Control (NSQC-1) and a basis for determining a minimum audit fee thereof. The directive was made applicable from 16th July, 2021.

Online Training on 'Audit Documentation'

The Institute organized an Online Training on Audit Documentation from 06th to 10th September, 2020. The objective of this online training was to equip members in practice with knowledge required to execute and document the complete audit system in compliance of professional standards. The program was addressed by President, CA. Madan Krishna Sharma and training was delivered by CA. Nanda Kishore Sharma. During the training, participants were provided with in-depth understanding about applicability of auditing standards in practical situations and participants were mentored to make the best use of the Audit Practice Manual issued by the Institute. Members participating in this training were allowed to accumulate 15 Continuing Professional Education (CPE) credit hours.

Online Training on NFRS Compliant Financial Statements

The Institute organized online training on 'NFRS Compliant Financial Statements' on 14th and 15th February 2021. The online training was focused on various components of financial statements of Bank, Insurance, Hydropower Sector and General Industry in compliance with NFRS. The sessions also covered some practical examples related to applicability of various NFRSs for sharpening the expertise and excellence of the participants through multiple case studies. The program was conducted by CA. Arun Raut as a resource person. Altogether 150 members of the Institute participated the training.

Online Training on School Audit

The Institute organized a four-day Online Member Capacity Development Training on "School Audit" from 23rd to 26th February, 2021. The program was addressed by the Technical Director of the Institute, CA. Krishna

Prasad Lamichhane. The training was focused on various components related to school audit, challenges associated with school audit and way forward to have a systematic and uniform audit of Schools. The training was facilitated by CA. Ananda Shrestha as a resource person. More than 190 members participated the program.

Online Training on NFRS for SMEs and NAS for NPOs

The Institute organized three days online training on “NFRS for SMEs” and “NAS for NPOs” from 29th to 31st March, 2021 in morning and evening session respectively. This training was focused to enhance the knowledge among Members with practical and theoretical aspects related to preparation and presentation of Financial Statements of Organizations with clear understanding of the NFRS for SMEs and NAS for NPOs. The training was conducted by CA. Arun Raut and CA. Shankar Thapa as a resource person. Altogether 350 Members participated the training.

Online Sessions on “International Financial Reporting Standards (IFRS)”

The Institute, continuing with the objective to enhance professional capacity of its members, organized eleven-days online training sessions on “International Financial Reporting Standards (IFRS)” in technical support of the Institute of Chartered Accountants of Sri Lanka (ICASL) from 7th to 24th July 2020. The training was addressed by ICAN President, CA. Madan Krishna Sharma and, the online sessions were facilitated by experts representing from KPMG, Deloitte, Ernest & Professionals of CA Sri Lanka. The training was designed to provide in-depth knowledge of International Financial Reporting Standards (IFRS) and was focused on imparting understanding of conceptual framework, technical issues related to various IFRS standards.

Online Training on “Preparation of Financial Statements as per NFRS for SMEs”

The Institute organized two days (each day three hours) online training on “Preparation of Financial Statements as per NFRS for SMEs” on 21st and 22nd June, 2021. The program was organized with the objectives to enhance the theoretical and practical knowledge among accountants of SMEs and make them able to prepare and present the financial statements by using NFRS. The program was addressed by CA. Himal Dahal; Deputy Director of the Institute whereby, CA. Arun Raut trained the participants. Training was participated by more than 370 accountants

of SMEs, Finance Officers and preparers of Financial Statements of SMEs.

Online Training on “An Insight about IS Audit and IT Control Environment”

The Institute organized an Online Training on “An Insight about IS Audit and IT Control Environment” on 26th September, 2020. The program was designed to impart technical knowledge among the members regarding process involved in Information System Audit and IT Controls. The program was addressed by ICAN President, CA. Madan Krishna Sharma and CA. Suyogya Bhandari presented on Information System Audit (IS Audit), IS Audit and Assurance Standards, IS Audit Performance Guidelines, Information System Security, IT Governance and IT Risk Management, Need for IS Control and Audit etc. Similarly, CA. Ayushi Pant presented on IT General Control in Audit and shed light on Auditing IT general controls and IT general control audit scope.

Interaction on “Legal and Ethical Compliances regarding Appointment of Auditor”.

The Butwal Branch Coordination Committee of the Institute organized an online interaction program on “Legal and ethical compliances regarding appointment of Auditor” on 6th July, 2021. The objective of the program was to create awareness among auditors on various provisions of Companies Act 2063 and ICAN Code of Ethics regarding appointment of Auditor. CA. Nanda Kishor Sharma and CA. Sheo Hari Sharma were the paper presenters in the program.

Change in Applicable date of Pronounced Nepal Financial Reporting Standards

The Institute has decided and issued notice to implement the Nepal Financial Reporting Standards for Small and Medium Sized Entities (NFRS for SMEs), Nepal Accounting Standards for Not for Profit Organizations (NAS for NPOs) and Nepal Accounting Standards for Micro Entities (NAS for MEs) from 16 July 2023. Likewise, NFRS 17: InsuranceContract shall be applicable from 16th July 2023.

Members Welcome Program

The Institute organized Members Welcome Program for the newly qualified members of ICAN on 9th June, 2021 with the objective to orient them about various aspects related to their personal and professional growth. The program was addressed by ICAN President, CA.

Madan Krishna Sharma, Vice-President CA. Yuddha Raj Oli. In this program, CA. Shashi Satyal gave his paper presentation on “Challenges and Opportunities in Professional Practice” whereby, CA. Prabin Basnet presented about “Challenges and Opportunities in Service Industry”. And, Mr. Rajan Koirala, Motivational Speaker gave speech about Leadership and Motivation. The program was attended by 76 new members of ICAN.

Online Know Your Member Portal Upgraded

The Institute has upgraded online Know Your Member portal of the Institute and notified to entire member for

filling up the upgraded Know Your Member (KYM) through their member Login. Also, the members shall compulsorily update their KYM in order to renew their Membership, Certificate of Practice and Firm for Fiscal Year 2078/79.

3rd Chartered Accountants Convocation Ceremony

Coinciding with the 24th Anniversary Celebration, the Institute organized the “3rd Chartered Accountants’

Convocation Ceremony” at Kathmandu on 30th January, 2021.



Newly Qualified Chartered Accountants during the Convocation Ceremony

The convocation ceremony was organized to confer Chartered Accountancy degree to its graduates and to celebrate this very important and well-deserved achievement of its members. The convocation ceremony was Chaired by ICAN President, CA. Madan Krishna Sharma. Hon’ble Finance Minister, Mr. Bishnu Prasad Paudel graced the event as Chief Guest. Educationalist

and Founder Vice-Chancellor of Katmandu University Prof. Dr. Suresh Raj Sharma was the keynote speaker of the program. Dean of Tribhuvan University, Humanities and Social Sciences, Prof. Dr. Kusum Shakya also congratulated the students for their achievement. Altogether 32 Chartered Accountants qualified from ICAN were facilitated in this occasion.

Strategic Domain 3: Members and Accounting Profession: Market Development

Strategic Goals

Establish ICAN members as efficient and effective service providers in senior management, accounting, assurance, taxation, finance and business advisory services to the private and public sector.

Market development of accounting profession has always been our focus. Creating market demand for accounting professional and meeting such market demand is amongst our core activities. The Institute continually explore the roles that an individual members' skillset could offer and what new markets and services they can add value to. Institute 's activities aim to enhance credibility of members so that market itself opens for new avenues for members. The Institute always advocates that skill set possessed by members is wide enough to deliver business requirements globally.

Key Activities and Achievements

MoU with Vritti Solutions Limited for Audit Management Software

The Institute considering the complexities involved in the accounting practices, management of office and assignments has signed Memorandum of Understanding (MoU) with Vritti Solutions Limited a software developer company having its registered office located at Pune, India to provide access to Simplify Practice Software for practicing members of the Institute. This Practice Management Software has been already recommended by the Institute of Chartered Accountant of India and is in large use by the practicing members of ICAI.

Changes in Amount of Audit Limit

The Institute has changed the amount of audit limit of B, C and D Class members. The changed audit limit was determined based on the Wholesale Price Index as published by the Nepal Rastra Bank and applicable with effective from 16th July, 2021. As per the changed amount of audit limit, B, C and D class COP holder members can audit up to NPR 1,200 million, NPR 300 Million and NPR 60 Million respectively.

Online Orientation Program on Valuation Standards

The Institute organized an "Online Orientation Program on Valuation Standards" on 7th January 2021. The training was conducted in technical collaboration with The Institute of Chartered Accountants of India (ICAI). The objective of the program was to set a benchmark for valuation practices applicable for Professional Accountants to recognize the need to have the consistent, uniform and transparent valuation policies and harmonize the diverse practices used in this regard broadly.

The online program was addressed by ICAN President, CA. Madan Krishna Sharma, ICAI Vice President CA. Nihar N. Jambusari, Chairman of Valuation Standard Board, ICAI CA. Pramod Jain and Secretary of Valuation Standards Board, ICAI CA Sarika Singhal. Whereby, Central Council Member of ICAI, CA. M. P. Vijay Kumar presented on Overview and Features of ICAI Valuation Standards, 2018 while CA. Parag Kulkarni presented on Practical Aspects of ICAI Valuation Standards 2018. More than 370 Members participated in the online training.

Online Orientation Program on "Opportunities in Internal Audit for ICAN Members: Membership of IIA India"

The Institute organized an online orientation program on "Opportunities in Internal Audit for ICAN Members: Membership of IIA India" on 21st May, 2021 in technical support of The Institute of Internal Auditors (IIA India). The program was aimed to provide insight on the pathway to be a member of IIA India by the ICAN members for their continuous use of updated international information and resource materials related to internal audits.



Newly Qualified Chartered Accountants with the President of ICAN and Other Dignitaries

Strategic Domain 4: Education

Strategic Goals

Ensure that the ICAN attracts the best and brightest students and impart world class education, training and professional development opportunities.

At the domestic front, Institute is the sole provider of professional accounting education as per International Standards. The Institute's Chartered Accountancy education scheme is designed to provide students with practical insight of the real-world requirements. The education scheme is flexible and it attracts all those who desire to shape their career in Accounting Industry. Institute has achieved mutual recognition agreements with Accounting Bodies Internationally and this provides Global access with National

Education to the members of the Institute. The Institute also provides opportunities to students with extracurricular activities at National and International level.

Key Activities and Achievements

Education Schemes

The Institute provides Chartered Accountancy Education. Students successful in examination of the education scheme are admitted as Chartered Accountant Members of the Institute upon completion of mandatory three years Articleship Training and fifteen days General Management and Communication Skill (GMCS) training. The Institute also runs education scheme for Accounting Technician.

During the year 3,114 students were enrolled in different level of Chartered Accountancy Course and 2 students were registered for Accounting Technician Course.

Chartered Accountancy Examination

The Institute generally holds the examination twice a year - one in June and other in December. The Chartered Accountancy Examination of December 2020 mustering the postponed June 2020 Examination was conducted successfully. However, because of prohibitory order announced by the Government imposing travel restriction to prevent spread of COVID -19, Chartered Accountancy Examination of June 2021 has been postponed and conducted in August, 2021.

The details of total student's applying, appearing and qualified in December 2020 and June 2021 examination are as follows.

December 2020 Chartered Accountancy Examination:

	CAP I	CAP II			CAP III		
	Total	Group I	Group II	Both	Group I	Group II	Both
Applicants	1,572	494	386	1,402	287	206	368
Appeared	1,400	418	346	1,312	251	161	348
Passed	753	78	151	69	32	47	10
Qualified	753	140			44		

June 2021(Conducted on August, 2021) Chartered Accountancy Examination:

	CAP I	CAP II			CAP III		
	Total	Group I	Group II	Both	Group I	Group II	Both
Applicants	2,120	370	320	1,302	282	245	355
Appeared	1,981	308	295	1,249	260	221	349
Passed	1,289	151	219	176	1	56	3
Qualified	1,289	332			6		

(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.)

Chartered Accountant Membership Examination:

The Institute generally holds the CA Membership examination twice a year - one in March and other in September. The CA Membership Examination of September 2020 was conducted in November, 2020 and CA Membership Examination of March 2021 and September, 2021 was conducted successfully. The details of total applicants, appearing and qualified in CA Membership examination are as follows.

	September 2020	March 2021
Applicants	270	434
Appeared	226	372
Qualified	20	48

Students Scholarship and Insurance Facility

The Institute continuing with its objective to extend all corner support to meritorious and financially deprived Chartered Accountants students in their career building effort has made decision to increase the amount of annual contribution in regular scholarships that are being offered to them and has introduced the insurance facilities to cover their accidental and health related issues including establishment of Scholarship Fund to support students affected financially due to prohibitory orders, natural disasters, severe accidents or diseases.

Scholarship Scheme

The Institute has been providing Scholarship to deserving Students under two different categories. One based on students outstanding academic achievement and another based on the Economically, Geographically and Other Disadvantaged Students on the basis of merit in the based criteria defined as per Scholarship Procedures, 2063. During the year, the Institute has provided Scholarship to total 265 students at different level. Details as follows:

Level	No. of Students	Scholarship Amount
CAP-I	147	34,92,500.00
CAP-II	105	30,06,250.00
CAP-III	13	520,000.00
Total	265	70,18,750.00

Online Revision Classes

The Institute with an objective to facilitate its students for preparing their Chartered Accountancy Examination, has been conducting online revision classes for all CAP I, CAP II and CAP III level Students. During this period Institute has conducted two batches of revision classes for all level of Students appearing in December 2020 and June 2021 CA Examination and the revision classes were attended by 2,452 Students at different level as follows:

Level	Number of Subjects covered in Revision Class for December, 2020 Examination	Number of Students Reached To	Number of Subjects covered in Revision Class for June, 2021 Examination	Number of Students Reached To
CAP I	1	**	4	192
CAP II	4	548	6	1,164
CAP III	2	177	4	371

**Recorded Class was provided to all the registered students.

(Note: Generally, 30 classes are allocated for every subject and concerned faculty conducts respective classes at different level)

Library Facility

The ICAN library has been enriched with professional books, journals and periodicals of updated versions. ICAN Library is accommodated with comfortable sitting arrangements at ICAN Building located at Satdobato, Lalitpur. To address increasing flow of students, study space has been extended to double the existing space of the library during the fiscal year. The library remains open throughout the year even during public holidays.

Stock of Books in Library as at year end	4,850
Additional Book procured during the year	20
New Membership Issued during the year	38
Total Number of Library Membership Card Issue till date	501

Procedure Regarding Answer Sheet

The Institute has introduced a Procedure allowing students to view their answer papers and obtain photocopy of their answer papers by making an application in this regard as per the process outlined in the procedure.

General Management and Communication Skill (GMCS) Training

As a part of the curriculum of Chartered Accountancy Education scheme, the Institute conducted 18th Batch General Management and Communication Skills (GMCS) training for the students who have passed CAP III level or appeared both group of CAP III level examination in December 2020 examination. The GMCS training started from 23rd February, 2021 and lasted for fifteen days.



President CA. Madan Krishna Sharma Delivering Speech in GMCS Training Program

The purpose of this training is to impart knowledge among participants to make them capable of translating challenges into rewarding opportunities by applying emotional intelligence and soft skills in the working atmosphere. The training is targeted to enhance the presentation, communication and interpersonal skills and to provide understanding of contemporary business environment and opportunities. Further, this program will be helpful for aspiring Chartered Accountants to prepare for a career in employment or practice by coaching them to be adaptable and accountable. Altogether, 41 newly qualified Chartered Accountant students participated in the GMCS Training.

Articleship Orientation Training

The Institute has commenced system for articleship orientation to the Students who has qualified the CAP-II Level examination and are going to enroll for their articleship training in CAP-III Level. First batch of orientation training was organized on 01st March, 2021 at Hotel Aloft Kathmandu Thamel and option for virtual participation was given to the students enrolled in

articleship outside Kathmandu Valley. Altogether 140 newly passed CAP -II students participated in the training.

Orientation of CAP-I Students

The Institute has organized two different Online Orientation Program for newly enrolled students of Chartered Accountancy Professional – I (CAP-I) level on 28th September, 2020 and 18th January, 2021 respectively. The purpose of the students' orientation program was to impart knowledge among new students about Chartered Accountancy Course, future prospects of Chartered Accountants and welcome them in the fraternity of CA students.

Considering the risk of COVID – 19 Pandemic, both orientation programs were organized virtually. The orientation program was addressed by the Executive Director, CA. Sanjay Kumar Sinha and Technical Director, CA. Krishna Prasad Lamichhane whereby, Deputy Director, CA. Himal Dahal presented the brief introduction about the Institute, Institute's activities, Institute's facilities to the students, future ahead and various aspects of CA Education and the Institute. The online orientation program was attended by more than 1,000 students.

ICAN Quiz and Elocution Contest

The Institute has organized "ICAN Quiz and Elocution Contest, 2021" on 18th and 19th February, 2021 in ICAN Building, ICAN Marg, Satdobato, Lalitpur. CAP III Level students participated in the contest.

Online Registration in Chartered Accountancy Course

As a continuation of digitalization of ICAN's operation and facilitating the students, the Institute has successfully launched the "Online Registration Form" for CAP-I, CAP-II and CAP-III Level from 18th December, 2021, 18th February, 2021 and 27th June 2021 respectively. Now, students can register online for all the level of Chartered Accountancy Course. With the introduction of this online registration facility maximum number of students at different level has registered through online registration.





Founder Vice Chancellor Dr. Suresh Raj Sharma of Kathmandu University Delivering Speech in 3rd Convocation Ceremony of the Institute



President CA. Madan Krishna Sharma Presenting Token of Love to Dr. Suresh Raj Sharma, Founder Vice Chancellor of Kathmandu University

Strategic Domain 5: International Relations and Global Positioning

Strategic Goals

Harmonize with International Standards in the areas of education and other technical standards and to create an environment of mutual recognition and understanding with International Accounting Bodies and foster international relationship to recognize ICAN as a world class Accounting Body.

The Institute has established International relations to enhance its credibility and achieve Professional Excellence. The Institute organizes and participates in International Programs that provides opportunities to explore global best practices. The Institute adapts the global best practices so that its activities and function, including that of its Members stay relevant in the dynamic environment. The Institute works to strengthen its presence in the International arena in order to play an active role in International Policy making process. Accordingly, our President, Vice-President and Council Members represent in the Board and Committee of International Federation of Accountants (IFAC), Confederation of Asian and Pacific Accountants (CAPA) and

South Asian Federation of Accountants (SAFA).

Key Activities and Achievements

Recognition Agreement with the Institute of Chartered Accountants in England & Wales (ICAEW), UK

The Institute renewed Recognition Agreement (The ICAEW/ ICAN Membership and Examination Arrangements) with the Institute of Chartered Accountants in England & Wales (ICAEW), UK in March, 2021. The objective of this recognition agreement is to provide pathway to obtain membership of either Institute by complying with some pre-requisite conditions by the members.

MRA with The Institute of Chartered Accountants of India (ICAI)

The Institute signed Mutual Recognition Agreement (MRA) with The Institute of Chartered Accountants of India (ICAI) on 22nd October, 2020 in a virtual ceremony.

The objective of this MRA is to enable appropriately qualified Chartered Accountant members of either Institute to join the other Institute by receiving appropriate credit for their existing accountancy qualification. This MRA has facilitated mutual recognition of qualification of both the Institutes and provided a pathway to obtain membership of either Institute by complying with some pre-requisite conditions by the members.

MoU with The Institute of Internal Auditors, India (IIA India)

The Institute signed Memorandum of Understanding (MoU) with The Institute of Internal Auditors, India (IIA India) on 16th April, 2021 for providing a framework of cooperation and facilitating collaboration between the Parties in the areas of common interest including adoption of the International Professional Practice Framework (IPPF) and its various components, provision of services including memberships of IIA India, training, preparation for IIA certifications, sharing of the IIA magazine and sharing of professional knowledge amongst others. This would facilitate the upgradation of internal audit skills, knowledge and competencies in Nepal to global standards.

Global Webinar on “Ethical Values of Professional Accountants”

The Institute with its objective to empower members with professional technical skills on ethical values organized Global Webinar on the topic “Ethical Values of Professional Accountants” on 25th June, 2021.



A glimpse of virtual Global Webinar on Ethical Values of Professional Accountants

Dr. Chen Yugui, President CAPA was the Chief Guest and Mr. Manil Jayasinghe, President CA Sri Lanka was the Guest of the program. In the webinar, CA. Ranjit Kumar Agrawal, Council Member ICAI presented on "Ethical Compromises and Accounting Frauds" and Mr. Riyaz Mihular, Chairman Ethics Committee of CA Sri Lanka & Managing Partner of KPMG presented a paper on "Code of Ethics: Challenges for Enforcements and Way Forward." Likewise, CA. Kaushalendra Kumar Singh, Past President ICAN presented on "An Insight on Code of Ethics and Ethical Guidelines Issued by ICAN" and Josephine Haste CA, Manager, Member Tools and Resources CA ANZ presented a paper on "Global Development in Professional Ethics in the Technical Session". This webinar was attended by more than 350 participants.

Global Webinar on "Digitalization of Economy and Accounting Profession"

Considering the importance of digitalization in economic growth of the country and the role of professional accountants in digitalized environment, the Institute has organized a global webinar on "Digitalization of Economy and Accounting Profession" on 30th September, 2020 to keep members updated with the latest advancement in this regard.

The webinar highlighted about the need to adopt the changes in digital technology. Whereby, National and International personalities presented on various contemporary topics. Mr. Agsar Ali, Consultant of Prime Minister Office of Nepal presented on "Digitalization of economy in Nepalese Context", Mr. David Lyford Smith, Technical Manager, Tech and the Profession, Tech Faculty of the Institute of Chartered Accountants in England and Wales presented on "Disruptive Technology" and Mr. Naresh Abeysekera, MD/CEO, SECQUORO, Sri Lanka presented on "Building a People Centric Economy through Digital Enablement."

Participation in SAFA Foundation Day Webinar

ICAN President, CA. Madan Krishna Sharma participated in the SAFA level webinar on "COVID 19 Pandemic: Changing Dynamics of the Accountancy Profession" as a panelist and made his presentation on the topic in Nepal's perspective. The Webinar was organized by The Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan) in August 22, 2020 to mark SAFA Foundation Day.

SAFA BPA Award Ceremony, 2019

The Institute of Chartered Accountants of Nepal attended the SAFA BPA Award Ceremony hosted by CA Sri Lanka virtually on 23rd December, 2020. In the special ceremony, SAFA distributed awards in 11 different categories. All the participating SAFA Member Bodies organized this ceremony physically in their respective countries to participate in this virtual SAFA BPA Award Ceremony. The program was attended by President, Vice- President, Council Members, Professional Development Committee Members, Executive Director and staffs of the ICAN.



President CA. Madan Krishna Sharma presenting SAFA BPA Award to the Representatives of Nepal Clearing House Ltd.

Four different Nepalese Organizations were awarded with Second Runner Up and Merit Certificate in three different categories by SAFA and ICAN President, CA. Madan Krishna Sharma distributed the award to Second Runner Up and Merit holders.



Strategic Domain 6: Leadership and Influence

Strategic Goals

Lead and engage in policy reform processes of the Government and by speaking out on areas where the profession's expertise is highly relevant.

The Institute considers leadership as key strength. Council Members and Past Council Members provide leadership to the Institute. The relation of the Institute with Stakeholders, Government and International Bodies provides leadership strength to the Institute. The Institute leads the accounting profession in the country and provides leadership for its development

Key Activities and Achievements

MoU with The Securities Board of Nepal (SEBON)

The Institute has signed Memorandum of Understanding (MoU) with The Securities Board of Nepal for facilitating exchange of information and mutual cooperation in the areas of financial reporting and good governance on 19th April, 2021.

Interaction Program on “Role of ICAN in Strengthening Public Financial Management”

The Institute organized an interaction program on “Role of ICAN in Strengthening Public Financial Management” virtually in the presence of Hon'ble Auditor General, Mr. Tanka Mani Sharma Dangal on 7th May, 2021.

The objective of this interaction program was to discuss on Public Financial Management (PFM) implementation status in Nepal and determine various ways through which ICAN can support Government of Nepal in Strengthening PFM in Nepal.

Immediate Past President and Chairman of Public Finance and NPSAS Committee of ICAN CA. Krishna Prasad Acharya presented a Technical Paper in the session. And, the program was addressed by Secretary - Revenue, Ministry of Finance, Mr. Ram Saran Pudasaini, Financial Comptroller General - Mr. Madhu Kumar Marasini, Joint Secretary, Ministry of Industry, Commerce and Supplies, Ms. Chandrakala Paudel, Deputy Financial Comptroller General – Mr. Bhesh Prasad Bhurtel, Assistant Auditor General - CA. Chandra Kanta Bhandari and Past President ICAN & PFM Practitioner CA. Pradeep Kumar Shrestha, Academician, Prof (Dr.) Pushkar Bajracharya, Former Financial Comptroller General Mr. Rajendra Prasad Nepal, Former Joint Secretary Ministry of Finance and Member of Expenditure Review Committee Mr. Durga Nidhi Sharma. The program was participated by the Government Officials, Professionals in Public Financial Management, Members of the Institute and other Stakeholders.



A Glimpse of the 24th Anniversary and 3rd Convocation Ceremony of the Institute



Hon'ble Finance Minister Mr. Bishnu Prasad Paudel Delivering Speech on the Special Occasion of 24th Anniversary and 3rd Chartered Accountants Convocation Ceremony of the Institute

Strategic Domain 7: Institutional Development and Sustainability

Strategic Goals

Ensure that ICAN is governed, structured and resourced appropriately with good governance.

With strategic intent to ensure organizational effectiveness through appropriate structure resources and process reengineering, the Institute has been implementing and adapting practices for institutional development and sustainability. This includes modification of current practices, blending technology in process and implementing new process and methodology to strengthen the Institute.

Key Activities and Achievements

24th ICAN Anniversary of the Institute

The Institute has celebrated its 24th Anniversary on 30th January, 2021 (17 Magh 2077) at Hotel Everest, New Baneshwor, Kathmandu, Nepal. The program was inaugurated by Chief Guest of the program Hon'ble Finance Minister, Mr. Bishnu Prasad Paudel.



Hon'ble Finance Minister Mr. Bishnu Prasad Paudel Inaugurating the Program with Lightning the Lamp



President CA. Madan Krishna Sharma delivering Speech on the special occasion of 24th Anniversary of the Institute

Addressing the program Hon'ble Finance Minister congratulated the Institute on completion of 24 years' journey and appreciated for efforts and achievements of the Institute and also mentioned that the cooperation will continue with the Institute for the development of Accounting Profession in Nepal. ICAN President, CA. Madan Krishna Sharma, during his address, elaborated on the various milestones achieved by the Institute during the fiscal year 2019/20 and future strategy of the Institute. President also presented Annual Report of fiscal year 2019/20 (2076/77). The program was attended by Past Presidents, Council Members, Committee Members, Students and Staffs of the Institute. More than 250 guests participated in the program.

Oath Taking Ceremony of Newly Elected President and Vice President for 3rd Term of 8th Council of the Institute

The oath taking ceremony of President. CA. Madan Krishna Sharma and Vice President CA. Yuddha Raj Oli for 3rd Term of 8th Council of the Institute was held at ICAN, Lalitpur on 16 July, 2020. Hon'ble Auditor General of Nepal Mr. Tanka Mani Sharma Dangal Administred the oath to newly elected President and subsequently President administered the oath to newly elected Vice-President. Chief Guest of the Oath Taking Ceremony the Hon'ble Finance Minister and the Minister of Communication and Information Technology Dr. Yuba Raj Khatiwada also addressed the ceremony virtually.



Oath taking Ceremony of Newly Elected President and Vice President for 3rd term of 8th Council of the Institute

Outgoing President, CA. Krishna Prasad Acharya handed over the "President Medallion" to the newly elected President CA. Madan Krishna Sharma and during his speech he highlighted the major achievements of the Institute in his tenure. Likewise, The Newly elected President, CA. Madan Krishna Sharma, during his acceptance speech, thanked all Past Presidents, Council Members and Other Stakeholders for their valuable contribution in bringing Institute at this prestigious level and assured that during his presidency the Institute would introduce some new initiatives for overall betterment of the profession and will assume existing responsibilities.

Recognizing the contribution of then President CA. Krishna Prasad Acharya, Executive Director CA. Sanjay Kumar Sinha presented token of love to him, on behalf of the Institute. The Newly elected Vice President, CA. Yuddha Raj Oli concluded the program with his closing remarks.

Empanelment of Faculties and Resource Persons

The Institute has introduced Empanelment of Faculties and Resource Persons for various activities being organized from the Institute hiring expert services of the professionals. This roster of ICAN to award selected professionals with assignments related to review and development of study materials, suggested answers compilation, RTPs development, online and physical revision classes to the students, training to members and to avail services as resource person in examination and other activities of the Institute.

Online Payment Gateway System

The Institute has entered into agreement with Online Limited for Payment Gateway System through Debit and Credit Card for facilitating online membership renewal within and outside the country. This is expected to facilitate the members residing abroad for renewal of their membership.

Online Yoga Program

The Institute organized a seven days online Yoga Program from 25th to 31st May, 2021 in technical collaboration with Nepal Yog Foundation, Kathmandu. ICAN staffs and members participated in the Yoga Program.

Online Public Procurement Training

The Institute organized five days Online "Public Procurement Training" for its staffs from 28th May to 3rd June, 2021. This program aimed to enhance staff's understanding on public procurement process and overcome various practical issues encountered. Almost all the staffs of the Institute actively participated in the training.

Online Training on Effective Communication and Team Building

The Institute organized online training to staffs on topic "Effective Communication and Team Building" on 18th June, 2021. This training aims to strengthen the communication skill and team building capacity of the staffs in order to smoothly perform their assigned jobs. Mr. Rajan Koirala provided training to the staffs and all the staffs actively participated in the training.

Financial Review

Trend Analysis of Institute's Financial Position

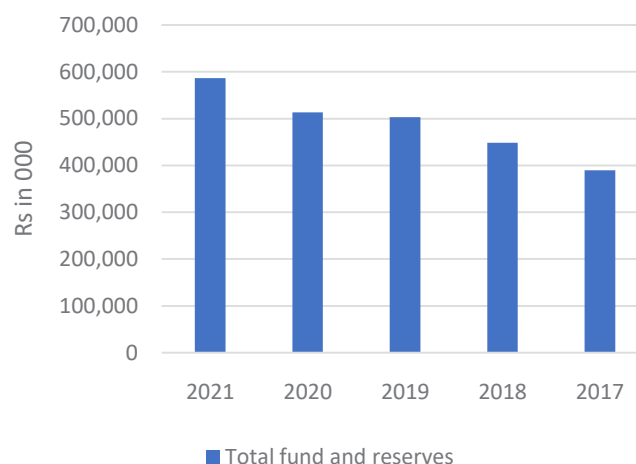
Year ended Mid July Amount in NPR '000'

	2021	2020	2019	2018	2017
Property, Equipment and Intangible Assets	221,124	211,312	215,848	208,238	205,818
Other Non-current Assets	16,486	15,646	6,743	15,541	57,341
Short Term Investment	330,562	252,246	262,162	230,000	110,000
Earmarked Investment	18,996	15,288	20,866	19,541	18,184
Other Current Assets	36,194	25,662	28,027	11,526	6,541
Cash and Cash Equivalents	143,566	124,076	72,676	53,084	54,143
Total Assets	766,928	644,230	606,322	537,930	452,027
Fund and Reserves	586,757	513,399	503,122	448,261	389,479
Non-current Liabilities	94,630	89,610	68,175	58,199	53,245
Current Liabilities	85,541	41,221	35,025	31,470	9,304
Total Fund and Liabilities	766,928	644,230	606,322	537,930	452,027

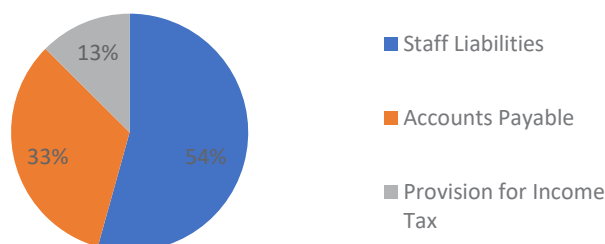
Fund and Reserves

Fund and reserve of the Institute comprises general reserve, building reserve, revaluation reserve, reserve against re-measurement of employee benefit plan and earmarked funds. By the end of the year funds and reserves of the institute was NPR 587 million with increase of 14% on previous year balance of fund and reserve. Increase in fund and reserve during the year is mainly due to increase in surplus of the Institute and contribution of students and members in building fund. Out of the surplus of current period, the Institute has appropriated NPR 2.7 million to Scholarship Fund and NPR 2.5 million to Disaster and Pandemic Scholarship Fund.

Fund and Reserves



Total Liabilities



Liabilities

The liability of the Institute comprises staff liabilities and provision, accounts payable and provision for income tax. Total liability of the Institute as at the end date of fiscal year was NPR 180 million with increase of 38% on previous year balance. Increase in liability is mainly due to increase in fees received in advance and increase

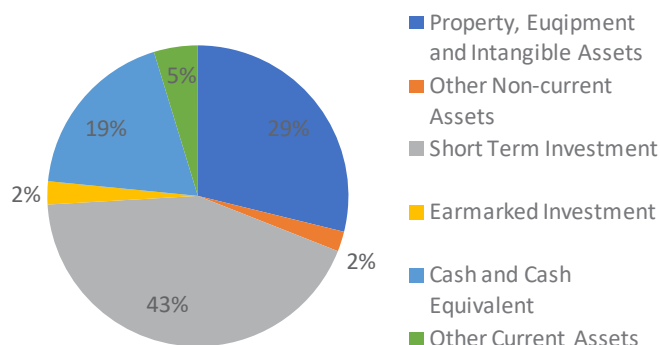
in provision for income tax. The Institute regularly assess the need of current and long-term assets to meet the current and long-term obligation of the Institute. Current assets of the Institute are sufficient to meet the obligation of current liabilities as at the reporting date.

Assets

The assets of the Institute mainly include property, equipment and intangible assets, short term investment, earmarked investment, cash and cash equivalent.

Total assets of the Institute as at the end date of fiscal year was NPR 767 million with increase of 19% on previous year balance. Fund and reserves of the Institute after investing in property and equipment and amounts set aside for operating activities has been invested as term deposit with banks for short term. Including investment of earmarked funds, total investment of the Institute is NPR 350 million which is 60% of total fund and reserves of the Institute.

Total Assets



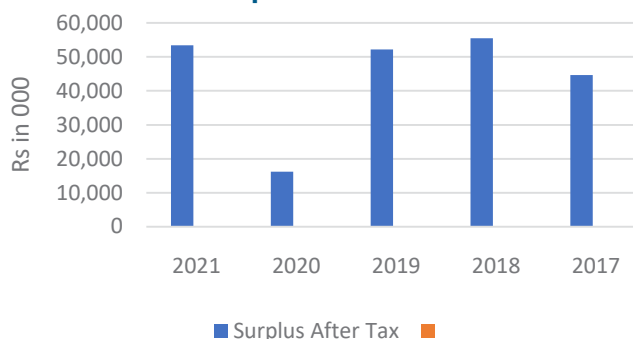
Trend Analysis of Institute's Financial Performance

	Year ended Mid July			Amount in NPR '000'	
	2021	2020	2019	2018	2017
Income from Educational Activities	119,997	110,123	108,657	84,090	70,931
Income from Examination Activities	38,998	28,572	41,675	35,657	36,555
Income from Members and Professional Development Activities	37,161	30,305	33,817	37,356	28,247
Government Grant	1,200	1200	1,200	1,200	1,200
Interest Income	28,033	30,165	30,115	20,444	10,384
Other Income	5,620	3,231	7,000	3,934	4,144
Total Income	231,009	203,596	222,465	182,681	151,462
Educational Activity Expenses	14,073	23,855	22,067	15,427	10,968
Examination Expenses	21,449	24,048	20,055	16,195	14,210
Professional Development and Member Related Activity Expenses	6,076	9,173	11,779	12,667	10,163
International Affairs Expenses	2,173	4,650	10,352	9,122	6,521
Quality Assurance Related Activity Expenses	667	626	551	489	265
Employee Benefit Expenses	69,633	78,454	47,148	41,084	41,695
Administrative and Other Expenses	28,390	21,531	26,530	18,104	13,969
Non-Operating Expenses	7,152	10,182	3,390	-	-
Depreciation and Amortization	11,923	11,115	10,049	9,961	9,060
Current Tax Expenses	22,632	10,517	19,623	15,596	-
Surplus After Tax	53,441	16,227	52,159	55,487	44,610

Surplus After Tax

This year the Institute reported net surplus of NPR 53 million after taxes with increase of 70% over previous year's surplus after tax. Due to COVID-19 pandemic, surplus after tax of previous reporting period was decreased substantially in comparison to past 3 years. However, the Institute managed to perform most of the activities of the Institute through physical as well as virtual mode. Hence, surplus after tax for current reporting period reached near to the average surplus after tax of past 5 years.

Surplus after Tax



Income

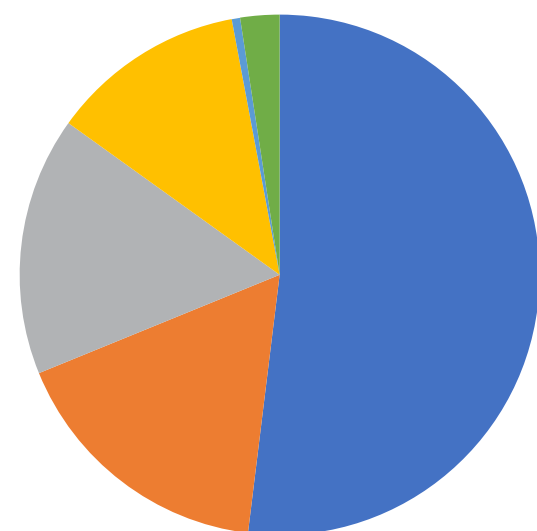
The Institute earned income of NPR 231 million during the year which comprises income from educational, examination, member and professional development activities, interest Income, government grant and other income. Income for the reporting period has been increased by 12% in comparison to previous year's total income. Income from educational and examination activities is the most significant source contributing 69% to the total income. Contribution to total income of interest income, member and professional development activities, and government grant and other income is 12 %, 16 % and 3 % respectively. Income from educational, examination, member and professional development activities were increased during the year along with increase in number of students and members whereas, interest income was

decreased due to decrease in interest rate of fixed deposit through out the year.

Expenses

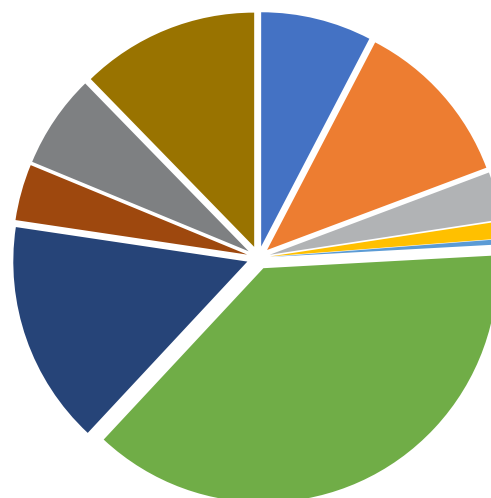
For the year under review, the Institute expended NPR 150 million in various operational activities. NPR 12 million was charged as depreciation and amortization and NPR 22.6 million was booked as provision for income tax. Out of the total expenses, 43% expense was incurred in employee benefits, 22 % on education and examination activity, 4% on member and professional development activity, 1% on international affairs, 18% on administrative activities, 7 % on depreciation and amortization and 5% on other expenses. During the year the Institute incurred NPR 7 million in distribution of scholarship to students in various levels of Chartered Accountancy Course.

Income



- Educational Activity
- Examination Activity
- Member Related Activity
- Interest Income
- Government Grant
- Other Income

Expenses



- Educational Activity
- Examination Activity
- Member and Professional Development Activity
- International Affairs
- Quality Assurance Activity
- Employee Benefit
- Administrative and Other Expenses
- Non-operating expenses



President CA. Madan Krishna Sharma Delivering Speech on Articleship Orientation Program

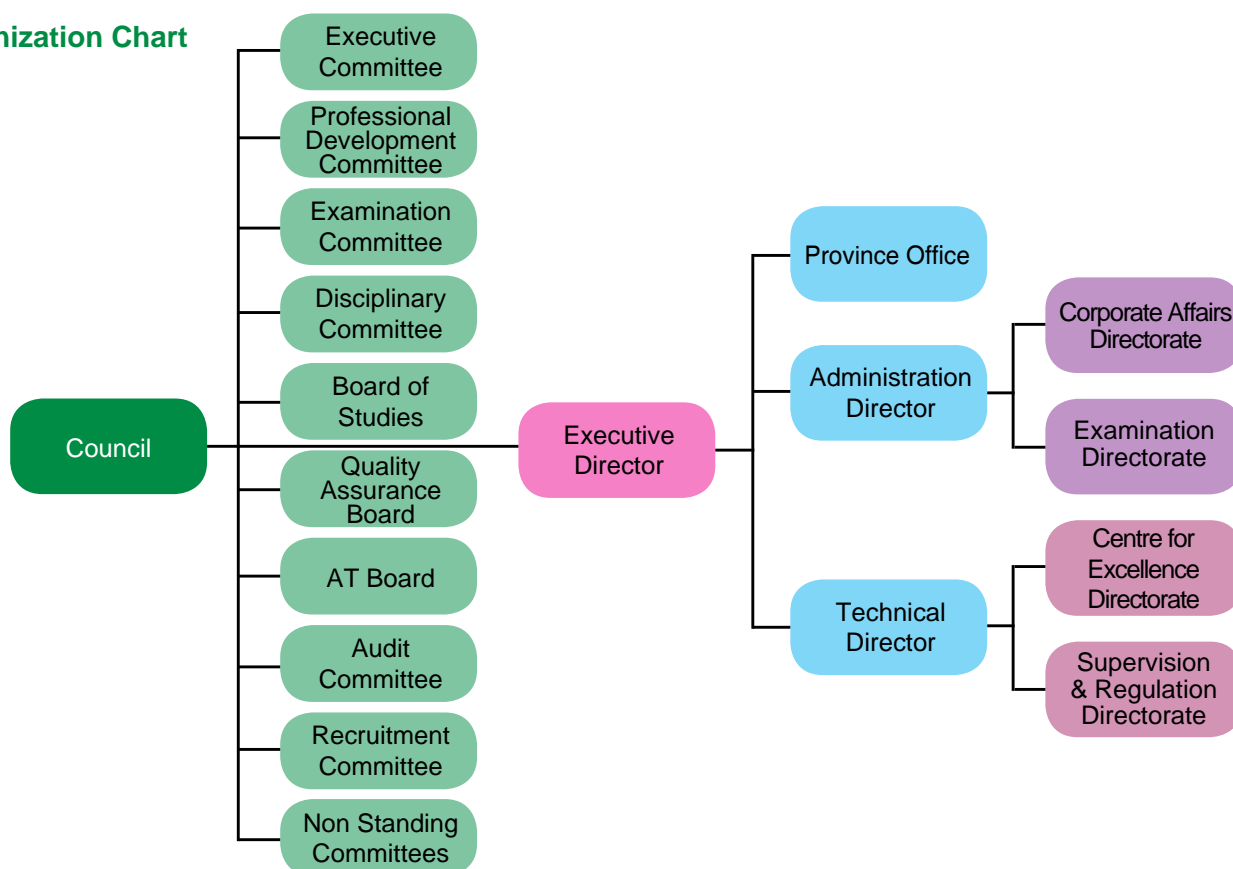


A Glimpse of Quiz and Elocution Contest 2021

Management Review

The management of the Institute is responsible for implementing and executing decisions of Council. The management of the Institute is led by Executive Director supported by Senior Management Team and other employees. The Executive Director is entrusted by Nepal Chartered Accountants Act, 1997 mainly to act as Chief Executive of the Institute being accountable to the Council, to carry out day-to-day administrative business of the Institute and discharge the duties and responsibilities entrusted by the Act. The Executive Director Communicates on behalf of and represents the Institute, with stakeholders, Government Entities, and the public; leads the development of the Institute's by implementing short-term and long-term strategy; works towards maintaining the highest level of goodwill of the Institute in Public Perception; explores opportunities for the Institute to discharge its duties towards the Nation, Society and Economy.

Organization Chart



The organogram of the Institute is designed for efficient execution of processes that help achieve goals and thus a satisfactory service delivery to Members, Students and Stakeholders. As, present there are two wings as Technical Directorate and Administration Directorate in the Management Structure.

Technical Directorate includes Centre for Excellence (IT and Research and Development Division and Education and Professional Development Division) and Supervision and Regulation Directorate (Quality Assurance and Regulation Division and Disciplinary Investigation Division). Whereas, Administration Directorate includes Examination Directorate (Pre-Exam and Post-Exam Management Division) and Corporate Affairs Directorate (HR and Administration Division, Student, Members and International Affairs Division and Account and Finance Division).

Moreover, Committees and Boards function with the support and expertise of Members. Apart from our employees, many Members and Non-Members contribute their expertise and time for the systematic functioning of the Institute.

Human Resource

Human Resource are the enablers for the Institute to achieve its objectives. Our Council, together with employees drives the Institute. Nevertheless, we value the efforts of Committees, Task Force, Resource Persons and Work Groups. Human Resources are the major force for Institutional Development and Sustainability, and the Institute had placed high importance to its Human Resources so that we lead and achieve Professional Excellence on what we deliver. Our HR policy ensures that we balance social and statutory conditions. Our Human Resource during this Fiscal Year 2077/78 is presented below:

Total Number of Employees	66
Permanent Employee	36
Contract Employee	30
Employee at Head Office	54
Employee at Branch Office	12
Number of Chartered Accountant Employee	9
Number of Newly Joined Employee	1
Number of Resigned/Terminated Employee	1

Working Together

The organization structure that we have implemented allows us to work together in a cooperative fashion. The job role, function and duties are aligned such that synergy is achieved when working together. Our HR department continuously monitors the roles and function so that the process we perform is relevant and competent. We foster the work culture that encourages our enablers to grow within the Institute. During the period, an outdoor picnic at Sakwo Resort was organized by ICAN Employee Union for all staffs of the Institute.

Learning and Development

We promote continues learning and development of our people. Being Regulator, we desire that our employees understand the need of the Profession. We conduct in-house trainings for our employees. We provide opportunities for employees to learn recent developments by participating in National and International events. We are committed to strengthen our enablers to lead the Institute in International arena. Our technical collaboration arrangement with International Bodies provides International working exposures to our Human Resources.

Well Being

The Institute considers wellbeing of the employees. During the service period, employees were provided with both monetary and non-monetary benefits. After separation from the service of the Institute, employees are provided with monetary benefits as per policy of the Institute.

Motivation

We strive to keep motivating our employees. We recognize efforts and contribution of our employees. On the occasion of 24th Anniversary of ICAN, ICAN President CA. Madan Krishna Sharma felicitated Mr. Madhav Narayan Kachhapati Shrestha, Mr. Binaya Paudel, Mr. Anup Maharjan, Mr. Binod Prasad Neupane, Mr. Sanoj Bhattarai and Mr. Prem Bhakta Pandey in recognition of their untiring performance and contribution to the Institute during the fiscal year 2077/78.

Way Forward

The Council has approved its Strategic Plan 2078/79 -2080/81 as a roadmap to align the Institute's functional activities to achieve the Institute's goal, for the next three years. In the upcoming years, the overall activities of the Institute's will be guided by the Strategic Plan 2078/79 -2080/81 and the Strategic Plan is expected to provide a strategic direction to the activities of the Institute, guide towards the achievement of targeted milestones and lead towards achievement of ultimate objective behind the establishment of the Institute. The Institute will prepare its annual budget and annual work plan based on the logical framework laid down in the Strategic Action Plan. I am confident that it will successfully achieve its strategic goal and add a milestone in the Standing of the Institute.

As a sole regulator of the accountancy profession within the jurisdiction of Nepal, the Institute has been continuously directing its efforts to promote and regulate the accounting profession in Nepal. In days to come, the Institute shall further strengthen its legal framework to enhance its regulatory and supervisory power. Amendment and updating of the Nepal Chartered Accountants Act 2053 and ICAN Regulation 2061 shall be initiated for which a detail survey and study shall be conducted. Likewise, guidelines and directives shall be developed to clarify the provisions on Code of Ethics and provisions in financial reporting and auditing standards for the ease of members. The Institute with the objective to enhance the scope of its supervision, shall continue the use of UDIN along with expansion of its scope and dissemination of same among all stakeholders and general public at large. Curbing of unethical accounting practices by non-members shall be taken into priority by liaising with various stakeholders and business community. Likewise, the Quality Assurance Review and Disciplinary Procedures shall be made more effective in the days ahead.

The Institute look forward to upgrade and strengthen technical and professional knowledge of Members to embrace their standing not only in National but also in International level. For this, the Institute has been continuously conducting various program, training and post qualification certification courses beside the regular CPE trainings. Hence forward, the Institute will study about expanding the scope of members through incorporating the provision of professional partnership and limited liability partnership. The Institute will prioritize to liaison with the government for creating new avenues for members and shall focus on broadening the scope of members at International Level as well.

Education has always been the prioritized area of concern of the Institute since its establishment. Being a sole body to produce the accounting professionals in the country, the Institute acknowledges its responsibility to produce qualified and intellect future ready Chartered Accountants who can contribute towards the development of national economy. In this regard, the Institute will continue the development and publication of curriculum and study material to facilitate the students. Besides this, the Institute will work to finalize revision of overall Chartered Accountancy Curriculum to match with International Education Standards within the period of next three years and to launch the new CA Course by the end of 2080/81. Moreover, the Institute will also work for expanding its coverage in Educational Sector for this, we have planned to launch other course related to Public Finance Management and Cost Accounting in future days. Hence, efforts shall be made to attract potential students towards the CA Course in Nepal alongside development of new course shall also be assessed.

Development of accounting profession as a cause for economic development of the nation is one of the objectives of the Institute. In days to come, the Institute will devise plan for making strong presence of the Institute and its members in the government and private sector. The Institute shall continue to conduct various interaction program with the government authorities, national regulators and private sector stakeholders for raising awareness about the importance of Institute

and its members. Efforts shall be made to promote credibility and reliability of accounting profession by developing social recognition and faith in accounting profession.

The Institute cannot remain isolated in this age of globalization. And, to promote the Global standing of the Institute, we shall continue to expand its relation with foreign Professional Accountancy Organization (PAOs) through Memorandum of Understanding (MoU), Mutual Recognition Agreement (MRA) and Technical Collaboration Agreements. This arrangement shall assist the Institute to harmonizes its education and operational system in line with International Practices and Standards.

Similarly, initiations will be taken up to develop user friendly Information Technology System (ERP) within the Institute for catering smooth and hassle free services to members, students and stakeholders besides introduction of Virtual Evaluation System to evaluate the answer papers of examinations remotely.

To conclude, all the above set targets and those exclusively laid down in the strategic plan could be achieved and executed only through an effective institutional development backed by an appropriate structure, financial and non-financial resources and process reengineering. Hence, the Institute has been strengthening its governance for effective and efficient resource management. The Institute shall also focus on its sustainability while moving ahead.

Hence, it is our expectation that an effective implementation of our strategy plan will enhance credibility of the Institute, its members and the profession we represent.

Strategic Plan 2078/79 -2080/81

The Key Strategic Domain and Strategic Objectives of the Strategic Plan 2078/79 – 2080/81 are:

Strategic Domain 1: Regulation and Supervision

Strategic Objectives:

Strengthen the legal framework of the Institute to enhance the regulatory and supervisory power and functions of the Institute and demonstrate as a responsive Professional Body and Regulator.

Strategic Domain 2: Professional Development

Strategic Objectives:

Enhance highest standards of professional competence and ethical conduct in consonance with International norms and practices, so as to construct respectable and reliable accounting profession and contribute towards nation's development.

Strategic Domain 3: Education

Strategic Objectives:

Deliver International level education, training and professional development opportunities in line with the International Educations Standards to create global professionals.

Strategic Domain 4: National Relation: Public and Government

Strategic Objectives:

Develop strategic relationships with stakeholders in government and the corporate sector as a partner in nation building and to ensure that national strategic goal and the market duly value the pre-eminence of the accounting profession.

Strategic Domain 5: International Relation: Global Positioning and Leadership

Strategic Objectives:

Leverage global opportunities by harmonizing with the international education and technical standards so as to broadening reach and influence of the ICAN members in other countries and to support development of the accounting profession through MoU/MRA and Technical Collaboration with foreign Professional Accountancy Organizations.

Strategic Domain 6: Institutional Development and Sustainability

Strategic Objectives:

Ensure organizational effectiveness through appropriate structure, resources and process reengineering.

Going Forward

Continuing with the commitment to pave path for institutional and professional development in line with the actions planned in Strategic Plan 2078/79-2080/81, the Institute has been successful in achieving following milestones during first half of the current fiscal year 2078/79:

9th Council Election of the Institute

Election of 9th Council of the Institute was held successfully in September 2021 after two months' inescapable delay caused by COVID-19 induced restriction imposed by the Government of Nepal. Election for 9th Council members amongst the Chartered Accountant members was conducted from 05th to 06th September, 2021 and Registered Auditors members was conducted from 03rd to 04th September, 2021 in ICAN premises and oath taking ceremony of newly elected President, CA. Yuddha Raj Oli, Vice-President, CA. Bhaskar Singh Lala along with the newly elected Council Members of the Institute was held at ICAN Premises on 17th September, 2021.



Newly elected Council Members of 9th Council of the Institute taking oath of the office from the newly elected President CA. Yuddha Raj Oli at the Oath Taking Ceremony

Issuance of Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Guidelines, 2078

The Institute has issued Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Guidelines, 2078 for the compliance by the members.

Process for Design, Development and Implementation of ICAN ERP

The Institute has issued Request for Proposal (RFP) to shortlisted vendors followed by the EoI for the purpose of selecting qualified eligible and experienced consultant/consulting firms to provide consulting services for the Design, Development and Implementation of ICAN ERP.

Memorandum of Understanding (MoU) with The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)

The Institute has signed MoU with CA Sri Lanka with the objective to strengthen, promote and develop the accountancy profession on both the country on the basis of equality and mutual benefit. The MoU was signed on 05th January, 2022 at CA Sri Lanka Office in Colombo.



President CA Sri Lanka CA. Sanjaya Bandara and President ICAN, CA. Yuddha Raj Oli and along with the Council Member RA. Kesh Bahadur KC, Executive Director CA. Sanjay Kumar Sinha and officials of CA Sri Lanka during the MoU signing between ICAN and CA Sri Lanka

Lease Agreement Signed with Biratnagar Metropolitan City

The Institute has signed lease agreement with the Biratnagar Metropolitan City on 5th Magh 2078 to acquire three kathha of land for thirty years to construct its own building for Branch Office in Biratnagar. President, CA. Yuddha Raj Oli, Vice-President, Bhaskar Sing Lala, Council Member, Mr. Uma Kant Acharya, Executive Director, CA. Sanjay Kumar Sinha including members of Biratnagar Branch Coordination Committee headed by the Coordinator CA. Ashwini Bansal participated in the lease agreement signing ceremony organized in the office of Biratnagar Metropolitan City Chaired by Mayor Mr. Bhim Prasad Parajuli.



Land lease agreement signing ceremony between ICAN and Biratnagar Metropolitan City

Visit to The Institute of Chartered Accountants of India (ICAI) to Launch Virtual Evaluation System

A delegate from the Institute of Chartered Accountants of Nepal (ICAN) led by the President of the Institute CA. Yuddha Raj Oli comprising of the Council Member RA. Bhola Nath Pathak and Executive Director CA. Sanjay Kumar Sinha visited the Institute of Chartered Accountants of India (ICAI) from 29th September to 2nd October, 2021. During the visit the team met the President of the ICAI and Officials of the Examination Department of ICAI and discussed about the ICAI's system of Virtual Evaluation System of examination answers papers and process to launch the system in ICAN. The Institute has already initiated the process with the technical team involved in the development of Virtual Evaluation System in ICAI for early launch of it in ICAN.



Meeting of the ICAN President with the ICAI President in New Delhi

Council

Council is the Governing Body of the Institute and provides leadership and direction to achieve strategic objectives and goals.

Council of the Institute is constituted as per provisions of Nepal Chartered Accountants Act, 1997. Of the total seventeen members ten are elected from Chartered Accountant members, four from Registered Auditor members and three are nominated by the Government of Nepal. The Council is elected in every three years. The President and Vice President are elected from the Fellow Chartered Accountant members of the Council for the period of one year. The Council is led by President and the Council collectively provides leadership and direction to the Institute.

The Council is conferred by the Statute to exercise all the powers and perform all the duties laid in the incorporating Act for attainment of the objectives of the Institute. The Council is responsible for monitoring and managing all the acts and actions of the Institute. During the Fiscal Year 2077/78 altogether 14 meetings of Council was convened under the Chairmanship of then ICAN President, CA.Madan Krishna Sharma (Now Immediate Past President).

The composition of 9th Council 1st Term (2078-79) has been presented as below:

Council Members



CA. Yuddha Raj Oli
President



CA. Bhaskar Singh Lala
Vice President



CA. Santosh Kafle
Council Member



CA. Chhetra Gopal Pradhan
Council Member



CA. Sujana Kumar Kafle
Council Member



CA. Surendra Shrestha
Council Member



CA. Ram Chandra Khanal
Council Member



CA. Sujana Shrestha
Council Member



CA. Peeyush Anand
Council Member



CA. Prabin Kumar Jha
Council Member



RA. Posh Raj Nepal
Council Member



RA. Bhola Nath Pathak
Council Member



RA. Shankar Gyawali
Council Member



RA. Kesh Bahadur K.C.
Council Member



Mr. Baikuntha Bahadur Adhikari
Council Member



Mr. Baburam Subedi
Council Member



Mr. Umakanta Acharya
Council Member

Our Heartfelt Condolence



CA. Komal Bahadur Chitracar

We are deeply saddened to share the news of grief that CA. Komal Bahadur Chitracar, Founder President of the Institute of Chartered Accountants of Nepal (ICAN)-1997/98 and Past President of South Asian Federation of Accountants (SAFA)- 2010 passed away on 31st May 2021. His demise is an irreparable loss to the state of professional accounting development of the country and the region.



CA. Gopal Prasad Rajbahak

We are deeply saddened to share the news of grief that CA. Gopal Prasad Rajbahak, Fourth President of the Institute of Chartered accountants of Nepal (ICAN) – 2000-01 passed away on 10th February, 2021 at the age of 79. His demise is an irreparable loss to the state of professional accounting development of the country and the region.

Committees and Boards

Standing Committees and Boards are formed by Council as per the provision of Nepal Chartered Accountants Act, 1997. The constitution, functions and duties of Standing Committees and Boards are provided in the Legislation. And, the Council has formed other Non-Standing Committee for attainment of the objective of the Institute. Beside this, Branch Coordination Committee are formed by the Executive Committee for smooth operation of branches.

During the Fiscal Year 2077/78, Standing Committee meeting convened 47 times and another, 67 meetings were held by various Non-Standing Committees, Boards and Branch Coordination Committees. Whereby, 32 meeting were conducted by Non-Standing Committees, total 10 meetings of Boards was held. And, Branch Advisory Committee called 25 meetings during the year.

Standing Committee

Role	Executive Committee	Professional Development Committee
Major Functions	Overseeing the day-to-day Business of the Institute.	Provide guidance and support for Professional Development
Chairman	CA. MADAN KRISHNA SHARMA	CA. MADAN KRISHNA SHARMA
Vice- Chairman	CA. YUDDHA RAJ OLI	CA. YUDDHA RAJ OLI
Member	CA. BIDHYABARIDHI SIGDEL RA. ABDUL KARIM KHAN	CA. SURENDRA SHRESTHA RA. BAHADUR SINGH BISTA MR. BAMDEV SHARMA ADHIKARY CA. SUJAN SHRESTHA RA. SHANKAR GYAWALI
Invitee		CA. SANJAY KUMAR SINHA
Secretary	CA. SANJAY KUMAR SINHA	CA. KRISHNA PRASAD LAMICHHANE* MR. BINOD PRASAD NEUPANE*
CA. KRISHNA PRASAD LAMICHHANE replaced MR. BINOD PRASAD NEUPANE.*		

Role	Examination Committee	Disciplinary Committee
Major Functions	Oversee examination related matters.	Inquire into a complaint and recommend for necessary action.
Chairman	CA. MADAN KRISHNA SHARMA	CA. KRISHNA PRASAD ACHARYA
Vice- Chairman	CA. YUDDHA RAJ OLI	CA. PEEYUSH ANAND
Member	CA. MAHESH SHARMA DHAKAL CA. BISHNU PRASAD BHANDARI RA. KEDAR NATH POUDEL CA. MUKUNDA MAHAT RA. BHARAT KUMAR SHRESTHA	RA. MEERA SHRESTHA MR. BADRI RAJ ARYAL** MR. RAMESH PRASAD SHIVAKOTI** CA. CHANDRA RAJ SHARMA RA. DOL PRASAD DAHAL CA. BAIKUNTHA BAHADUR ADHIKARI
Invitee	CA. SANJAY KUMAR SINHA	
Secretary	MR. MAHESH CHITRAKAR* MR. SHYAM MANI DAHAL*	CA. KIRAN KUMAR KHATRI
MR. MAHESH CHITRAKAR replaced MR. SHYAM MANI DAHAL* MR. BADRI RAJ ARYAL replaced MR. RAMESH PRASAD SHIVAKOTI**		

Non- Standing Committee

Role	Ethics Committee	Standard Implementation Review Committee	Public Finance and NPSAS Committee
Chairman	CA. KIRAN DONGOL	CA. SURENDRA SHRESTHA	CA. KRISHNA PRASAD ACHARYA
Member	RA. KEDAR NATH POUDEL MR. BAMDEV SHARMA ADHIKARY CA. RANJIT KUMAR YADAV CA. SANTOSH GHIMIRE CA. HUKUM PAHADI CA. RAMESH NEPAL CA. BINOD RAJ SINGH RA. KAMAL KHAREL RA. CHANDRA BHAKTA SHRESTHA RA. RAMJI PRASAD ADHIKARI MR. ASHOK KUMAR KARKI	RA. BAHADUR SINGH BISTA CA. SURESH RAJ KHAKUREL CA. UMA SHRESTHA CA. BISESH BIBU ACHARYA CA. THANESOR BASHYAL CA. NIRMAL SHRESTHA CA. ANIL PAUDEL RA. BIL BAHADUR BHUJEL RA. RAJENDRA PRASAD DHUNGANA RA. POSHAK LAL SHRESTHA	RA. BAHADUR SINGH BISTA MR. BADRI RAJ ARYAL* MR. RAMESH PRASAD SIWAKOTI* CA. BIJAYA RAJ GHIMIRE CA. RAJU KUMAR SIBAKOTI CA. ACHYUT RAJ JOSHI CA. CHANDRA KANTA BHANDARI CA. ANJANA POKHAREL CA. NIRMAL BARTAULA RA. UKU LAL MAHARJAN RA. SHIVA PRASAD ACHARYA RA. HEMA RAJ PAUDEL
Secretary	MS. GOMA RAUT	CA. KIRAN KUMAR KHATRI	CA. GHANASHYAM KAFLE
MR. BADRI RAJ ARYAL replaced MR. RAMESH PRASAD SIWAKOTI*			

Role	Information Technology Committee	Monitoring and Financial Reporting Review Committee	Member in Industry Committee
Chairman	CA. JAGANNATH UPADHYAY NIRAULA	CA. PEEYUSH ANAND	CA. BIDHYABARIDHI SIGDEL
Member	RA. MEERA SHRESTHA CA. HARI KUMAR SILWAL CA. MUKUND POKHAREL CA. DEEPAK PYAKUREL CA. SURYA BIKRAM KUNWAR CA. RAJAN ADHIKARI CA. SACHET LAL SHRESTHA RA. GANESH RAJ RAI RA. KAMOD JHA RA. KUMAR PRASAD KHATIWADA	RA. KEDAR NATH POUDEL CA. SUSHANT SHRESTHA CA. MAHESH RIMAL CA. ASMITA GORKHALI CA. KRISHNA PRASAD REGMI CA. NARAYAN PRAJAPATI CA. BISHAL RAJ BHUSAL RA. NIRANJAN PRASAD NEUPANE RA. PRADIP KUMAR YADAV RA. DHRUBA PRASAD PAUDEL	RA. BAHADUR SINGH BISTA CA. BAL KRISHNA MAN SINGH CA. SUNAYNA TAMRAKAR CA. MEKH BAHADUR THAPA CA. ANIL REGMI CA. PRAKASH KAFLE CA. KESHAV KANTA POUDEL CA. DIPENDRA KUMAR MISHRA CA. RITURAJ SHAH RA. RAJENDRA KUMAR SHRESTHA
Secretary	MR. BASANTA KRISHNA LOKESHWOR RANJITKAR	MS. GOMA RAUT	CA. BHARAT NEPAL

Role	Audit Committee	Fiscal, Taxation and Research Committee	Women Leadership Committee
Chairman	CA. MAHESH SHARMA DHAKAL	CA. BISHNU PRASAD BHANDARI	RA. MEERA SHRESTHA
Member	RA. MEERA SHRESTHA MR. BAMDEV SHARMA ADHIKARY	RA. ABDUL KARIM KHAN CA. SHIVA RAM MISHRA CA. PRAKRITI RAJ TIMILSINA CA. ANKUSH KUMAR CA. KAUSHLENDRA KUMAR JHA CA. CHANDRA SHEKHAR GHIMIRE CA. RAJU BASNET CHHETRI RA. JHANAK RAJ DHUNGEL RA. HIRARATNA BAJRACHARYA RA. MADHU SUDHAN BHATTARAI	CA. ANILA SHRESTHA CA. NALINI BAJRACHARYA CA. PRITI SHARMA CA. RAGNI SINGH CA. SWEETY AGRAWAL CA. SABITA GHIMIRE CA. NABINA DHUNGANA CA. SADHANA SUBEDI RA. JAYA KUMARI JHA RA. MAYA BADE SHRESTHA
Secretary	CA. GHANASHYAM KAFLE	CA. HIMAL DAHAL	MS. SAMITA DONGOL

Role	Expert Advisory Committee		RA. Member Capacity Development Committee
Chairman	CA. MADAN KRISHNA SHARMA		RA. KEDAR NATH POUDEL
Members	LATE CA. KOMAL BAHADUR CHITRACAR* CA. TIRTHA RAJ UPADHYAYA CA. KAUSHALENDRA KUMAR SINGH LATE CA. GOPAL PRASAD RAJBAHAK* CA. PRABHU RAM BHANDARY CA. BIJAY KUMAR AGRAWAL CA. PRADEEP KUMAR SHRESTHA CA. PUSPA LALL SHRESTHA CA. NARAYAN BAJAJ CA. RATNA RAJ BAJRACHARYA CA. TANKA PRASAD PANERU CA. (DR.) SUVOD KUMAR KARN	CA. SUNIR KUMAR DHUNGEL CA. SUDARSHAN RAJ PANDEY CA. MADHU BIR PANDE CA. MAHESH KUMAR GURAGAIN CA. NARENDRA BHATTARAI CA. PRAKASH LAMSAL CA. MAHESH KHANAL CA. PRAKASH JUNG THAPA CA. JAGANNATH UPADHYAY NIRAULA CA. KRISHNA PRASAD ACHARYA CA. ANANDA RAJ SHARMA WAGLE RA. MOHAN RAJ REGMI	CA. GOBINDA SHARMA GAIRHE RA. JHALAK MANI LAMSAL RA. RAM GOPAL MAHARJAN RA. GANESH GIRI RA. PREM BAHADUR SHRESTHA RA. ATMARAM CHAPAGAIN RA. YADAV PRASAD NYAUPANE RA. HARI BAHADUR KARKI RA. BHOLANATH PATHAK RA. SHIBAJI PANDEY RA. SABITRI SHARMA RA. BHIMSEN KUMAR GAUTAM RA. TILAK BAHADUR ADHIKARI RA. BALRAM CHAUDHARI
Secretary	CA. SANJAY KUMAR SINHA		MR. BINOD PRASAD NEUPANE

*LATE CA. KOMAL BAHADUR CHITRACAR and LATE. CA. GOPAL PRASAD RAJBAHAK were removed from members after their sad demise during the fiscal year 2077/78.

Boards

Role	Board of Studies	Accounting Technician Board	Quality Assurance Board
Chairman	CA. MADAN KRISHNA SHARMA	CA. (DR.) SUVOD KUMAR KARN	MR. DEV BAHADUR BOHARA
Member	CA. KRISHNA PRASAD ACHARYA CA. YUDDHA RAJ OLI CA. SURENDRA SHRESTHA RA. BAHADUR SINGH BISTA RA. DINKAR MAN SINGH PRADHAN PROF. DR. DILLI RAJ SHRAMA PROF. DR. PUSKAR BAJRACHARYA MR. SAROJ KRISHNA GHIMIRE	CA. KRISHNA PRASAD ACHARYA CA. MADAN KRISHNA SHARMA MR. JEEVAN PRASAD SUVEDI RA. KEDAR NATH POUDEL RA. MEERA SHRESTHA	CA. KIRAN DANGOL RA. ABDUL KARIM KHAN CA. BADRI KUMAR GURAGAIN RA. LAXMAN PRASAD KHANAL MR. MUKTINATH SHRESTHA* MR. PARISTHANATH POUDYAL* MS. BINDU BISTA
Invitee	CA. SANJAY KUMAR SINHA		
Secretary	CA. HIMAL DAHAL	CA. HIMAL DAHAL	CA. SANJAY KUMAR SINHA

*MR. MUKTINATH SHRESTHA replaced MR. PARISTHANATH POUDYAL

Branch Coordination Committees

Role	Butwal Branch	Biratnagar Branch	Birgunj Branch
Coordinator	CA. SHEO HARI SHARMA	CA. PAWAN KUMAR RATHI	CA. ARVIND KUMAR KHETAN
Member	CA. HARI LAMSAL CA. SAGUN KHANAL CA. RAJU KARKI RA. DUNNI RAJ SHARMA RA. SHRIDHAR RAJ SHARMA RA. NETRA GYAWALI	CA. KRINJAL POKHREL CA. MANOJ ADHIKARI CA. AYUSHA GUPTA RA. BIJAY HARI SHARMA RA. PHANENDRA PRASAD PARAJULI RA. PRAKASH NARAYAN CHAUDHARI	CA. SUBHASH KHANDELWAL CA. NEHA AGRAWAL CA. SATISH PANDEYA RA. PRADYUMNA SEDAI RA. MANOJ SRIWASTAB RA. SANTOSH SHAH

Role	Pokhara Branch	Nepalgunj Branch	Dhangadi Branch
Coordinator	CA. ARJUN GOSAILE	CA. BISHWO RAM BHANDARI	CA. LOKENDRA AYER
Member	CA. SABINA MAHARJAN CA. RAMESH BARAL CA. UBHEK KUMAR SHRESTHA RA. CHIRANJIVI DWA RA. CHANDRA BAHADUR. SUBEDI RA. CHANDRA BAHADUR THAPA	CA. PRAVIN SARAWAGI CA. TEJ PRAKASH DIXIT CA. RUPESH BISTA RA. MD. JUBER RAI RA. ANITA SHRESTHA RA. GOKARN PRASAD ACHARYA	CA. UMESH RAJ PANDEY CA. CHIREENJIVI PATHAK CA. TEK RAJ PANERU RA. BHARAT JOSHI RA. CHET RAJ OJHA RA. KARN BAHADUR KHADAYAT



Staffs of ICAN

FINANCIAL STATEMENTS

For the year ended
31 Ashad 2078
(15 July 2021)



Regd. (ICAN) No. 079
PAN: 500182468

JBRH and Co.
Chartered Accountants

Newplaza Road, Putalisadak
Kathmandu-29, Nepal
Tel: 01-4417968
Email: jbrh@info.com.np

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of The Institute of Chartered Accountants of Nepal (hereafter referred to as "ICAN"), which comprise the Statement of Financial Position as at 31 Ashadh, 2078 (July 15, 2021), and the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, and Statement of Changes in Funds and Reserves for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ICAN as at 31 Ashadh, 2078 (15 July 2021), and of its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

BASIS FOR OPINION

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our Report. We are independent of the ICAN in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ICAN's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ICAN or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the ICAN's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the ICAN's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management,
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ICAN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ICAN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the ICAN to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


 CA. Raju Kumar Sibakoti
 Partner
 JBRH & Co.
 Chartered Accountants



Place: Kathmandu, Nepal
 Date: 28 Poush 2078
 UDIN: 220113CA0011232bZY

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF FINANCIAL POSITION
AS AT 31 ASHADH, 2078 (JULY 15, 2021)

		Amount in NPR.	
	Note	As at 31 Ashadh 2078	As at 31 Ashadh 2077
ASSETS			
Non-current Assets			
Property and Equipment	4	217,808,936	209,028,853
Intangible Assets	5	3,314,702	2,282,119
Advances	6	896,228	1,358,790
Deferred Employee Expenditure	7	296,307	542,726
Deferred Tax Assets	8	15,293,139	13,744,161
Total Non-current Assets (A)		237,609,312	226,956,649
Current Assets			
Inventories	9	9,225,803	5,698,556
Short Term Investment	10	330,562,507	252,246,158
Earmarked Investment	11	18,995,724	15,288,267
Advances	6	2,955,128	4,748,270
Prepayment	12	2,636,619	2,230,031
Other Current Assets	13	21,376,277	12,985,191
Cash and Cash Equivalents	14	143,566,873	124,076,130
Total Current Assets (B)		529,318,931	417,272,604
Total Assets (A+B)		766,928,243	644,229,253
FUND AND LIABILITIES			
Fund and Reserves			
Reserves	15	489,388,257	420,357,894
Earmarked Fund	16	43,642,352	37,901,024
ICAN Main Building Fund	16	53,726,033	55,139,876
Total Funds and Reserves (C)		586,756,642	513,398,794
LIABILITIES			
Non-current Liabilities			
Staff Liabilities & Provision	17	94,630,366	89,609,652
Total Non-current Liabilities (D)		94,630,366	89,609,652
Current Liabilities			
Accounts Payable	18	59,668,195	26,227,980
Staff Liabilities & Provision	17	3,240,636	4,475,419
Provision for Income Tax		22,632,404	10,517,408
Total Current Liabilities (E)		85,541,235	41,220,807
Total Liabilities (D+E)		180,171,601	130,830,459
Total Fund and Liabilities (C+D+E)		766,928,243	644,229,253

The accounting policies and notes form an integral part of the financial statements.

As per our report of even date

CA. Santosh Bista
Head-Accounts & Finance Division

CA. Sanjay Kumar Sinha
Executive Director

CA. Yuddha Raj Oli
President

CA. Bhaskar Singh Lala
Vice-President

CA. Ram Chandra Khanal
Executive Committee Member

RA. Posh Raj Nepal
Executive Committee Member

CA. Raju Kumar Sibakoti
Partner
JBRH & Co.
Chartered Accountants

Date: 28 Poush 2078
Place: Lalitpur, Nepal

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
INCOME STATEMENT
 FOR THE YEAR ENDED 31 ASHADH 2078 (JULY 15, 2021)

	Note	FY 2077/78	Amount in NPR. FY 2076/77
Income			
Income from Operational Activities	19	196,278,258	169,339,222
Government Grants	20	2,070,198	1,272,000
Other Income	21	4,627,610	2,819,976
Total Income		202,976,066	173,431,198
Expenses			
Operating Expenses	22	44,503,547	62,984,254
Employee Benefit Expenses	23	69,632,825	78,453,650
Depreciation and Amortization	4 & 5	11,923,187	11,115,294
Other Expenses	24	28,324,670	20,898,937
Total Expenses		154,384,229	173,452,135
Surplus/(Deficit) from Operational Activities		48,591,837	(20,937)
Interest Income	25	28,033,290	30,165,493
Non Operating Expenses	26	7,151,732	10,182,244
Surplus/(Deficit) before Tax		69,473,394	19,962,312
Income Tax			
Current Tax Expenses		22,632,404	10,517,408
Deferred Tax Income	8	6,599,904	6,781,655
Surplus/(Deficit)		53,440,894	16,226,559
Attributable To:			
General Fund		59,049,631	15,227,342
Earmarked Fund		(5,608,737)	999,217
		53,440,894	16,226,559

The accounting policies and notes form an integral part of the financial statements.

As per our report of even date

CA. Santosh Bista
Head-Accounts & Finance Division

CA. Sanjay Kumar Sinha
Executive Director

CA. Yuddha Raj Oli
President

CA. Bhaskar Singh Lala
Vice-President

CA. Ram Chandra Khanal
Executive Committee Member

RA. Posh Raj Nepal
Executive Committee Member

CA. Raju Kumar Sibakoti
Partner
JBRH & Co.
Chartered Accountants

Date: 28 Poush 2078
Place: Lalitpur, Nepal

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 ASHADH 2078 (15 JULY 2021)

		<i>Amount in NPR.</i>
	FY 2077/78	FY 2076/77
Surplus for the year as per Income Statement (A)	53,440,894	16,226,559
Other comprehensive income that will not be reclassified to Income Statement in subsequent periods		
Actuarial gain/ (loss) on defined benefit plan schemes	9,514,409	(4,649,073)
Revaluation gain on PPE	10,689,293	-
Income Tax relating to items of OCI	(5,050,925)	1,162,268
Other Comprehensive Income for the year (B)	15,152,776	(3,486,805)
Total Comprehensive Income for the year (A+B)	68,593,671	12,739,753

The accounting policies and notes form an integral part of the financial statements.

As per our report of even date

CA. Santosh Bista
Head-Accounts & Finance Division

CA. Sanjay Kumar Sinha
Executive Director

CA. Yuddha Raj Oli
President

CA. Bhaskar Singh Lala
Vice-President

CA. Ram Chandra Khanal
Executive Committee Member

RA. Posh Raj Nepal
Executive Committee Member

CA. Raju Kumar Sibakoti
Partner
JBRH & Co.
Chartered Accountants

Date: 28 Poush 2078
Place: Lalitpur, Nepal

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 ASHADH, 2078 (JULY 15, 2021)

	FY 2077/78	FY 2076/77
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus Before Tax	69,473,394	19,185,847
Adjustment For:		
Depreciation and Amortization	11,923,187	11,891,758
Amortization of Building Fund	(1,413,843)	(1,413,843)
(Gain)/Loss on Sale of PPE	29,289	4,095
Prior Period Adjustments	-	41,997
Interest from Investment	(28,033,290)	(30,165,493)
Increase/(Decrease) in Provision	13,300,341	23,650,096
Increase/(Decrease) in Account Payable	33,440,215	1,305,997
(Increase)/Decrease in Inventories	(3,527,246)	(1,234,731)
(Increase)/Decrease in Advances and Prepayments	2,095,536	(1,031,997)
(Increase)/Decrease in Other Current Assets	360,569	15,221
Cash Generated from Operation	97,648,152	22,248,947
Income Tax Paid	(19,269,063)	(14,643,470)
Net Cash Inflow from Operating Activities	78,379,089	7,605,477
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(10,146,258)	(4,389,822)
Purchase of Intangible Assets	(1,392,030)	(658,790)
Sale of Property and Equipment	462,437	309,440
(Increase)/Decrease in Investments	(82,023,806)	15,493,955
Interest Received on Investments	28,033,290	30,165,493
Net Cash Flow from/(used in) Investing Activities	(65,066,366)	40,920,276
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Contribution to/ Refund from Earmarked Fund	6,178,020	2,874,735
Net Cash Flow from/(used in) Financing Activities	6,178,020	2,874,735
Net Increase/(Decrease) in Cash and Cash Equivalents	19,490,743	51,400,488
Cash and Cash Equivalents at the Beginning of the Year	124,076,130	72,675,642
Cash and Cash Equivalents at the End of the Year	143,566,873	124,076,130

The accompanying notes form an integral part of the financial statements

As per our report of even date

CA. Santosh Bista
Head-Accounts & Finance Division

CA. Sanjay Kumar Sinha
Executive Director

CA. Yuddha Raj Oli
President

CA. Bhaskar Singh Lala
Vice-President

CA. Ram Chandra Khanal
Executive Committee Member

RA. Posh Raj Nepal
Executive Committee Member

CA. Raju Kumar Sibakoti
Partner
JBRH & Co.
Chartered Accountants

Date: 28 Poush 2078
Place: Lalitpur, Nepal

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
STATEMENT OF CHANGES IN FUNDS AND RESERVES
FOR THE YEAR ENDED 31 ASHADH, 2078 (JULY 15, 2021)

Amount in NPR.

	CAPITAL FUND	GENERAL RESERVE	BUILDING RESERVE	REVALUATION RESERVE	ACTUARIAL GAIN RESERVE	ICAN MAIN BUILDING FUND	EARMARKED FUND	TOTAL
Balance as at 31 Ashadh 2076	1,225,500	367,342,486	10,000,000	21,990,319	5,411,216	56,553,719	40,641,190	503,164,431
Adjustment/Restatement		3,165,437					(7,131,719)	(3,966,282)
Restated Balance as at 31 Ashadh 2076	1,225,500	370,507,923	10,000,000	21,990,319	5,411,216	56,553,719	33,509,471	499,198,148
Surplus/(Deficit) for the year	-	15,227,342	-	-	-	-	999,217	16,226,559
Other Comprehensive Income	-	-	-	-	(3,486,805)	-	-	(3,486,805)
Appropriation of Net Surplus:								
To Scholarship Fund	-	(517,601)	-	-	-	-	517,601	-
Inter Fund Transfer:								
Revaluation Reserve to General Reserve	-	549,758	-	(549,758)	-	-	-	-
Amortization of Building Fund	-	-	-	-	-	(1,413,843)	-	(1,413,843)
Contribution to /Refund from Fund	-	-	-	-	-	-	2,874,735	2,874,735
Restated Balance as at 31 Ashadh 2077	1,225,500	385,767,422	10,000,000	21,440,561	1,924,412	55,139,876	37,901,024	513,398,795
Surplus/(Deficit) for the year	-	59,049,631	-	-	-	-	(5,608,737)	53,440,894
Other Comprehensive Income	-	-	-	8,016,970	7,135,807	-	-	15,152,776
Appropriation of Net Surplus:								
To Scholarship Fund	-	(2,672,045)	-	-	-	-	2,672,045	-
To Disaster & Pandemic Scholarship Fund	-	(2,500,000)	-	-	-	-	2,500,000	-
Inter Fund Transfer:								
Revaluation Reserve to General Reserve	-	549,758	-	(549,758)	-	-	-	-
Amortization of Building Fund	-	-	-	-	-	(1,413,843)	-	(1,413,843)
Contribution to /Refund from Fund	-	-	-	-	-	-	6,178,020	6,178,020
Balance as at 31 Ashadh 2078	1,225,500	440,194,766	10,000,000	28,907,772	9,060,218	53,726,033	43,642,352	586,756,642

As per our report of even date

CA. Santosh Bista
Head-Accounts & Finance Division

CA. Sanjay Kumar Sinha
Executive Director

CA. Yuddha Raj Oli
President

CA. Bhaskar Singh Lala
Vice-President

CA. Ram Chandra Khanal
Executive Committee Member

CA. Posh Raj Nepal
Executive Committee Member

CA. Raju Kumar Sibakoti
Partner
JBRH & Co.
Chartered Accountants

Date: 28 Poush 2078
Place: Lalitpur, Nepal

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL (ICAN)

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 Ashadh 2078 (15 July 2021)

1. GENERAL INFORMATION

1.1 Legal and Domicile Form

The Institute of Chartered Accountants of Nepal (hereafter referred as “ICAN”, or “The Institute”) is a Statutory Body established under, “The Nepal Chartered Accountants Act, 1997” (hereafter referred as “Act”) 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.

The Institute is an autonomous body and its Council is fully authorized by the Act to undertake regulation of accountancy profession and issue standards for accounting and financial reporting, auditing and other areas relevant to the accounting profession. The Institute operates through its registered office located at ICAN Marg, Satdobato, Lalitpur, Bagmati Province and six branches across the Nepal.

1.2 Objective and Principal Activities

Major objective and principal activities of the Institute as mandated by Preamble and Section 5 of the Act is to:

- Encourage its members to carry on accounting profession within the ambit of the prescribed ethical code of conduct in order to consolidate and develop accounting profession as a means for economic development of the nation.
- 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.
- Develop, protect and promote the accounting profession by enabling professional accountants understand their responsibility towards accounting profession and accountancy.
- Develop and operate 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.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The accompanying Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRSs), pronounced for implementation by The Institute of Chartered Accountants of Nepal.

Notes to the Financial Statements

The Financial Statements comprise the Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Fund & Reserve and Notes with summary of significant accounting policy and other explanatory notes. The significant accounting policies applied in the preparation of financial statements are set out below in point number 3. These policies are consistently applied to all the years presented, except for the changes in accounting policies disclosed specifically.

2.2 Reporting Period and Authorization for Issue of Financial Statement

The reporting period of the Institute covers a twelve-month period from 1 Shrawan 2077 (16 July 2020) to 31 Ashadh 2078 (15 July 2021). The comparative figures in Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Fund & Reserves are presented for the year ended 31 Ashadh 2077 (15 July, 2020).

The Financial Statements are approved and authorized for issue by the decision of ICAN Council meeting held on 28 Poush 2078 (12 January 2022).

2.3 Functional and Presentation Currency

The Financial Statements of the Institute are presented in Nepalese Rupees (NPR), which is the Institute's functional currency. All the financial information presented in Nepalese Rupees have been rounded to the nearest rupee, except otherwise indicated.

2.4 Use of Estimates, Assumptions and Judgments

For the preparation of Financial Statements, management has made critical accounting judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets (including contingent assets), liabilities (including contingent liabilities), income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable but actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis with historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Any revision to accounting estimates is recognized prospectively in current and future periods.

Information about significant areas of estimate, uncertainty and critical judgments in applying accounting policies that have the potential material impact on the amounts recognized in these financial statements are included in the following notes:

- Determination of useful life of property and equipment
- Determination of useful life of intangible assets
- Measurement of employee benefits and liabilities
- Provision and contingencies
- Determination of net realizable value
- Key assumption used in discounting of future cashflows

Notes to the Financial Statements

2.5 Going Concern

The Financial Statements have been prepared on going concern basis, as the Council of the Institute is satisfied that the Institute has, at the time of authorization of financial statement, adequate resources to continue its operation for foreseeable future and there are no material uncertainties about its ability to continue as a going concern.

2.6 Changes in Accounting Policies

The Institute has applied its accounting policies consistently from year to year except for some comparatives that have been grouped or regrouped to facilitate comparison, corrections of errors and changes in accounting policy and such exceptions have been disclosed separately with detail explanation in the relevant notes.

2.7 Prior Period Adjustments

Prior Period Adjustments are omissions or misstatements in the Institute's financial statements. Such omissions may relate to one or more prior period(s). Such omissions and misstatements are adjusted by calculating the cumulative effect of the changes on the financial statements of the period as if new method or estimate had always been used for all the affected prior years' financial statements. Sometimes such changes may not be practicable, in such cases it is applied to the latest period possible by making corresponding adjustment to the opening balance of the period. Prior period adjustments have been disclosed separately with detail explanation in the relevant notes.

2.8 Materiality and Aggregation

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

2.9 Previous Year's Figures

Previous year's figures have been grouped or regrouped wherever necessary to facilitate comparison of figures in financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and Equipment

The Institute recognizes a tangible asset as property and equipment when the asset is held for administrative purpose or for supply of goods or service; inflow of future economic benefits associated with the asset to the entity is probable and the cost of asset can be measured reliably.

An item of property and equipment that qualifies for recognition as an asset is initially measured at cost. Cost includes purchase price including import duties and non-refundable taxes and other costs directly attributable to bringing the asset to the location and condition necessary for capable of operating in the manner intended by the management. Subsequent expenditure is capitalized if it is probable that the future economic benefit from the expenditure will follow to the Institute. Repair and maintenance cost are recognized in the Income Statement as incurred. Assets with value of less than NPR. 10,000 are expensed irrespective of their useful life in the year of purchase.

Notes to the Financial Statements

The Institute applies the cost model to all property & equipment except building and records these at cost of asset less accumulated depreciation and any accumulated impairment losses. The Institute applies revaluation model for recognition of building. The revaluation is done 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.

The carrying amount of an item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of an asset is recognized in the Income Statement in the year in which it is derecognized.

The Institute assesses at the end of each reporting period whether there is any indication that any asset may be impaired. If any such condition exists, the recoverable amount of the asset is estimated and if the recoverable amount is less than the carrying amount, the carrying amount of the asset will be reduced to its recoverable amount. That reduction is recognized immediately in Income Statement as an impairment loss.

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

3.2 Intangible Assets

Intangible assets are recognized when its cost can be measured reliably and it is probable that future economic benefits associated with the asset will flow to the Institute.

Intangible assets are measured initially at cost. Cost of separately acquired intangible assets comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing assets for its intended use. The Institute applies the cost model for recognition of intangible assets and measured at cost less accumulated amortization and impairment losses. Cost incurred in maintenance of intangible assets are expensed immediately as incurred.

Intangible assets are amortized on a straight-line method over the estimated useful life.

3.3 Financial Instrument

Financial Assets

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.

For subsequent measurement at each reporting date, financial assets are classified in three categories:

- Financial assets at fair value through Income Statement
- 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 receivables, advances, cash and cash equivalents and term deposits with banks.

Notes to the Financial Statements

a) Receivables & Advances

Receivables and 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.

c) Term Deposits

Term deposits are measured initially at fair value and subsequently at amortized cost less impairment, (if any). Term deposits of the Institute comprise of deposits made with banks with fixed maturity period.

The Institute assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired or not. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of assets and that loss event has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated. The amount of loss is measured as the difference between asset's carrying amount and amount the management considers it as recoverable. Receivables and advances considered as bad and irrecoverable are written off from books of accounts and charged to Income Statement.

Financial Liabilities

Financial liabilities of the Institute are initially recognized at fair value and subsequently measured and classified at amortized cost.

3.4 Inventories

Inventories are stated at lower of cost or net realizable 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.

Inventories are initially recognized at cost, and subsequently at the lower of cost or net realizable value.

3.5 Employee 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.

Notes to the Financial Statements

b) Post-Employment Benefits

Post-employment benefit plan includes:

i. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Institute pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as employee benefit expenses in Income Statement in the period during which the related service are rendered by the employees.

ii. Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. This plan includes gratuity and medical facility. 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 denominated in Nepalese Rupees with maturity 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 increment rate, mortality rates etc. 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 and medical facility 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 obligations 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 Statement of Other Comprehensive Income in the period in which they arise.

iii. Other Long-Term Employee Benefits

Other long-term employee benefits include benefits that are not expected to be settled wholly before twelve months after end of the fiscal year in which employees render the related service. Sick and Home Leave are the other long-term employee benefit plans provided by the Institute to its employees.

The Institute recognizes all measurement gains and losses including all service cost and interest cost related to other long-term employee benefits and are expensed in Income Statement.

Notes to the Financial Statements

3.6 Revenue Recognition

Revenue is the gross inflow of economic benefits during the period arising from the course of the ordinary activities of the Institute when those inflows result in increase in reserves and funds, other than increases relating to contributions from equity participants.

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. Revenue is not recognized during the period in which its recoverability of income is not probable. Basis for recognition of revenue for individual item of revenue of the Institute is as below:

- Student registration fee in connection with registration of students in different levels of Chartered Accountancy (CA) education and Accounting Technician (AT) are recognized as income at the point of time when the Institute registers the name of student in the record of the Institute for defined course and payment is collected.
- Membership, issuance of Certificate of Practice (COP) and firm registration fee in connection with registration of membership, firm and issuance of COP are recognized as income at the point of time when approval for registration is granted by the Institute and registration fee is collected.
- Membership, COP and Firm Renewal fee is accounted on receipt basis and recognized as income in the reporting period for which membership/COP/firm is renewed. Fees related to renewal of membership/COP/firm of previous years are recognized as income in the reporting period in which the membership/COP/firm is renewed along with collection of previous year's fee. Fees received for period beyond the reporting period are shown as fees received in advance.
- Examination fee is recognized as income in the period in which examination is conducted. Fee collected in the reporting period for the exam to be conducted in upcoming reporting periods are shown as fees received in advance.
- Training fee is recognized as income in the period in which the training is provided.
- Amount collected from sale of study material and publication is recognized as income when study materials and publications are sold and dispatched from store.
- Interest on short-term and long-term investments are recognized as income using effective interest rate of each individual investment.
- Other Income mainly includes maintenance fee collected from Accounting Standard Board, Auditing Standard Board and ICAN Canteen, form fee, gain on sale of assets etc., which are recognized as income on accrual basis. ICAN Main Building Fund is amortized as income over useful life of related building to match proportionate depreciation expense recognized in the Income Statement.

3.7 Government Grants

Government grants are assistance by the Government in the form of transfers of resources to the Institute in return for past or future compliance with certain conditions relating to the operating activities of the Institute. Government

Notes to the Financial Statements

grants, including non-monetary grants at fair value, will not be recognized until there is reasonable assurance that the Institute will comply with the conditions attaching to them and the grants will be received.

Government grants are recognized in Income Statement on a systematic basis over the periods in which the Institute recognizes as expenses the related costs for which the grants are intended to compensate.

A Government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Institute with no future related costs are recognized in Income Statement of the period in which it becomes receivable.

Government grant related to the assets including non-monetary grants at fair value will be presented in the statement of financial position by setting up Deferred Grant Income.

The institute receives unconditional grant from Ministry of Finance (MoF) every year which is recognized as income on receipt basis.

3.8 Lease

Finance Lease

The Institute recognizes finance lease when all the risks and rewards incidental to ownership of a leased asset are transferred to the Institute. When the Institute is a lessee under finance leases, the leased assets are capitalized and included in property and equipment and the corresponding liability to the lessor is included in other liabilities. A finance lease and its corresponding liabilities are recognized initially at the fair value of the asset or if lower, the present value of the minimum lease payments. Finance charges payable are recognized in interest expenses over the period of the lease based on the interest rate implicit in the lease so as to give a constant rate of interest on the remaining balance of the liability. The Institute has not purchased any asset under finance lease.

Operating Lease

The Institute recognizes lease as operating lease when all the risks and rewards incidental to ownership are not transferred to the Institute. When the Institute is lessee, lease payment under an operating lease are recognized as an expense on a straight-line basis over the lease term.

3.9 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 are reviewed at each reporting date and adjusted to reflect the current best estimate.

A disclosure for contingent liabilities is made when there is a possible obligation or a present obligation as a result of past event that may but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, any disclosure is not provided.

Notes to the Financial Statements

A disclosure for contingent assets is made when it is probable that an economic benefit will inflow to the Institute, that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Institute.

3.10 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 reserve 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; the rate of income tax applicable to the Institute is 25%. 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 tax is determined using tax rate applicable to the Institute as at the reporting date which is expected to apply when the related deferred tax asset is realized or the deferred 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.

Notes to the Financial Statements

Note 4

Property and Equipment

Property and equipment comprises vehicles, computer and accessories, furniture and fixture, office equipment, other fixed assets and building. Property and equipment except building is stated at cost less accumulated depreciation. Carrying amount of property and equipment has been de-recognized upon disposal and gain/(loss) on de-recognition of asset is recognized in the income statement. Depreciation on property and equipment has been charged using straight line method over the estimated useful life from the date when the asset is available for use. The estimated useful life of vehicles and furniture and fixtures has been estimated up to 10 years and estimated useful life of computer and accessories, office equipment and other assets has been estimated up to 10 years. Any impairment loss on property and equipment has not been incurred during the year. The useful life of property and equipment was reviewed and any adjustment was not required as on reporting date. Depreciation expense on property and equipment is presented as separate line item in income statement. (See Accounting Policy in Note 3.1)

	Vehicles	Computer and Accessories	Furniture and Fixtures	Office Equipment	Other Fixed Assets	Main Building	Total
Cost							
Balance as at 1 Shrawan 2077	17,044,123	7,161,335	17,903,782	6,188,072	3,255,527	198,554,013	250,106,852
Additions	1,511,900	3,755,595	1,146,428	2,306,263	155,140	1,270,932	10,146,258
Disposal	(800,000)						(800,000)
Revaluation						10,689,293	10,689,293
Balance as at 31 Ashadh 2078	17,756,023	10,916,930	19,050,210	8,494,335	3,410,667	210,514,238	270,142,402
Accumulated Depreciation							
Balance as at 1 Shrawan 2077	3,688,877	3,180,953	7,916,809	2,845,231	1,741,155	21,704,973	41,077,998
Depreciation for the year	1,740,070	1,644,711	1,784,303	1,248,035	600,245	4,546,376	11,563,741
Disposal	(308,274)						(308,274)
Balance as at 31 Ashadh 2078	5,120,673	4,825,665	9,701,113	4,093,266	2,341,400	26,251,350	52,333,465
Net Book Value							
Balance as at 31 Ashadh 2077	13,355,246	3,980,382	9,986,973	3,342,840	1,514,372	176,849,040	209,028,853
Balance as at 31 Ashadh 2078	12,635,350	6,091,265	9,349,098	4,401,069	1,069,267	184,262,888	217,808,936

The Institute has constructed a building at Satdobato, Lalitpur on the land obtained in lease from Government of Nepal for the period of 50 years. The building has been recognized at revalued amount less accumulated depreciation. The building is being revaluated through independent evaluator on regular interval; revaluation was done for the first time as at year end of FY 2073/74 and also revalued as at 31st Ashad 2078. If the building was recognized under cost model, the carrying amount of the building would have been NPR 14,56,30,074 as on 31st Ashad 2078.

Notes to the Financial Statements

Note 5

Intangible Assets

The Institute's intangible assets comprise software purchased and developed by the Institute. Intangible assets are stated at cost less accumulated depreciation. Intangible assets has been amortized using straight-line method over the estimated useful life of each individual software which is not more than 10 years. Amortization method and useful life of intangible assets was reviewed and any adjustment was not required as at reporting date. Amortization expense on intangible assets is presented as separate line item in income statement. (See Accounting Policy in Note 3.2)

	Intangible Assets
Cost	
Balance as at 1 Shrawan 2077	3,084,435
Additions	1,392,030
Disposal	-
Balance as at 31 Ashadh 2078	4,476,465
Amortization and Impairment Losses	
Balance as at 1 Shrawan 2077	802,316
Amortization Charge	359,446
Balance as at 31 Ashadh 2078	1,161,763
Net Book Value	
Balance as at 31 Ashadh 2077	2,282,119
Balance as at 31 Ashadh 2078	3,314,702

Note 6

Advances

Advances includes salary advance, staff advance and other advances. The Institute provides advance equivalent to salary of six months to its employees at free of interest in accordance with Financial Administration Bye Laws, 2066 (First Amendment 2076) of the Institute which will be settled as a deduction from salary of employee within a period not exceeding 24 months. Advances that are expected to be settled within 12 months from reporting date are classified as current assets and remaining advances are classified as non current assets. (See Accounting Policy in Note 3.3 (a))

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Non-current		
Salary Advance	546,228	1,008,790
Other Advance	350,000	350,000
TOTAL	896,228	1,358,790
Current		
Staff Advance	52,208	154,674
Salary Advance	2,902,920	4,593,596
TOTAL	2,955,128	4,748,270

Note 7

Deferred Employee Expenditure

See Accounting Policy in Note 3.3 (a) and see further explanation in Note 6.

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Deferred Employee Expenditure	296,307	542,726
TOTAL	296,307	542,726

Notes to the Financial Statements

Note 8

Deferred Tax

The Institute has created deferred tax asset on deductible temporary difference and deferred tax liabilities on taxable temporary difference. Deductible temporary difference arisen on provision on employee benefit, employee welfare fund and operating lease liability whereas taxable temporary difference arisen on property, equipment and intangible assets. (See Accounting Policy in Note 3.10)

	As at 31 Ashadh 2078		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/(Liabilities)
Deferred Tax on Temporary Differences on			
Property, Equipment & Intangible Assets		(11,090,615)	(11,090,615)
Provision For Employee Benefit	24,108,237	-	24,108,237
Employee Welfare Fund	2,248,053		2,248,053
Operating Lease Liability	27,464	-	27,464
Net Deferred Tax Assets/(Liabilities) as at 31 Asadh 2078	26,383,754	(11,090,615)	15,293,139
Net Deferred Tax Asset/(Liabilities) as at 31 Asadh 2077			13,744,161
Origination/(Reversal) During the Year			1,548,978
Deferred Tax Income / (Expenses) in SOCI			(5,050,925)
Deferred Tax Income / (Expenses) in Income Statement			6,599,904

	As at 31 Ashadh 2077		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/(Liabilities)
Deferred Tax on Temporary Differences on			
Property and Equipment		(11,551,457)	(11,551,457)
Provision For Employee Benefit	23,356,235	-	23,356,235
Employee Welfare Fund	1,913,608		1,913,608
Operating Lease Liability	25,775	-	25,775
Net Deferred Tax Asset/(Liabilities) as at 31 Asadh 2077	23,356,235	(11,551,457)	13,744,161
Net Deferred Tax Asset/(Liabilities) as at 31 Asadh 2076			5,800,238
Origination/(Reversal) During the Year			7,943,923
Deferred Tax Income / (Expenses) in SOCI			1,162,268
Deferred Tax Income / (Expenses) in Income Statement			6,781,655

Notes to the Financial Statements

Note 9

Inventories

Inventories comprises study materials, publications, stationery items, gift items, electrical items and others. Study materials and publications are purchased and published for distribution and sale. Stationery, gift and electrical items are held for internal consumption. Inventory are stated at cost less provision for allowances for obsolete and non moving items. (See Accounting Policy in Note 3.4)

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Stock - Publications	375,753	435,266
Stock - Study Materials	2,904,166	2,618,997
Stock - IT and Electrical Items	566,151	146,907
Stock - Gift Items	78,132	75,870
Stock - Member Related Items	311,569	352,125
Stock - Office Stationery Items	4,794,452	2,069,391
Stock - Library Books	195,580	-
TOTAL	9,225,803	5,698,556

Note 10

Short Term Investment

Short term investment includes surplus invested in fixed deposits in commercial banks. (See Accounting Policy in Note 3.3 (c))

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Current		
Term Deposit in Banks	327,100,000	249,000,000
Add: Accrued Interest on Term Deposit	3,462,507	3,246,158
TOTAL	330,562,507	252,246,158

Note 11

Earmarked Investment

Earmarked Investment includes Investment in Fixed Deposit from Medal Fund, Scholarship Fund, Benevolent Fund and Building Fund. (See Accounting Policy in Note 3.3.(c))

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Medal Fund	2,401,000	2,001,000
ICAN Scholarship Fund	15,800,000	12,985,000
Members Benevolent Fund	500,000	-
Accrued Interest on Deposit	294,724	302,267
TOTAL	18,995,724	15,288,267

Notes to the Financial Statements

Note 12

Prepayments

Expenses which are incurred for the future period other than reporting period are recognized as prepayments. Prepayment recognized as at reporting date mainly includes insurance expense, international membership expenses, and other office expenses paid by the Institute related to future reporting period. Prepayments of previous years related to current reporting period has been recognized as expenses in income statement.

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Prepaid Expenses	2,636,618	2,230,031
TOTAL	2,636,618	2,230,031

Note 13

Other Current Assets

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Account Receivables	983,375	1,210,838
Other Receivables	-	189,607
Security Deposits	390,281	333,781
Advance Tax	20,002,621	11,250,966
TOTAL	21,376,277	12,985,191

Note 14

Cash and Cash Equivalents

Cash and cash equivalents includes balance held at bank and term deposit in banks with maturity period of less than three months at the time of placement. (See Accounting Policy in Note 3.3 (b))

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Cash in Hand	-	-
Balance at Bank	57,747,325	66,976,047
Balance at Bank -Earmarked Fund	3,019,548	7,100,084
Fixed Deposit in Banks	82,800,000	50,000,000
TOTAL	143,566,873	124,076,130

Note 15

Reserves

Reserve includes capital fund, general reserve, building reserve, revaluation reserve and reserve for re-measurement of net benefit plan. Appropriation of net surplus of the current reporting period to various funds are explained in Note 27.

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Capital Fund	1,225,500	1,225,500
General Reserves	440,194,766	385,767,422
Building Reserve	10,000,000	10,000,000
Revaluation Reserve	28,907,772	21,440,561
Re-measurement of Net Benefit Plan	9,060,218	1,924,412
TOTAL	489,388,257	420,357,894

Notes to the Financial Statements

Note 16

Earmarked Fund

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. Scholarship Fund includes amount appropriated from net surplus of the Institute as well as amount contributed by various donors. Members Benevolent Fund includes amount transferred from General Reserve to the fund for the welfare of members. Building fund included amount contributed by members and students for construction of building by ICAN. Interest earned from investment of fund balance and expenses incurred from fund are routed through Income Statement and net surplus/(deficit) is added/(deducted) to the Fund Balance.

	Balance at 1 Shrawan 2077	Addition /transfer from Surplus	Interest earned during the year	Expenses / Refund	Income Tax	Net Surplus/ (Deficit)	Balance at 31 Ashadh 2078
KBC Gold Medal Fund	669,016	1,020	39,723	50,849	-	(11,126)	658,910
KA Gold Medal Fund	313,391	-	19,687	14,268	1,355	4,064	317,454
Narayan Bajaj Silver Medal Fund	108,060	-	8,321	8,555	-	(234)	107,826
Prakash Jung Thapa Gold Medal Fund	288,304	-	21,785	14,478	1,827	5,480	293,784
Shiva Man Singh and Chandra Bhandari Silver Medal Fund	430,194	-	22,294	2,325	4,992	14,977	445,171
Dr. Govind Ram Agrawal Gold Medal Fund	106,715	-	8,189	13,119	-	(4,929)	101,786
Narendra Vasistha Gold Medal Fund	286,420	-	21,027	14,402	1,656	4,969	291,388
Subhash Jhunjhunwala Gold Medal Fund	334,793	-	25,062	14,806	2,564	7,692	342,486
ICAN Scholarship Fund	15,404,273	2,675,045	1,010,967	7,018,930	-	(6,007,963)	12,071,355
Disaster & Pandemic Scholarship Fund		2,500,000			-	-	2,500,000
Batuk Bdr. Rajbhandary Scholarship Fund	451,658	-	26,124		6,531	19,593	471,250
Binod Bdr. Rajbhandary Scholarship Fund	482,030	-	29,368		7,342	22,026	504,056
Narendra Vasistha Scholarship Fund	447,600	-	27,270		6,818	20,453	468,052
Dr. Govind Ram Agrawal Scholarship Fund	413,177	-	27,821		6,955	20,866	434,043
Kuber Prasad Sharma Scholarship Fund	2,506,859	-	164,727		41,182	123,545	2,630,404
AT Scholarship Fund	253,000	-	-	-	-	-	253,000
Building Fund	14,872,011	6,174,000	212,227	-	53,057	159,171	21,205,182
ICAN Members Benevolent Fund	533,525	-	16,908	-	4,227	12,681	546,205
TOTAL	37,901,024	11,350,065	1,681,500	7,151,732	138,505	(5,608,737)	43,642,352

ICAN Main Building Fund

ICAN Main Building fund includes amount collected from the members, students and amounts transferred from the surplus which is amortized over the life of building.

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Balance at the beginning	55,139,876	56,553,719
Addition during the year	-	-
Interest earned during the year	-	-
Amortization during the year	(1,413,843)	(1,413,843)
TOTAL	53,726,034	55,139,876

Notes to the Financial Statements

Note 17

Staff Liabilities & Provision

Staff Liabilities & Provisions includes short term employee benefit, post employment benefit and other long term employee benefits provided to employees as per the byelaws of the Institute. The Institute provides salary and allowances and interest free advances as short term employee benefit to employees.

The Institute provides provident fund and payment from employee welfare fund as defined contribution post employment benefit to the employees. As per the Employee Byelaws 2066 (First Amendment 2076), the employees of the Institute are entitled to receive 10 % of the basic salary as provident fund. The provident fund provided by the Institute along with the 10% amount deducted from the salary of the employees is deposited in Employees Provident Fund. The Institute does not assume any liability for provident fund benefits other than its annual contribution.

In accordance with Employee Welfare Fund Management and Operation Procedure 2068 of the Institute, minimum of amount equivalent to salary of one month of permanent employees or 5 % of annual net surplus of the Institute is transferred to employee welfare fund. The amount deposited in the employee welfare fund is provided to permanent employees at the time of retirement / termination of employment as per the policy.

The Institute provides gratuity and medical benefit as defined benefit post employee benefit. Gratuity and medical benefit is provided to employees as per the Employee Byelaws 2066 (First Amendment 2076) of the Institute.

The Institute also provides sick leave and home leave as other long term employee benefits to employees. Provision for post-employment defined benefits are calculated as at reporting date by an independent valuator using Projected Unit Credit method.

See Accounting Policy in Note 3.5

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Provision for Leave Encashment	14,716,248	13,570,776
Provision for Medical Expenses	25,445,010	25,169,384
Provision for Gratuity	56,271,689	54,684,781
Employee Welfare Fund	8,992,214	7,654,431
Less: Plan Assets	(7,554,159)	(6,994,301)
TOTAL	97,871,002	94,085,071
Non Current	94,630,366	89,609,652
Current	3,240,636	4,475,419
TOTAL	97,871,002	94,085,071

Note 17.1

Assumptions

Assumptions employed for the calculation of post employment and other long term employee benefits, other than employee welfare fund, using actuarial technique are as below:

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Discount Rate	9.00 % p.a	9.00 % p.a
Salary Growth Rate	10.00 % p.a	10.00 % p.a
Expected Rate of Return	0	0
Withdrawal Rate (Per annum)	4.00% p.a.	2.00% p.a.

Notes to the Financial Statements

Note 18

Accounts Payable

See accounting Policy in Note 3.3

	As at 31 Ashadh 2078	As at 31 Ashadh 2077
Current		
Fees Received in Advance	26,025,590	231,810
Statutory Audit Fee Payable	280,240	254,815
Internal Audit Fee Payable	530,610	496,350
Retention & Deposits	2,551,620	2,391,328
Creditors	8,727,607	5,817,612
Other Payables & liabilities	10,126,519	11,825,854
Deferred Income Liability	473,346	196,793
TDS Payable	1,323,773	1,840,311
VAT Payable	211,379	8,493
Payable to Staff	4,185,154	3,061,514
Operating Lease Liability	109,856	103,100
Scholarship Payable	5,122,500	-
TOTAL	59,668,195	26,227,980

Note 19

Income from Operational Activities

See Accounting Policy in note 3.6

	FY 2077/78	FY 2076/77
Income from Educational Activities	119,996,991	110,122,902
Income from Examination Activities	38,997,800	28,571,800
Income from Members	20,958,470	17,635,195
Income from Professional Development Activities	16,202,385	12,670,005
Income from Publications	122,612	339,320
TOTAL	196,278,258	169,339,222

Note 20

Government Grant

See Accounting Policy in Note 3.7

	FY 2077/78	FY 2076/77
Grant received from Ministry of Finance	1,200,000	1,200,000
Grant from PEFA	870,198	72,000
TOTAL	2,070,198	1,272,000

Notes to the Financial Statements

Note 21

Other Income

Income other than from operational activities are categorized under other income. (See Accounting Policy in Note 3.6)

	FY 2077/78	FY 2076/77
Election Income	51,100	6,300
Miscellaneous Income	756,348	848,772
Recruitment Form Fee	396,850	400
Amortization of Building Fund	1,413,843	1,413,843
Interest from Staff Advance	449,673	532,654
Write Off Income	1,524,449	-
Income from Staff Vehicle Facility	35,347	18,007
TOTAL	4,627,610	2,819,976

Write off income includes amount payable to various vendors which were due for more than five years and any claim was not made for payment and provisions which were no longer required written off as per the decision of 259th meeting of ICAN Council.

Note 22

Operating Expenses

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

	FY 2077/78	FY 2076/77
Educational Activity Expenses	14,073,192	23,854,555
Examination Expenses	21,448,935	24,048,235
Members Activity Expenses	3,510,389	1,475,387
Professional Development Activity Expenses	2,565,990	7,697,587
International Affairs Expenses	2,173,379	4,650,047
Publication Expenses	65,071	632,052
Quality Assurance Board Expenses	666,590	626,390
TOTAL	44,503,547	62,984,254

Note 23

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.

	FY 2077/78	FY 2076/77
Salaries and Benefits	49,045,959	43,859,650
Medical and Leave Expenses	6,769,582	10,118,227
Gratuity Expenses	10,082,444	22,520,847
Employee Welfare Expenses	1,256,632	517,601
Recruitment and Promotion Expenses	1,515,365	277,160
Other Staff Expenses	319,027	333,647
Staff Training and Skill Development	171,991	313,984
Employee Benefit Cost	471,825	512,535
TOTAL	69,632,825	78,453,650

Notes to the Financial Statements

Note 24

Other Expenses

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

	FY 2077/78	FY 2076/77
Local Travel Expenses	10,600	65,590
Fuel and Transportation	1,198,266	1,138,340
Communication Expenses	1,025,758	491,734
Printing and Stationery	806,572	436,798
Cleaning & Other Office Supplies	1,596,266	1,602,621
Low Cost Equipment	338,898	57,058
Notification and Publicity	416,223	202,665
Land Lease Expenses	21,714	21,714
Books and Periodicals	27,494	13,865
Water and Electricity	1,223,370	1,122,415
Insurance	536,842	607,135
Repair and Maintenance	1,582,469	1,198,595
IT Related Expenses	4,282,193	2,313,060
Bank Charges	87,466	25,638
Meeting Expenses	2,835,885	1,661,856
Statutory Audit Expenses	285,965	270,850
Internal Audit Expenses	394,884	357,675
Function Expenses	1,419,698	1,729,286
Professional Service Charges	1,997,158	1,825,400
Rates and Taxes	234,400	210,198
Office Furnishing Expenses	663,547	323,919
Other Administrative Expenses	2,101,537	1,789,822
Branch Office Expenses	1,361,578	1,088,620
Operating Lease Expenses-Branches	1,563,300	1,535,230
Miscellaneous Expenses	783,023	722,758
Fines and Penalty	29,481	10,000
PEFA Project Expenses	880,398	72,000
Health and Precaution Materials Expenses	389,378	-
Write Off Expenses	201,020	-
Loss on Sale of PPE	29,289	4,095
TOTAL	28,324,670	20,898,937

Write off expenses includes amount that were due for collection for more than 5 years written off as per the decision of 259th meeting of ICAN Council. Separate record of balance written off has been maintained and income shall be booked in the year when such amounts are recovered.

Notes to the Financial Statements

Note 25

Interest Income

	FY 2077/78	FY 2076/77
Interest from Call/Current Deposits	1,118,540	2,283,907
Interest from Term Deposit	25,233,250	26,357,260
Interest Income-Medal Fund	166,089	185,014
Interest Income-Scholarship Fund	1,286,276	1,323,160
Interest Income-Benevolent Fund	16,908	16,152
Interest Income-Building Fund	212,227	-
TOTAL	28,033,290	30,165,493

Note 26

Non-Operating Expenses

	FY 2077/78	FY 2076/77
Donation to Corona Virus Control Fund	-	10,000,000
Expenses from Medal Fund	132,802	182,244
Expenses from Scholarship Fund	7,018,930	-
TOTAL	7,151,732	10,182,244

Notes to the Financial Statements

OTHER ADDITIONAL DISCLOSURES

27. Reserves and Funds

Appropriation of Surplus

As per the decision of ICAN Council, surplus earned by the Institute during the year has been appropriated to various fund as below:

1. ICAN Scholarship Fund

ICAN scholarship fund is created to encourage students to pursue Chartered Accountancy course and to provide financial assistance to meritorious and deprived students. An amount of NPR.2,672,045 (5% of Surplus for current year) has been allocated to this fund during the year(NPR. 517,601 was allocated to this fund in previous year).

2. Disaster and Pandemic Scholarship Fund

ICAN Disaster and Pandemic Scholarship Fund has been established during current fiscal year to provide financial assistance to students who have been suffered from disaster and pandemic. NPR.2,500,000 has been allocated to this fund during the year.

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, building fund and member's benevolent fund. Income earned from funds and payment made through such funds are accounted for in the Income Statement and net surplus/(deficit) is appropriated from the surplus/(deficit) of the Institute to concerned fund to reflect fund position at the end of each fiscal year.

28. 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 have 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.

Notes to the Financial Statements

Following were the Council Members for the fiscal year 2077/78 (2020/21)

S. No.	Name	Relationship with The Institute
1	CA. Madan Krishna Sharma	President
2	CA. Yuddha Raj Oli	Vice-President
3	CA. Krishna Prasad Acharya	Immediate Past President
4	CA. Jagannath Upadhyay (Niraula)	Council Member
5	CA. Surendra Shrestha	Council Member
6	CA. Bishnu Prasad Bhandari	Council Member
7	CA. Bidhyabaridhi Sigdel	Council Member
8	CA. Kiran Dangol	Council Member
9	CA. Mahesh Sharma Dhakal	Council Member
10	CA. Peeyush Anand	Council Member
11	RA. Kedar Nath Poudel	Council Member
12	RA. Abdul Karim Khan	Council Member
13	RA. Meera Shrestha	Council Member
14	RA. Bahadur Singh Bista	Council Member
15	Mr. Bamdev Sharma Adhikari	Council Member
16	Ms. Chandrakala Paudel	Council Member
17	Mr. Ramesh Prasad Shiwakoti/ Mr. Badri Raj Aryal	Council Member

ICAN provides following meeting allowances to the Council Members:

Particulars	Per Meeting Amount (NPR)
Council Meeting	4,000
Committee Meeting	2,000

- (a) *President*: President of ICAN Council is engaged in decision making role in the Institute. During this reporting period, the Institute paid NPR. 229,600 to President, CA. Madan Krishna Sharma as meeting allowance, other allowance and reimbursement of expenses.
- (b) *Vice-President*: Vice-President of ICAN Council is engaged in decision making role in the Institute. During this reporting period, the Institute paid NPR. 249,837 to Vice President, CA. Yuddha Raj Oli as meeting allowance, other allowance and reimbursement of expenses.
- (c) *Executive Director (ED)*: Executive Director is a full-time employee of the Institute and has a specified decision-making role. During this reporting period, the Institute paid NPR. 3,533,159 as salary and allowances and NPR. 322,824 as meeting allowance to Executive Director, CA. Sanjay Kumar Sinha.

Notes to the Financial Statements

(d) During the year a sum of NPR.1,519,648 was paid on account of Meeting Allowance and NPR. 160,996 was paid on account of allowances for engagement in other activities to other Council Members.

29. Non-cancellable Operating Lease

Agreement between Ministry of Finance and the Institute was made on 23 Kartik 2066 for the lease of land located at Patan Industrial Estate, Satdobato Lalitpur. As per the lease agreement 6-6-3-1 ropani land has been obtained on lease for the period of 50 years from the date of agreement with yearly lease payment of NPR 3,379.08 per ropani. Lease payment for FY 2077-78 has been shown as land lease expense under Note 24. Future minimum lease payment in relation to non-cancellable operating lease is as below:

Particulars	Not later than 1 year	Later than one year and not later than five years	Later than five years
Future Minimum Lease Payment (NPR)	21,714	86,856	738,276

30. Contingent Liabilities

The Institute has following amounts of contingent liabilities:

Particulars	As at 31.03.2078
Contingent Liabilities	3,489,679

In Satdobato, Lalitpur, the Institute has constructed a building on the land provided by the Government of Nepal on lease. Building Completion Certificate of aforesaid building could not be obtained as Lalitpur Metropolitan City has determined the tax liability and penalty thereof amounting to NPR.3,489,679 till 31 Ashadh 2077. As per Finance Bill, 2078 of Lalitpur Municipality, property tax shall not be levied to government education institute, company, board and entities which are established without motive of earning profit. Since, the Institute is established without profit motive and building has been constructed on the land provided by the Government of Nepal on lease, the Institute has contented on non-applicability of property tax to the Institute and it is pending for settlement with the appropriate authority.

31. Restatement of Prior Period Figures

Employee Welfare Fund

In accordance with Employee Welfare Fund Management and Operation Procedure 2068 of the Institute, minimum of amount equivalent to salary of one month of permanent employees or 5 % of annual net surplus of the Institute shall be transferred to employee welfare fund which shall be provided to permanent employees at the time of retirement / termination of employment. Up to previous fiscal year, amount appropriated from surplus to employee welfare fund and income earned from the fund was credited to fund balance, payment from fund was debited to the fund, and net balance was presented under the heading Fund and Reserves in Statement of Financial Position.

Notes to the Financial Statements

Correspondingly assets related to employee welfare fund was presented as Earmarked Investment and cash and cash equivalent. In current fiscal year, amount appropriated under Employee Welfare Fund Management and Operation Procedure is presented as employee welfare expenses in note 23 and cumulative balance in employee welfare fund is presented as staff liabilities in note 17. Plan assets relate to employee welfare fund is also shown in Note 17. Corresponding prior period figures have been restated by giving the retrospective effect of correction of errors. The impact of change in policy of presentation of employee welfare fund in prior period balances is as below:

Impact on Financial Statement	Amount NPR
Increase/(Decrease) in opening General Reserve	1,782,930
Increase/(Decrease) in Deferred Tax Assets	1,913,608
Increase/(Decrease) in Deferred Tax Income	130,678

Property and Equipment and Intangible Assets

An error in calculation of depreciation and value of property, equipment and intangible assets relating to prior financial periods was identified during the year which has been adjusted by restating prior period figures by giving the retrospective effect of correction of errors. The impact of correction of prior period errors in financial statement is as below:

Impact on Financial Statement	Amount NPR
Increase/(Decrease) in Property and Equipment	2,546,035
Increase/(Decrease) in Intangible Assets	73,771
Increase/(Decrease) in opening General Reserve	1,382,507
Increase/(Decrease) in Deferred Tax Assets	(654,952)
Increase/(Decrease) in Deferred Tax Income	(194,116)
Increase/(Decrease) in Depreciation Expenses	(776,464)

Student Registration Fee

The Institute collects registration fee from students at the time of enrolling students in different levels of CA and AT Education. In previous reporting period, income from student registration fee for CAP I, CAP II and CAP III level was booked over the period of 6 months, 9 months and 3 years respectively which is the minimum period to be completed by students from date of registration to become eligible to attain the first exam of respective level. In current reporting period, income from student registration fee has been booked as income as and when student

Notes to the Financial Statements

is registered by the Institute on defined course and registration fee is received by the Institute. The impact of correction of prior period errors in financial statement is as below:

Impact on Financial Statement	Amount NPR
Increase/(Decrease) in opening General Reserve	5,679,118
Increase/(Decrease) in Deferred Income Liability	(11,211,225)
Increase/(Decrease) in Student Registration Fee- Receivable	(5,532,107)

32. Financial Risk Management

ICAN Council has overall responsibility for the establishment and oversight of Institute's risk management. 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 Executive Committee are regularly updated by the management on any significant issues relating to financial risk management.

Financial risks to which ICAN is exposed from use of financial instruments are as below:

Credit Risk

Credit Risk is risk of financial loss to the Institute if counterparty to financial instrument fails to meet contractual obligation. The Institute's credit risk arises from investment in fixed deposit, advances, deposit, receivables and bank balance. Maximum exposure to credit risk of financial assets at year-end is are equal to their carrying amount which is as below:

Particulars	As on 31.03.2078	As on 31.03.2077
Fixed Deposit	428,895,724	299,000,000
Advances & Receivables	3,851,356	6,107,059
Accrued Interest on Fixed Deposit	3,757,232	3,548,425
Bank Balance	60,766,873	74,076,130
Maximum Exposure to Credit Risk	497,271,185	382,731,614

The Institute has developed Investment Byelaws in order to minimize the credit risk of Investment in Fixed Deposit.

Liquidity Risk

Liquidity risk is the risk that the Institute may encounter difficulty in meeting the obligation associated with financial liabilities. The Institute manages liquidity risk by maintaining sufficient cash and bank balances to meet its financial obligation. Institute has maintained sufficient balance in current and call account in banks and only the excess balance has been invested in fixed deposit. The Institute may be exposed to liquidity risk in future period due to decrease in registration of students and members in the Institute by substantial number. The current and future requirement of members of the Institute to the economy is assessed by the Institute on regular basis to mitigate such risk.

Notes to the Financial Statements

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices and other assets prices may affect Institute's income or value of its holding of financial instruments. All day-to-day transactions of the Institute are done on functional currency Nepalese Rupees and financial assets are not held in foreign currency. Registration and renewal of international membership fees are payable by the Institute on foreign currency which is not of material amount. Hence, the Institute is not exposed to foreign currency risk. ICAN is exposed to market risk that the changes in interest rates may affect the Institute's interest income from term deposit in different banks and financial institutions. The Institute has developed and implemented Investment Policy to manage and control such risk.

33. Events After the Reporting Period

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



Newly Qualified Chartered Accountants Celebrating the 3rd Convocation Ceremony

Awards and Recognition

The Institute recognizes the effort and talent of participants of various programs of Institute. Students who secure rank or score highest marks in different subjects of Chartered Accountancy Examination are awarded with different awards and medal. We are thankful for persons who have contributed in establishing the award. Given below is the name list of winners who were awarded by the Institute.

Recipients of Awards for CA Examination, December 2020

S.No.	Medal Fund	Achievement	Regd. No.	Name of Recipients
1	KB Chitracar Gold Medal	Standing Rank First in CAP-III (Final Level) Examination	FN001407	Mr. Sandesh Kshetri
2	Shiva Man Singh and Chandra Bhandari Silver Medal	Standing Rank Second in CAP-III (Final Level) Examination	FN001721	Ms. Shakshi Ghimire
3	BK Agrawal Gold Medal	Standing Rank First in CAP-II (Intermediate Level) Examination	KI009166	Mr. Siddhanta Raj Dahal
4	Narayan Bajaj Silver Medal	Standing Rank Second in CAP-II (Intermediate Level) Examination	KI008795	Mr. Rajesh Kumar Adhikari
5	Subhash Kumar Jhunjhunwala Gold Medal	Standing Rank First in CAP-I (Foundation Level) Examination	KF0015919	Mr. Sanchit Bhandari
6	Prakash Jung Thapa Gold Medal	Securing Highest marks in Advanced Financial Reporting (Advanced Accounting) in CAP-III (Final Level) Examination	FN001407	Mr. Sandesh Kshetri
7	Dr. Govind Ram Agrawal Gold Medal	Securing Highest marks in Strategic Management and Decision Making Analysis in CAP-III (Final Level) Examination	FN001721	Ms. Shakshi Ghimire
8	Narendra Vashishtha Gold Medal	Securing Highest marks in Advanced Audit and Assurance in CAP-III (Final Level) Examination	FN001709	Mr. Aakash Shrestha

Recipients of Awards for CA Examination, June 2021

S. No.	Medal Fund	Achievement	Regd. No.	Name of Recipients
1	KB Chitracar Gold Medal	Standing Rank First in CAP-III (Final Level) Examination	FN001967	Mr. Anup Sharma
2	Shiva Man Singh and Chandra Bhandari Silver Medal	Standing Rank Second in CAP-III (Final Level) Examination	FN002057	Mr. Sailesh Kattel
3	BK Agrawal Gold Medal	Standing Rank First in CAP-II (Intermediate Level) Examination	KI009907	Mr. Santosh Kumar Rokaha
4	Narayan Bajaj Silver Medal	Standing Rank Second in CAP-II (Intermediate Level) Examination	KI0010300	Mr. Vijuwal Poudel
5	Subhash Kumar Jhunjhunwala Gold Medal	Standing Rank First in CAP-I (Foundation Level) Examination	KF0016862	Ms. Shreya Tiwari
6	Prakash Jung Thapa Gold Medal	Securing Highest marks in Advanced Financial Reporting (Advanced Accounting) in CAP-III (Final Level) Examination	FN001967	Mr. Anup Sharma
7	Dr. Govind Ram Agrawal Gold Medal	Securing Highest marks in Strategic Management and Decision Making Analysis in CAP-III (Final Level) Examination	FN001967	Mr. Anup Sharma
8	Narendra Vashishtha Gold Medal	Securing Highest marks in Advanced Audit and Assurance in CAP-III (Final Level) Examination	FN001967	Mr. Anup Sharma

List of winners of ICAN Quiz Contest

S.No.	Contestant	Registration No.	Remarks
	Mr. Bhim Bahadur Kunwar	FN001377	Winner
	Ms. Asmita Sitaula	FN001915	1st Runner Up
	Ms. Anu Sharma	FN002318	2nd Runner Up

List of winners of ICAN Elocution Contest

S.No.	Contestant	Registration No.	Remarks
	Ms. Nilanjana Mishra	FN002044	Winner
	Ms. Prakriti Aryal	FN001841	1st Runner Up
	Ms. Sofiya Shrestha	FN002441	2nd Runner Up

List of Students Participated in International CA Students' Conference" organized by the Chartered Accountants Students' Association (CASA) of the Institute of Chartered Accountants of Pakistan (ICAP) on 5th October, 2020 via Zoom platform

S.No.	Contestant	Registration No.
	Ms. Sofiya Shrestha	FN002441

List of Students Participated in International CA Students' Conference on the theme "Aptitude, Attitude, Altitude!" organized by the Institute of Chartered Accountants of India from 16th to 17th, January, 2021

S.No.	Contestant	Registration No.
	Ms. Sneha Bhattarai	FN001430
	Mr. Yogesh Neupane	FN002325
	Mr. Bhim Bahadur Kunwar	FN001377

Winners of National BPA for FY 2018/19

Category	Contestant	Remarks
Category 1: Banking Sector (Private and Public Sector)	Standard Chartered Bank Nepal Ltd.	Winner
Category 2: Financial Sector (Including Development Bank and Finance Companies)	Muktinath Bikas Bank Ltd.	Winner
Category 3: General Sector (Manufacturing)	Chilime Hydropower Company Ltd.	Winner
	Bottlers Nepal Ltd.	Runner Up
Category 4: General Sector (Others)	Nepal Clearing House Limited	Winner
	Karja Suchana Kendra Limited	Runner Up

Winners of SAFA BPA for FY 2018/19

Category	Contestant	Remarks
Category 1: Public Sector Entity	Nepal Clearing House Limited	2 nd Runner Up
	Karja Suchana Kendra Limited	Certificate of Merit
Category 2: Public Sector Bank	Standard Chartered Bank Nepal Ltd.	Certificate of Merit
Category 3: Manufacturing Sector	Bottlers Nepal Ltd.	Certificate of Merit

ACKNOWLEDGMENT AND APPRECIATION

The Institute of Chartered Accountants of Nepal expresses its sincere appreciation and acknowledges the contribution and support extended to the Institute by the following:

- Government of Nepal, Ministry of Finance, Office of the Auditor General, Financial Comptroller General Office and other Government Offices and their Officials
- Regulatory Bodies including the Nepal Rastra Bank, Securities Board of Nepal, Beema Samiti, other Regulators, Inland Revenue Department and Office of the Company Registrar
- International Professional Bodies and Partners
- Members who served in various Committee and Board of the Institute and all the general Members
- Overseer Chapter at Australia and USA
- Resource persons, Trainers, Examiners and Training Partners
- Management Team and Staffs of the Institute
- Service Providers and others stakeholders who made their contributions to ICAN during 2077/78 and are too numerous to mention individually.

CA. Sanjay Kumar Sinha
Executive Director, ICAN



A Glimpse of Articleship Orientation Program

The Institute of Chartered Accountants of Nepal

Past Presidents



Late. CA. Komal Bahadur Chitracar
(1997-1998)



CA. Tirtha Raj Upadhyay
(1998-1999)



CA. Kaushalendra Kumar Singh
(1999-2000)



Late. 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)



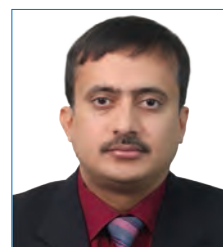
CA. Ratna Raj Bajracharya
(2007-2008)



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
(2017-18)



CA. Jagannath Upadhyay (Niraula)
(2018-19)



CA. Krishna Prasad Acharya
(2019-20)



CA. Madan Krishna Sharma
(2020-21)

Branch Offices

Pokhara

New Road, Sabhagriha Chowk
Pokhara - 8
Tel: 061-537679
E-mail: icanpkr@ican.org.np

Head Office

Biratnagar

Basundhara Complex,
Roadcess Chowk
Biratnagar
Tel.: 021-474395
Email: icanbrt@ican.org.np

Sudur Paschim
Province

Karnali Province

Gandaki Province

Lumbini Province

Bagmati Province

Province I

Madhesh Province

Dhangadhi

Santoshi Tole -2
Dhangadhi
Tel: 091-527493
E-mail: ican dhg@ican.org.np

Nepalgunj

Surkhet Road
Nepalgunj-13
Tel.: 081-525916
E-mail: icannpj@ican.org.np

Butwal

Raimarga Chauraha
United Finance
Building, Ground Floor
Tel.: 071-543629
E-mail: icanbtl@ican.org.np

Birgunj

Ghariarba Pokhari - 13,
Adarsha Nagar
Birgunj
Tel.: 051-522660
E-mail: icanbrj@ican.org.np



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

Head Office:

ICAN Marg, Satdobato, Lalitpur
P O Box 5289, Kathmandu, Nepal
T +977-1-5530832, 5530730
F +977-1-5550774
E ican@ntc.net.np

www.ican.org.np