



# SOUVENIR Of

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL**

Published on the Historical Occasion of 25<sup>th</sup> Anniversary  
(Silver Jubilee) Celebration of the Institute

On

17 Magh 2078 (31<sup>st</sup> January 2022)



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था

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



### **About the Souvenir**

The Institute of Chartered Accountants of Nepal (ICAN), an independent autonomous body, was established under the Nepal Chartered Accountants Act, 2053 and entrusted by the statute to promote and regulate the accounting profession in the country on 17 Magh 2053 (30<sup>th</sup> January 1997). Ever since, then ICAN has been working 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 has contribute towards economic development of the country. On 17 Magh 2078 ( 31<sup>st</sup> January 2022). the Institute of Chartered Accountants of Nepal (ICAN) has completed twenty five years of its glorious establishment and added one more step towards the Journey of Excellence. And, this Souvenir is published by ICAN in reminisce of the history of the Institute on the special occasion of 25th Anniversary of the Institute

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## *Editorial*

The Institute of Chartered Accountants of Nepal was established under an Act, The Nepal Chartered Accountants Act 2053, 25 years ago as a Pioneer and Regulatory Accounting Body with the main objective of enhancing social recognition and faith of the 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 accountants to contribute for the economic development of the country. It is a matter of pleasure for all of us to acknowledge that the Institute is Celebrating its 25th Anniversary (Silver Jubilee) on 17 Magh, 2078 (31 January, 2022).

In last 25 years, the Institute has made a remarkable achievement and changed the landscape of accounting profession in the country. The Institute has adopted accounting and auditing standards in line with standards issued by the International Federation of Accountants (IFAC). With the span to time more than 630 Chartered Accountants have graduated from the Institute leading to total strength of Chartered Accountant members around 1,750 besides 7,236 Registered Auditor members who are either serving in Public or Private Sector and contributing in the economic development of the country. Our members have not only excelled in accounting and auditing sphere but have left an indelible mark in multiple areas. Today many Chartered Accountants lead big corporate houses, financial institutions and insurance companies. The expert knowledge in finance, controls and taxation have made Chartered Accountants an indispensable member of the core finance, governance risk and compliance team within the country. The Institute is proud of its members as true message about the Institute is reflected by the actions of its members.

As the Institute has attained 25th years of its establishment, it has been successful in constructing its own building with amenities to cater dedicated services to students, members, stakeholders and staffs. The Institute has also been able to draw best brains in the human resource team, who are back bone of the Institute. In an effort to reinvent and reengineer, the Institute has decided to go digital. The Institute is conscious of providing seamless services to members and imparting the latest and best knowledge to students. Many reforms have been made, and much more needs to be done in this regard.

Today, the trust and cooperation that Ministries, Government Bodies, Regulatory Bodies and Stakeholders repose towards the Institute is a testament of the contribution the Institute has made towards the society and the nation at large. We commit to increase our share of contribution to the society many folds in the days to come.

This Silber Jubilee Souvenir is our effort to pay tribute to the pioneers and forefathers of the Institute who by their relentless and tireless effort laid the foundation of the Institute. Articles in this souvenir recounts the events of the early days of the establishment of the Institute through first-hand account of our members and dignitaries. It is a walk down the memory lane. Moreover, it is a treatise to be preserved and handed down the next generation.

We wish to express our gratitude and thankfulness to all concerned for their gracious support and trust in ICAN. Finally, we would like to congratulate all the members for achieving this milestone.



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## Message from the Rt. Hon'ble President of Nepal



नेपाल  
Nepal

राष्ट्रपति  
The President

26 January 2022

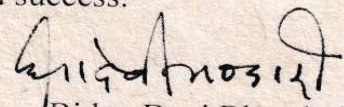
### Message

I am delighted to be informed that the Institute of Chartered Accountants of Nepal is celebrating its 25<sup>th</sup> Anniversary (Silver Jubilee) on the 17<sup>th</sup> of Magh, 2078.

On this occasion, I would like to extend my cordial appreciation to the Institute for its commendable work of training accounting professionals to support accurate recording and reporting of financials for balanced economic growth of the nation. I also appreciate the role played by the Institute in promoting accounting profession in the country and contributing towards the efforts of Government for capacity building of the youth in country's economic development.


I take this opportunity to urge the professional accountants to broaden their outlook and strengthen their dedication to the public interest. I am confident that the Institute will continue to strive for the attainment of the objectives laid down by the Parliament while approving the Nepal Chartered Accountants Act, 1997.

Further, I take this opportunity to extend my warm greetings and felicitations to the Institute and its Members, Staff and Students and wish the Silver Jubilee Celebration to be a grand success.

  
Bidya Devi Bhandari







## नेपाल राजपत्र

श्री ५ को सरकारद्वारा प्रकाशित

खण्ड ४६ काठमाण्डौ माघ १७ गते २०५३ साल (अतिरिक्ताङ्क ५४ (छ))

### भाग २

श्री ५ को सरकार

कानून तथा न्याय मन्त्रालय

श्री ५ महाराजाधिराज वीरेन्द्र वीर विक्रम शाहदेवबाट जारी गरिबसेको तल लेखिएबमोजिमको ऐन सर्वसाधारणको जानकारीको लागि प्रकाशित गरिएको छ ।

२०५३ सालको ऐन नं. २२

**स्वस्तिश्री गिरिराजचक्रचूडामणि नरनारायणेत्यादि विविध विरुदावली विराजमान मानोन्नत महेन्द्रमाला परम नेपालप्रतापभास्कर ओजस्विराजन्य परम गौरवमय तेजस्वी त्रिभुवनप्रजातन्त्रश्रीपद परम उज्ज्वल कीर्तिमय नेपालश्रीपद परम प्रोज्ज्वल नेपालतारा परम पवित्र अंरामपट्ट परम ज्योतिर्मय सुविख्यात त्रिशक्तिपट्ट परम सुप्रसिद्ध प्रबल गोरखादक्षिणबाहु परमाधिपति अतिरथी परम सेनाधिपति श्री श्री श्री श्री श्रीमन्महाराजाधिराज वीरेन्द्र वीर विक्रम शाहदेव देवानाम् सदा समरविजयिनाम् ।**

१०८४

आधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागू हुनेछ।

खण्ड ४६ अतिरिक्ताङ्क ५४ (छ) नेपाल राजपत्र भाग २ मिति २०५३/०१/७

### नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्थाको स्थापना र व्यवस्था गर्न बनेको ऐन

**प्रस्तावना :** राष्ट्रको आर्थिक विकास गर्नको निमित्त लेखाको महत्व तथा लेखा व्यवसायीको आर्थिक एवं सामाजिक उत्तरदायित्व प्रति जनचेतना जगाई लेखा व्यवसायको सम्बन्धमा सामाजिक मान्यता तथा विश्वास अभिवृद्धि गर्न र लेखा व्यवसाय एवं लेखाको महत्व प्रति लेखा व्यवसायीको उत्तरदायित्व बोध गराई लेखा व्यवसायको विकास, संरक्षण र सम्बर्द्धन गर्नको लागि नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्थाको स्थापना र व्यवस्था गर्न वाञ्छनीय भएकोले,

श्री ५ महाराजाधिराज वीरेन्द्र वीर विक्रम शाहदेवको शासनकालको पञ्चीसौं वर्षमा संसदले यो ऐन बनाएकोछ ।


परिच्छेद - १

### प्रारम्भिक

- संक्षिप्त नाम र प्रारम्भ: (१) यस ऐनको नाम "नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, २०५३" रहेकोछ ।  
(२) यो ऐनको दफा २९ र ४९ श्री ५ को सरकारले नेपाल राजपत्रमा सूचना प्रकाशन गरी तोकेको मितिदेखि र अन्य दफाहरु तुरुन्त प्रारम्भ हुनेछन् ।
- परिभाषा : विषय वा प्रसंगले अर्को अर्थ नलागेमा यस ऐनमा, -  
(क) "संस्था" भन्नाले दफा ३ बमोजिम स्थापना भएको नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था सम्झनु पर्छ ।  
(ख) "परिषद्" भन्नाले दफा ७ बमोजिम गठन भएको परिषद् सम्झनु पर्छ ।

१०८५

आधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागू हुनेछ।



## नेपाल राजपत्र

श्री ५ को सरकारद्वारा प्रकाशित

खण्ड ५२ काठमाडौं, असार २४ गते २०५९ साल (अतिरिक्ताङ्क ३०)

### भाग २

श्री ५ को सरकार

कानून, न्याय तथा संसदीय व्यवस्था मन्त्रालय

श्री ५ महाराजाधिराज ज्ञानेन्द्र वीर विक्रम शाहदेवको शासनकालको पहिलो वर्षमा संसदले बनाएको तल लेखिए बमोजिमको ऐन सर्वसाधारणको जानकारीको लागि प्रकाशन गरिएको छ ।

२०५९ सालको ऐन नं. ३

**स्वस्तिश्री गिरिराजचक्रचूडामणि नरनारायणेत्यादि विविध विरुदावली विराजमान मानोन्नत वीरेन्द्रमाला महेन्द्रमाला परम नेपालप्रतापभास्कर ओजस्विराजन्य परम गौरवमय तेजस्वी त्रिभुवनप्रजातन्त्रश्रीपद परम उज्ज्वल कीर्तिमय नेपालश्रीपद परम प्रोज्ज्वल नेपालतारा परम पवित्र अंरामपट्ट परम महागौरवमय सुप्रदीप्त वीरेन्द्रप्रजातन्त्रभास्कर परम ज्योतिर्मय सुविख्यात त्रिशक्तिपट्ट परम सुप्रसिद्ध प्रबल गोरखादक्षिणबाहु परमाधिपति अतिरथी परम सेनाधिपति श्री श्री श्री श्री श्रीमन्महाराजाधिराज ज्ञानेन्द्र वीर विक्रम शाहदेव देवानाम् सदा समरविजयिनाम् ।**

१०८६

आधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागू हुनेछ।

खण्ड ५२ अतिरिक्ताङ्क ३० नेपाल राजपत्र भाग २ मिति २०५९/३/२४

### नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, २०५३ लाई संशोधन गर्न बनेको ऐन

**प्रस्तावना :** नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, २०५३ लाई संशोधन गर्न वाञ्छनीय भएकोले,

श्री ५ महाराजाधिराज ज्ञानेन्द्र वीर विक्रम शाहदेवको शासनकालको पहिलो वर्षमा संसदले यो ऐन बनाएको छ ।

- संक्षिप्त नाम र प्रारम्भ : (१) यस ऐनको नाम "नेपाल चार्टर्ड एकाउन्टेन्ट्स (पहिलो संशोधन) ऐन, २०५९" रहेको छ ।  
(२) यो ऐन तुरुन्त प्रारम्भ हुनेछ ।
- नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, २०५३ को दफा २ मा संशोधन : नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, २०५३ (यसपछि "मूल ऐन" भनिएको) को दफा २ को, -  
(१) खण्ड (ज) मा रहेको "संस्था वा संस्थाबाट मान्यता प्राप्त अन्य कुनै चार्टर्ड एकाउन्टेन्ट्स संस्थाबाट चार्टर्ड एकाउन्टेन्सी वा सो सरहको परीक्षा उत्तीर्ण गरी" भन्ने शब्दहरुको सट्टा "दफा १६ को उपदफा (२) बमोजिम" भन्ने शब्दहरु राखिएका छन् ।  
(२) खण्ड (ज) पछि देहायको खण्ड (ज१) थपिएको छ :-  
"ज१) "फेलो चार्टर्ड एकाउन्टेन्ट (एफ.सी.ए.)" भन्नाले दफा १७ बमोजिम संस्थाको सदस्यता प्राप्त गरेको सदस्य सम्झनु पर्छ ।"  
(३) खण्ड (ज) को सट्टा देहायको खण्ड (ज) राखिएको छ :-  
"ज) "पेशागत प्रमाणपत्र" भन्नाले पेशागत रुपमा लेखा व्यवसाय गर्न दफा २८ बमोजिम प्रदान गरिएको प्रमाणपत्र सम्झनु पर्छ ।"  
(४) खण्ड (ज) पछि देहायका खण्ड (ज१), (ज२), (ज३), (ज४), (ज५) र (ज६) थपिएका छन् :-  
(२)

१०८७

आधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागू हुनेछ।



## Message from the Rt. Hon'ble Prime Minister of Nepal



**The Prime Minister**

**KATHMANDU  
NEPAL**

### Message

It gives me pleasure to note that the Institute of Chartered Accountants of Nepal (ICAN) is celebrating its Silver Jubilee on 17<sup>th</sup> Magh, 2078 (B.S.) of its establishment. On this occasion, I would like to congratulate the entire members, students and staffs who are associated with the Institute.

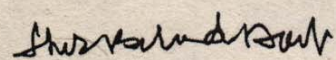
Over the last two and half decades, the role played by this Institute to promote, regulate and professionalize accounting profession in the country has been commendable. In the changing economic spheres of the country, the role of this Institute for developing and maintaining a strong, transparent and accountable accounting profession is very important.

ICAN should serve the public interest and contribute to the economic growth of the country through developing skilled, diligent and professional manpower and producing standard financial as well as audit report. I am hopeful that the Institute will remain committed to fulfill its entrusted responsibilities that supports both the government and private sector leading towards economic development of the country. In addition, its further expansion and improvement of regular services, it would be necessary for the Institute to move forward taking into account new principles and practices of the accounting profession that have emerged in the international arena.

I wish ICAN all the success for its future endeavors.

Jay Nepal!

Magh, 2078

  
Sher Bahadur Deuba





## International Federation of Accountants

*This is to certify that the*

### *Institute of Chartered Accountants of Nepal*

*is a member in good standing of the International Federation of Accountants (IFAC) and, as such, adheres to the values of integrity, transparency and expertise and supports the IFAC mission, which is — To serve the public interest, IFAC will continue to strengthen the worldwide accountancy profession and contribute to the development of strong international economies by establishing and promoting adherence to high-quality professional standards, furthering the international convergence of such standards and speaking out on public interest issues where the profession's expertise is most relevant.*

2008

*Year of Membership*

*Fermin del Valle, President*

November 13, 2008

*Date of Issuance*

*Ian Ball, Chief Executive*



## Message from the Hon'ble Finance Minister of Nepal



Hon'ble Janardan Sharma "Prabhakar"

Finance Minister

Singhadurbar, Kathmandu.

### Message

I am delighted to know that the Institute of Chartered Accountants of Nepal (ICAN) is Celebrating its Silver Jubilee on 31<sup>st</sup> January 2022. I would like to extend my appreciation to all helping hands whose tireless work, effort and cooperation has ensured this esteemed organization to achieve this milestone.

Professional Accountants are important pillars of any economy globally. The professionalism, knowledge and trust they bring to the business environment is unparalleled. We at the Ministry of Finance and I as Finance Minister truly acknowledge the need, relevance and importance of Professional Accountants in fostering the National Economy.

We are at the very important juncture in our history. Along with institutionalizing the gains like federalism, proportional representation and secularism we are pushing the agenda of economic reform as well. The role of Professional Accountants in that endeavor is very crucial through the promotion of financial discipline and transparency across the Government, Government Institutions, Public and Private Companies, Developmental Organizations and Co-operatives. The results, needless to say, will be seen on the tax collection directly and rise in entrepreneurial ecosystem indirectly.

I would like to re-iterate that Ministry of Finance takes Professional Accountants as its most trusted companion and we look forward to further strengthening our relationship. As a liaison ministry to the Institute, we look forward to have more collaborative and supportive relation in coming years.

Once again, I extend my heartfelt congratulations to the entire ICAN family for silver jubilee celebrations. I am sure this is one of many milestones the Institute will achieve in days to come.

**Hon'ble Janardan Sharma 'Prabhakar'**  
Finance Minister



## Message from the Hon'ble Auditor General of Nepal



**Tanka Mani Sharma (Dangal)**  
**Auditor General of Nepal**



**Babar Mahal**  
**PO Box 13328**  
**Kathmandu, Nepal**

### Message from the Hon'ble Auditor General

I extend my sincere congratulations to the Institute of Chartered Accountants of Nepal (ICAN) on completing its remarkable journey in the last 25 years and for publishing a souvenir at this memorable moment. On this auspicious occasion of the silver jubilee of ICAN, I am genuinely delighted to extend my best wishes to the council, committees, all the members, staffs, and students of ICAN for their success.

ICAN's commitment to convergence accounting, auditing, and ethical standards with international best practices and corporate governance are commendable. Over the years, ICAN has contributed significantly to professional development and services in accounting, auditing, taxation, finance, and other related areas.

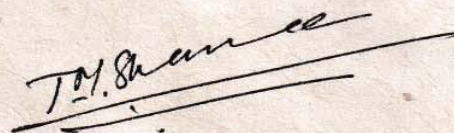
During the age of globalization and the inter-dependence of economies, it is the need of the hour of the institute to demonstrate its ongoing relevance to the changing situations and growing demands of stakeholders for the nation's economic growth and development. As the premier accounting body in Nepal, ICAN may play a key role in making a robust governance in corporate sector as an effective regulator in the accounting profession, and producing and developing competent accounting professionals as per the need of the country.

I do believe that the institute will always keep its efforts up for benchmarking itself against the good international practices in accounting profession. The Office of the Auditor General of Nepal will always be keen to join hands with ICAN in all of its endeavors to enhance accountability and promote transparency for maintaining good governance.

At last, I wish the institute, its members, and students all the grand success in its endeavors to scale up new heights of excellence and professionalism to make a difference in the field of accounting profession in Nepal.

**Happy Silver Jubilee!**

17 January, 2022



Tanka Mani Sharma, Dangal  
Auditor General



## Message from the Governor of Nepal Rastra Bank



## नेपाल राष्ट्र बैंक NEPAL RASTRA BANK

केन्द्रीय कार्यालय  
बालुवाटार, काठमाडौं  
Central Office  
Baluwatar, Kathmandu

27 January 2022



At the outset, I would like to extend my best wishes to the Institute of Chartered Accountants of Nepal (ICAN) and its members on successful completion of the landmark of twenty-five years of its establishment and achievements in the advancement of accounting profession in Nepal.

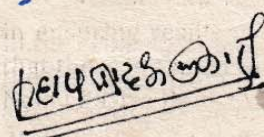
I believe that since inception, ICAN has demonstrated a prominent role in developing qualified human resources in the field of accounting, finance and auditing thereby providing these professional services effectively and upholding greater public interest of the country.

In the capacity of Council Member, I have had an opportunity to serve in the 4<sup>th</sup> Council of the Institute from 2006-2009 and, I feel, this had provided opportunities to assure augment the vision of the Institute.

At this juncture, I would appreciate that the professional accountants have been adopting new technologies improving efficiency and effectiveness of various work processes and thus enhancing excellence in the accounting profession.

With globalization and increasing complexities of the financial system, this has contributed making accounting and auditing as a public good which has become vital for a sound, stable and vibrant financial system. Thus, fair auditing and accounting is essential in ensuring resilient economy as it instills confidence among general public. Observing that there is a need to improve the quality and depth of accounting and auditing practices, Nepal Rastra Bank has taken a host of steps in consultation with the Institute of Chartered Accountants of Nepal for improving the reporting and disclosures of banks and financial institutions.

On the occasion of ICAN's silver jubilee, I would like to congratulate the entire professional fraternity and wish them all the success for their future endeavors. I am confident that this souvenir and its contents will be monumental document for the accounting profession and give best wishes for the silver jubilee's grand success.



(Maha Prasad Adhikari)

## Message from the President of The International Federation of Accountants (IFAC)



**Alan Johnson**  
President, IFAC



570 Fifth Avenue, New York, NY 10017  
T 1 (212) 289-9344 F 1 (212) 290-9040  
[www.ifac.org](http://www.ifac.org)

### **Message from Mr. Alan Johnson, President, International Federation of Accountants On the Occasion of Institute of Chartered Accountants of Nepal 25<sup>th</sup> Anniversary**

On behalf of the International Federation of Accountants (IFAC), I extend my congratulations to the Institute of Chartered Accountants of Nepal (ICAN) on the celebration of its 25<sup>th</sup> Anniversary.

ICAN has led the development of Nepal's accountancy profession since 1997. IFAC is proud to have been a partner in these efforts and in ICAN's own growth as an organization. Since becoming an IFAC member in 2008, The IFAC-ICAN partnership has been and continues to be a very important relationship to advance the accountancy profession in Nepal and the sustainable development of the country.

ICAN has fostered great collaboration with stakeholders in government, business, and academia on a wide range of issues. ICAN has done exceptionally important work with international partners, including IFAC and the International Public Sector Accounting Standards Board (IPSASB), to advance public sector reform in Nepal – a vital issue for the public interest.

ICAN has distinguished itself through cooperation with and membership of other important organizations such as the South Asian Federation of Accountants (SAFA) and the Confederation of Asian and Pacific Accountants (CAPA).

I would like to emphasize the importance of ICAN's efforts both within and beyond Nepal's borders. The success of IFAC's work, as the global voice of the accountancy profession, is possible only through the many organizations that make up the IFAC family. Our profession plays a very important role to support the sustainable development of economies and the creation of equitable societies, and has a bright future ahead.

I thank the past and present leadership of ICAN and all ICAN members for your dedication. Congratulations on your first 25 years, and my very best wishes for continued success for many years to come.

**Alan Johnson**

President



## Message from the President of The Confederation of Asian and Pacific Accountants (CAPA)



### Message for ICAN 25<sup>th</sup> Anniversary

**CAPA Representative :** Jim Knafo, CAPA President



On behalf of the Confederation of Asian and Pacific Accountants (CAPA), I take great pleasure in extending heartiest congratulations to the Institute of Chartered Accountants of Nepal (ICAN) for achieving 25 years as the leader of the accountancy profession in Nepal.

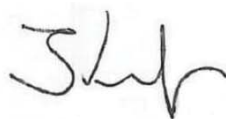
CAPA is privileged to share in this wonderful celebration and observe this important milestone. On this joyous occasion, I convey greetings to all the members, students and stakeholders of ICAN. It is indeed an achievement.

ICAN's founding leaders must be applauded for their foresight, and ICAN's continued success will be determined by the courage and vision of current and future leaders. As a recognised leader of the profession, I am confident that ICAN will continue to play a significant role in the advancement of the accountancy profession in Nepal.

ICAN has been a valued Member of CAPA since 1998 and we are honoured by the close association and partnership. I acknowledge the efforts to improve the quality of accounting, reporting and auditing in Nepal, including initiatives involving audit quality assurance and public sector financial management reforms. With such continued initiatives by ICAN, we are confident it will steer towards goals of inclusive economic growth and shared prosperity.

On this very special occasion, I would like to wish the 25th anniversary celebration of ICAN to be a fruitful and memorable event. Together we look forward to achieving our shared goals for the profession.

Yours sincerely



Jim Knafo  
CAPA President

## Message from the President of The South Asian Federation of Accountants (SAFA)



**H M Hennayake Bandara**

President, SAFA



On behalf of the South Asian Federation of Accountants (SAFA), it is a great pleasure to extend our heartiest congratulations to the Institute of Chartered Accountants of Nepal (ICAN) on the occasion of your organization's Silver Jubilee. It is significant to note that the membership of SAFA has been granted in 1997, the year in which the ICAN received its Royal seal.

SAFA commends ICAN on the 25 years of dedication it has shown in providing highly trained Professional Accountants who are employed in many different organizations in the private and public sectors. Members of the ICAN play a vital role in building capacity in the nation's accountancy profession.

As you look back through your history, you can take pride in the significant achievements ICAN has made and continues to be a dynamic advocate of accountancy professionalism and education. Reaching this landmark anniversary is proof of your dedication to high-quality practice of accountancy.

I wish the silver jubilee celebration a great success and look forward to continued participation from the ICAN in advancing the accountancy profession in the region. I assure SAFA's continuing support for all its important initiatives in the coming years.

**H M Hennayake Bandara**

President

SAFA

## Message from the President of The Institute of Chartered Accountants of Nepal (ICAN)



**CA. Yuddha Raj Oli**  
President, ICAN



Dear Professional Colleagues,

While writing my message in this *Souvenir* as 25th President of The Institute of Chartered Accountants of Nepal (ICAN), I am overwhelmed with fond memories of journey of the Institute in these twenty-five years. I remind myself, the day when I use to talk to my colleagues and seniors about need of professional accountancy organization in Nepal and I remind today while celebrating 25th Anniversary of the Institute in my Presidency. Today, is the great day for the Institute and for all of us as well because today, the Institute has completed its twenty-five years of glorious establishment and is going to add one more step towards the Journey of Professional Excellence. Those days may be challenging, from the formulation of Nepal Chartered Accountants Act, 2053 to establishment of ICAN as an Institution and paving path to reach at this glorious position to lead the accounting profession in the nation. Standing today, ICAN has been recognized as a strong regulatory body along with professional excellence. In this context, I place my sincere appreciation to our Past Presidents, Council Members, Committee Members, Members of Task Force of the Institute for their outstanding efforts in past and continuous guidance and contribution for shaping and embracing the standing of Institute and that of the Accounting Profession in Nepal. I would also like to acknowledge the effort of management team for timely execution of the decisions of the Council and managing affairs of the Institute in right direction.

This *Souvenir* is a collection of memories besides the incorporation of the Act, establishment of the Institute and its step-by-step progressions and achievements. On this auspicious occasion, the Institute is publishing this *Souvenir* to remind the memories from the very beginning, which makes us understand how the journey of the Institute started and landed at this glorious position and contributions made by the members of the Institute, support extended by the ministries, stakeholders and management during past 25 years.

In these 25 years, the Institute has developed a member base of 1,729 Chartered Accountants of which 632 have qualified from the ICAN and 7,236 Registered Auditors. Similarly, at present the Institute has the student base of around 12,000 perusing Chartered Accountancy Courses at different levels. The Institute is determined to ensure that the members continuously strengthen their professional competence and skills while complying with robust ethical practices that the profession demands. In this regard, the Institute has conducted various trainings, workshops, seminars and certification courses for members besides the regular Continued Professional Education (CPE) Trainings. Further, every year the attraction of students towards Chartered Accountancy (CA) Education is in increasing trend and the Institute is supporting those students to be future ready Chartered Accountants for the development of nation.

During last 25 years of its journey the Institute has been successful in establishing International relations by obtaining membership of International Federations of Accountants (IFAC), Confederation of Asian and Pacific Accountants (CAPA) and South Asian Federation of Accountants (SAFA) besides signing Memorandum of Understanding, Mutual Reorganization Agreement and Technical Collaboration Agreement with International Professional Accounting Bodies. Further, the Institute is exploring ways to strengthen its institutional capacity with a commitment to establish the Institute as a Center for Excellence and a strong regulatory body of Accounting Profession in the nation.

On behalf of the Council, I would like to express my sincere gratitude and thank to the Ministry of Finance, Other Ministries, Office of Auditor General, International Professional Accountancy Organizations, Regulating Bodies and Other Stakeholders including Development Partners for their continued support to the Institute and Profession for all corner development of the Institute.

Best Wishes !

CA. Yuddha Raj Oli  
President, ICAN



## Message from the President of The Chartered Institute of Public Finance and Accountancy (CIPFA)



**Mike Driver CB**  
President, CIPFA

On behalf of the Chartered Institute of Public Finance and Accountancy (CIPFA), I would like to congratulate the ICAN in reaching its Silver Jubilee. This is an important milestone.

CIPFA is a United Kingdom-based international accountancy membership and standard setting body. It is the only professional accountancy body in the world dedicated exclusively to public finance. At CIPFA, we believe that improving public services globally is the key to changing lives for the better, and that good public financial management is central to achieving this ambition.

In the UK, CIPFA is a respected partner across the British public sector because we represent reassurance, trust and stability – all while continually striving to deliver excellence. CIPFA is also a trusted anchor because of its success in building value through education and continuing professional development. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed.

Globally, CIPFA leads the way in public finance by standing up for the principles of sound public financial management and good governance. We work with donors, partner governments, accountancy bodies and the public sector around the world to advance public finance and support better public services.

CIPFA is proud to have signed an MoU with ICAN in 2018, for the advancement of High Quality Public Financial Management in Nepal. The progress ICAN has made since its creation is notable, and through our aligned approach based on both raising standards and promoting professional responsibility for social and economic progress, together we can make a meaningful impact.

**Mike Driver CB**  
President, CIPFA  
[www.cipfa.org](http://www.cipfa.org)

## Message from the President of Association of Chartered Certified Accountants (ACCA)



**Orla Collins, FCCA**  
President, ACCA



Many congratulations from everyone at ACCA (the Association of Chartered Certified Accountants) on your 25th Silver Anniversary.

This is a landmark moment for the accountancy profession in Nepal which has grown over this time. That sustained growth is down to the work of ICAN and its members.

ACCA has been delighted to collaborate with ICAN over the years including events, mutual collaborations and exemptions for students and members.

We share similar values, to deliver public value and act in the public interest with ethics at the heart of our work as professional bodies.

We applaud you for your achievements over the last 25 years and we wish you and all ICAN members and students the very best wishes for the future, and we look forward to our continued collaboration with the expert ICAN team.

**Orla Collins, FCCA**  
President, ACCA





## Message from the President of The Institute of Chartered Accountants in England and Wales (ICAEW)



**William Brooks**  
President, ICAEW

On behalf of ICAEW, I'd like to congratulate the Institute of Chartered Accountants of Nepal (ICAN) on their 25th anniversary.

We are delighted to have collaborated with ICAN on various projects over the years, including our joint capacity building work to strengthen quality assurance for audit. In addition, we have enjoyed regular dialogues to exchange knowledge on developing the professional qualification and technical expertise during visits by ICAN to our headquarters in London.

Following the renewal of our recognition agreement in 2021, we continue to work together to provide opportunities for ICAN and ICAEW members and to advance the profession. Moreover, we are pleased to work alongside ICAN as members of global networks, including the International Federation of Accountants and the Confederation of Asian and Pacific Accountants. These networks provide a framework for global collaboration, supporting all of our members to evolve their knowledge and skills, and continue to meet the highest standards of financial and non-financial reporting.

Congratulations once again, and we look forward to collaborating further in the years ahead, as we work together to enable a world of sustainable economies.

**William Brooks**

President, The Institute of Chartered Accountants in England and Wales (ICAEW)

## Message from the President of The Institute of Chartered Accountants of India (ICAI)



**CA. Nihar N. Jambusaria**  
President, ICAI



It gives me immense pleasure to write this message for the souvenir of the 25th Silver Jubilee Anniversary Celebrations of the Institute of Chartered Accountants of Nepal (ICAN) being celebrated on 30th January 2022 in Kathmandu, Nepal.

Since its inception in 1997, ICA Nepal has been playing an important role in enhancing social recognition and faith of people in the accounting profession by raising public awareness about the economic and social responsibilities of the accountant's at large scale. ICA Nepal is also significantly contributing towards economic development of the country by promoting accountancy in Nepal and making the accountants understand their duties towards the nation.

As ICAN celebrates its 25th Anniversary, it is a moment of pride for the Institute of Chartered Accountants of India (ICAI) also, as ICAI had been instrumental in establishment of ICAN in 1997, wherein we had played an important role in establishing systems and procedures relating to examination, technical and administrative areas in the ICAN. We had acted as a facilitator and consultant expert in the process of development of profession as well as developing the regulatory framework for ICAN. ICAI had also recommended ICAN's application for Full Membership of IFAC and we assure full support from ICAI to ICAN whenever required in future as well.

I extend my good wishes to the organisers of the 25th Anniversary (Silver Jubilee) Celebrations of the Institute of Chartered Accountants of Nepal and wish the event a grand success.

**CA. Nihar N. Jambusaria**  
President, ICAI



## Message from the President of The Institute of Chartered Accountants of Sri Lanka (ICASL)



**Sanjaya Bandara**  
President, CA Sri Lanka

I am delighted to share this message on the occasion of the Silver Jubilee of the Institute of Chartered Accountants of Nepal (ICAN).

I would like to take this opportunity to extend my warm congratulations to ICAN and its members on this landmark occasion, as it celebrates its 25th anniversary. As an invaluable member of SAFA, ICAN has played an influential role in the development of the accounting profession.

To be relevant, we must keep up with the constant changes and challenges thrown at us. As such, ICAN has an important role to play in not just uplifting the accounting standards in its own country, but by also contributing towards the development of both Nepal and South Asia as a whole.

CA Sri Lanka has had the immense pleasure of working closely with ICAN for many years, in our standing as two influential professional accounting bodies in the region. Therefore, as ICAN embarks on a new journey with renewed determination, I am certain that our Nepali counterpart will continue to play a catalyst role in not just enhancing the accounting profession in Nepal but will also continue to play a key role in contributing to the development of South Asia.

Not many professional bodies can boast of such milestones, but ICAN has shown that to survive in this ever evolving and highly complex world, change and adaptability, together with vision and fortitude, is key. As such, I am certain ICAN will go on to reach greater heights as an important South Asian accounting body.

I wish ICAN and its members all success.

**Sanjaya Bandara**

President

CA Sri Lanka

## Message from the President of The Institute of Chartered Accountants of Pakistan (ICAP)



**Iftikhar Taj, FCA**  
President, ICAP



The Institute of Chartered Accountants of Pakistan (ICAP) extends felicitation on the auspicious occasion of Silver Jubilee celebrations of the Institute of Chartered Accountants of Nepal (ICAN). Over the last twenty-five years, ICAN has made historical contribution to the profession and has played a fundamental role in producing financial ambassadors to not only local but also the international market with highest standards of integrity, professionalism and competence. While doing so, it has contributed significantly towards the accountancy profession.

I look forward to seeing ICAN embark on the road to further success in future, with fresh confidence, and I wish the Council of ICAN every success in its efforts to support our common endeavor.

**Iftikhar Taj, FCA**

President

The Institute of Chartered Accountants of Pakistan (ICAP)

## Message from the President of The Institute of Cost Accountants of India (ICMAI)



**CMA P Raju Iyer**  
President, ICMAI



I am pleased to know that the Institute of Chartered Accountants of Nepal (ICAN) is celebrating 25th Anniversary (Silver Jubilee) of its establishment on 30th January, 2022 in Kathmandu, Nepal. It is pleasure to note that the ICAN is also bringing out a souvenir to mark this auspicious occasion highlighting its accomplishments during these 25 years.

Celebration of Silver Jubilee is a great occasion for an Institution to recognize the contribution of all those associated with this journey especially the founders and seniors who have toiled hard to grow the Institute over the last 25 years.

I congratulate ICAN for completing the glorious 25 years of its untiring service and contribution in the development of the Accountancy Profession in Nepal. I wish all the members and students of ICAN every success on this very auspicious and happy occasion.

I also take this opportunity to send my best wishes to ICAN for the success of the Silver Jubilee Celebrations. I am confident that with its commitment to excellence, ICAN will achieve greater heights in future too.

With warm regards,

**CMA P Raju Iyer**  
President



## Message from the President of The Institute of Chartered Accountants of Bangladesh (ICMAB)



**Abu Bakar Siddique, FCMA**  
President, ICMAB



**ICMAB**  
INSTITUTE OF COST AND MANAGEMENT  
ACCOUNTANTS OF BANGLADESH

**PRESIDENT**



### Message

It is a matter of pleasant to know that the Institute of Chartered Accountants of Nepal (ICA Nepal) is going to celebrate its Silver Jubilee in Kathmandu Nepal. On this milestone of ICA Nepal, I am offering my heartiest congratulation.

Celebrating Silver Jubilee revealed a solid commitment of the sole organization's which ensured that their works have been welly appreciated over the two decades. The objectives for celebrating Silver Jubilee should bring a positive approach in professional life. It is not only to the life of accounting Community, but to the other communities as well.

In the last 25 years ICAN has developed remarkably well. Their quality contribution through the professional education will expedite the developing process of Nepal and thus enrich profession as a whole. Many noteworthy initiatives of ICA Nepal have proved itself one of major chartered accounting organization in this SAARC region. Today professionals of ICA Nepal have been serving in high government and private organizations and many more. Besides the concerned group, the professional services have to be ensured for the underserved community of the country also.

I know professionals of ICA Nepal have even given their proven professional skills in the form of professional services for a number of years. Today ICA Nepal in this position for which their experience must be is relevant here.

At the end I again congratulate all members, employees and associates of ICA Nepal for celebrating the Silver Jubilee and I wish the celebration a grand success.



Abu Bakar Siddique FCMA





# नेपाल चार्टर्ड एकाउण्टेण्ट्स संघ

## THE ASSOCIATION OF CHARTERED ACCOUNTANTS OF NEPAL



### 33<sup>rd</sup> Executive Committee:

**President**

CA. Ananda Raj Sharma Wagle

**Vice President**

CA. Ramesh Kumar Dhital

**General Secretary**

CA. Tej Prasad Subedi

**Treasurer**

CA. Sushil Ghimire

**Executive Members**

CA. Tika Ram Karki

CA. Sanjeeta Nepal

CA. Tanka Upreti

CA. Manish Aryal

CA. Shesh Mani Dahal

CA. Anil Lamichhane

**Immediate Past President**

CA. Hari Kumar Silwal

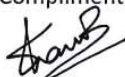
**Message**

It is indeed a very proud moment for all of us to celebrate the silver jubilee for the establishment of the Institute of Chartered Accountants of Nepal. 25 years of establishment is in fact a reasonable and adequate year to assess and analyse the long term strategy to achieve the goals of the Institute. I feel so proud that the then visionary leaders of the Association of Chartered Accountants of Nepal (ACAN) had realized the importance of the autonomous accounting body in Nepal and started continuous lobbying with the Government until they were able to establish the Institute set up under the separate Act from parliament in year 2053 BS with the objective of promoting, developing and regulating the accounting profession in Nepal.

Today Chartered Accountants are produced in Nepal with the global quality and standards. The establishment of the Institute and through its manpower and resources have developed the accounting, auditing, taxation and other financial sectors of the economy in a very progressive way. We congratulate Institute of Chartered Accountants of Nepal (ICAN) for contribution in upgrading the accounting and financial reporting system from locally accepted system to the international standards. The issuance and implementation of various ethical code of conduct applicable to its members, pronouncement of various accounting, auditing standards applicable to public and private sectors accounting are the contributions in enhancing the capacity of the auditors and making them more responsible and accountable to the profession. These achievement have a very long impact to prepare the perfect human resources for the overall development of the nation. The role of Chartered Accountants and registered auditors are crucial in maintaining the transparency and governance in the overall economic activity of the nation. The celebration of silver jubilee of establishment is the milestone to express the achievement of the institute at the one hand while in the other hand it is the time to introspect the weakness and areas to explore to achieve the very goal of the Institute. ACAN is always ready to extend the cooperation with ICAN to share the common objective and the platform institutionally.

I am pleased to know that the Institute of Chartered Accountants of Nepal (ICAN) is publishing souvenir in reminiscence of the history of the Institute, the publication of such souvenir on the in the occasion of silver jubilee celebration has a very important role to establish the historical achievement and showing the direction of future course of the institute. I hope the publication of the Souvenir will serve the very purpose. My best wishes for the success of the occasion and publication of the Souvenir.

With Best Compliments

CA. Ananda Raj Sharma Wagle  
President

## Message from the President of Auditors' Association of Nepal (AUDAN)



January 25, 2022

Dear Professional Colleagues,



I extend sincere congratulations to our colleagues at The Institute of Chartered Accountants of Nepal (ICAN), and to all its valuable members, on reaching 25th anniversary milestone, on behalf of Auditors' Association of Nepal (AUDAN). Congratulations to everyone attending this auspicious event that celebrates silver jubilee of one of the oldest professional organization.

Auditors' Association of Nepal was registered with the Labor and Employment Management Department on 8 Mangsir 2063 (24 November 2006), and has been functioning actively throughout the nation since then. Through this association 7,292 Registered Auditors (RAs) have been participating actively in 68 districts with the slogan, 'Unity is the Strength'. The association acts as a pioneer institution for all the Registered Auditors of the nation, and primarily works for the continuous professional development of its members. Prior to the establishment of ICAN, Registered Auditors were involved in the field of Auditing and governed by Office of the Auditor General. These devoted professionals have been continuously contributing in the financial development of the nation with their involvement in various functions such as auditing, accounting and other fields related to the profession in several organizations and institutions of the nation.

Since its establishment in the year 2006, AUDAN has been working continuously, hand to hand with ICAN for the betterment of the profession. We have four members in the ICAN Council representing the Registered Auditors (RA) fraternity. We have been continuously supporting ICAN being the governing body of the profession and professionals and will continue to do the same in the future

Lastly, as we celebrate twenty-fifth anniversary of The Institute of Chartered Accountants of Nepal (ICAN), all of us at Auditors' Association of Nepal would like to express our sincerest appreciation and would like to assure continuous support from our end in the future.



RA. Mohan Raj Regmi  
President



## Message from the Vice President of The Institute of Chartered Accountants of Nepal (ICAN)



**CA. Bhaskar Singh Lala**  
Vice President, ICAN



Dear Professional Colleagues,

This year is a golden period for The Institute of Chartered Accountants of Nepal (ICAN) as the Institute is celebrating 25th Anniversary of its establishment and I am proud to be the witness of this celebration as a 25th Vice President of the Institute. It is indeed a truly momentous occasion to shine in the glory of our twenty-five years of professional excellence and service to the nation.

The Institute has completed various steps to uphold public interest through professional excellence in these years as it has stood up as a strong regulatory body in the country. The Institute has gone through unbeatable journey in the development of accountancy profession in the nation. Similarly, the Institute has made an indissoluble relation with the international bodies and our members are working worldwide.

At this moment, I should appreciate the contribution of national and international stakeholders, who directly and indirectly supported for the formulation of the Act and establishment of the Institute.

Further, I could not stay without providing a sincere gratitude to all the Past Presidents, Council Members, Committee Members, Members of Task Force and Management Team of ICAN for their contribution and effort to bring the Institute and profession as of today.

Coming to this Souvenir, it is a historical monument of the Institute and is published to recall the timeline of the Institute and on the special occasion of 25th Anniversary of the Institute. It has memories since the pre-incorporation of the Institute and its achievements. I hope this document will take the readers to the past and picturize the moments of efforts and contribution provided for the development of the Institute till date.

Being a Vice President, I show my gratitude to all contributors of this Souvenir and also sincere thankfulness to the Government of Nepal, Ministries, Office of Auditor General, International Professional Accountancy Organizations, Development Partners and other Stakeholders for the support and understanding provided for the development of Institute and Accountancy Profession.

Let's enjoy the moment of our historical achievements in professional excellence, supervision and regulation and also magnify the achievements by effective planning, decision making and executing. As we are celebrating Silver Jubilee, it is also a time for next new beginning, a new beginning to launch our profession to greater heights by taking a base of achievements till date.

Wishes !

CA. Bhaskar Singh Lala  
Vice President, ICAN



## Governance of the Institute



### 1st Council: (1997-2000)

**Sitting:** Mr. Ake Bahadur Kshatry, Mr. Shankar Prasad Pandey, Mr. Netra Kumar Khatri, Mr. Komal Bahadur Chitracar, Mr. Tirtha Raj Upadhyay, Mr. Surendra Nath Shrestha, Mr. Nem Lal Amatya

**Standing:** Mr. Umesh Dhakal, Mr. Pramod Kausik, Mr. Pratap Prasad Pradhan, Mr. Kaushalendra Kumar Singh, Mr. Gopal Prasad Rajbahak, Mr. Bijay Kumar Agrawal, Mr. Ganga Prasad Ghorsaine, Dr. Bihari Binod Pokharel, Mr. Krishna Prasad Neupane, Mr. Purushottam Lal Shrestha



### 2nd Council: (2000-2003)

**Sitting:** Mr. Netra Kumar Khatri, Mr. Krishna Prasad Neupane, Mr. Bijay Kumar Agrawal, Mr. Prabhu Ram Bhandary, Mr. Gopal Prasad Rajbahak, Mr. Kishor Prasad Baskota, Mr. Pradeep Kumar Shrestha, Mr. Surendra Nath Shrestha

**Standing:** Mr. Durga Nidhi Sharma, Mr. Umesh Dhakal, Mr. Dilip Kumar Dhungana, Mr. Jeeb Narayan Baral, Mr. Sudarshan Raj Pandey, Mr. Ratna Raj Bajracharya, Mr. Jitendra Bahadur Rajbhandary, Mr. Satis Chandra Lal, Mr. Purushottam Lal Shrestha, Mr. Madan Krishna Sharma





**3rd Council: (2003-2006)**

**Sitting:** Mr. Ramesh Raj Satyal, Mr. Satish Chandra Lal, Mr. Pushpa Lal Shrestha, Mr. Narayan Bajaj, Mr. Pradeep Kumar Shrestha, Mr. Binod Bahadur Rajbhandary, Mr. Anup Kumar Shrestha, Mr. Tanka Prasad Paneru

**Standing:** Mr. Jeeb Narayan Baral, Mr. Tulsi Ram Sedhai, Mr. Rameshore Prasad Khanal, Mr. Kamal Kharel, Mr. Rajan Singh Bhandari, Mr. Prakash Jung Thapa, Mr. Krishna Prasad Dahal, Mr. Padma Raj Bhatta, Mr. Tanka Prasad Pandey



**4th Council: (2006-2009)**

**Sitting:** Mr. Bal Krishna Ghimire, Mr. Dilip Kumar Dhungana, Mr. Gyanendra Prasad Dhungana, Mr. Binod Bahadur Rajbhandary, Mr. Ratna Raj Bajracharya, Mr. Bhaskar Singh Lala, Mr. Rana Bahadur Shrestha, Mr. Tanka Prasad Pandey

**Standing:** Mr. Sunir Kumar Dhungel, Mr. Tanka Prasad Paneru, Mr. Maha Prasad Adhikari, Mr. Khem Prasad Dahal, Mr. Bharat Rijal, Mr. Mahesh Kumar Guragain, Mr. Suvod Kumar Karn, Mr. Suresh Pradhan, Mr. Tul Bahadur Shrestha



**5th Council: (2009-2012)**

**Sitting:** Mr. Madhu Bir Pande, Mr. Sujan Kumar Kafle, Mr. Sudarshan Raj Pandey, Mr. Nabaraj Bhandari, Mr. Suvod Kumar Karn, Mr. Sunir Kumar Dhungel, Mr. Mahesh Khanal, Mr. Suresh Pradhan

**Standing:** Mr. Krishna Prasad Acharya, Mr. Krishna Prasad Paudel, Mr. Suresh Devkota, Mr. Mohan Raj Regmi, Mr. Dev Bahadur Bohara, Mr. Bhuvan Prasad Acharya, Mr. Narendra Bhattarai, Mr. Laxman Prasad Khanal, Mr. Gopal Prasad Pokharel



**6th Council: (2012-2015)**

**First Row:** Mr. Guna Raj Shrestha, Mr. Suresh Devkota, Mr. Mahesh Kumar Guragain, Mr. Narendra Bhattarai, Mr. Madhu Bir Pande, Mr. Prakash Lamsal, Mr. Achyut Raj Joshi, Mr. Dol Prasad Dahal, Mr. Binay Prakash Shrestha

**Second Row:** Mr. Mohan Kumar Parajuli, Mr. Tek Nath Acharya, Mr. Badri Prasad Bhattarai, Mr. Jitendra Kumar Mishra, Mr. Mohan Kumar Subedi, Mr. Bhaskar Singh Lala, Mr. Krishna Prasad Devkota, Mr. Nirajan Simkhada





**7th Council: (2015-2018)**

**First Row:** MR. Sanjay Kumar Sinha, Mr. Surya Prasad Adhikari, Mr. Dhurba Prasad Paudel, Mr. Mahesh Khanal, Mr. Prakash Jung Thapa, Mr. Prakash Lamsal, Mr. Jagannath Upadhyay Niraula, Mr. Ganesh Raj Rai, Mr. Suresh Devkota

**Second Row:** Mr. Bhaskar Singh Lala, Mr. Yadav Prasad Nyaupae, Mr. Baburam Gautam, Mr. Bhava Nath Dahal, Mr. Sunil Jakibanja, Mr. Ram Prabodh Shah, Mr. Mukunda Raj Panthi, Mr. Jagannath Devkota, Mr. Bharat Rijal



**8th Council: (2018-2021)**

**Left to Right:** Mr. Surendra Shrestha, Mr. Peeyush Anand, Mr. Yuddha Raj Oli, Mr. Meera Shrestha, Mr. Kedar Nath Poudel, Mr. Kiran Dangol, Mr. Madan Krishna Sharma, Mr. Bishnu Prasad Bhandari, Mr. Mahesh Sharma Dhakal, Mr. Bidhyabaridhi Sigdel, Mr. Abdul Karim Khan, Mr. Bahadur Singh Bista, Mr. Krishna Prasad Acharya, Mr. Jagannath Upadhyay Niraula



#### 9th Council: (2021-2024)

**Above Left to Right:** Mr. Prabin Kumar Jha, Mr. Shankar Gyawali, Mr. Sujan Shrestha, Mr. Bhola Nath Pathak, Mr. Kesh Bahadur KC, Mr. Posh Raj Nepal, Mr. Ram Chandra Khanal, Mr. Yuddha Raj Oli, Mr. Bhaskar Singh Lala, Mr. Peeyush Anand, Mr. Surendra Shrestha, Mr. Sujan Kumar Kafle, Mr. Chhetra Gopal Pradhan, Mr. Santosh Kafle

**Below Left to Right:** Mr. Baikuntha Bahadur Adhikari, Mr. Umakanta Acharya, Mr. Baburam Subedi

## Message from the Past Presidents on 25<sup>th</sup> Anniversary and their Presidency Tenure



**CA. Tirtha Raj Upadhyay**  
(1998-99)

The Institute of Chartered Accountants of Nepal (ICAN) is in twenty-five years of its establishment which is a moment of proud for all accounting professionals in the country. Going to history of accounting profession in Nepal, requirement of auditing was started from 1993 BS, at that time there were very less organizations to be audited. On elapse of time, the Company's Act was formulated and amended time to time on 2007, 2021, 2053 BS and from the enactment of Company's Act, audit of certain companies were made mandatory and Nepal Government is to provide license to audit. Auditors Act, 2031 had classified 'A', 'B', 'C' and 'D' class auditors and authorized the Office of Auditor General to provide license of auditors.

At that time, there were qualified Chartered Accountants from The Institute of Chartered Accountants of India (ICAI) and availed 'A' class registered auditor license in Nepal. They formed an Association to unify the Chartered Accountants namely 'Association of Chartered Accountants of Nepal (ACAN)', those Chartered Accountants used to talk about the need of professional accountancy body in Nepal and as a result, in 2053 BS 'The Institute of Chartered Accountants of Nepal (ICAN)' was established. Since the establishment of ICAN, accounting profession has taken a new height in Nepal. Chartered Accountancy course can be perused in Nepal and no need to go anywhere. Many Chartered Accountants qualified from ICAN are working in national and international level in high level position of the corporates as Chartered Accountants qualified from ICAN are recognized in various international countries also. ICAN has pronounced Nepal Financial Reporting Standards (NFRS), Nepal Standards on Auditing (NSA) and Code of Ethics for its members. ICAN has also obtained the membership of the renowned organization, International Federation of Accountants (IFAC).

In this short period of twenty-five years, the Institute has obtained remarkable achievements despite of various challenges, ups and downs. To enhance the capacity of members on implementation of NFRS, NSA, to support the Government, to empower Register Auditor members, to impose Code of Ethics on members are some examples of the challenges overcome by the Institute and I hope the caliber gained by the Institute up to this period, will overcome future challenges also to proceed on the way of succession.

At last, I am fortunate to contribute in formulation of Nepal Chartered Accountants Act, coordination in implementation of the Act, establishment of the Institute, formation and election of the first council; and to serve as the first vice president and second president of the Institute. Now the leadership of the Institute is being handing over to next generation who are more energetic, magnate and technology friendly and I believe that they can lead the Institute to next height.

Best Wishes !





**CA. Kaushalendra Kumar Singh**  
(1999-00)

The 25th Anniversary of The Institute of chartered Accountants of Nepal (ICAN) is a special occasion in Accounting history of Nepal. In this, twenty-five years of journey, the role played by the Institute and its members for the economic development of our Nation is praiseworthy and I am confident that in future also our Institute will undoubtedly, continue to serve as a cause for National development and Upholding the public interest. I further wish to continue the journey of 25 years with caveat that the Institute be rather alert in safeguarding and upkeeping the public interest and faith in line with the spirit of fundamental principles of the Professional Code of Ethics along with the Conceptual framework of IFRS and IAAS.



**CA. Prabhu Ram Bhandary**  
(2001-02)

Participating in the Silver Jubilee Celebration, one feels an immense sense of pride in the progress of ICAN. No doubt the journey has been challenging and will continue to be even more so as businesses become more complex and the resultant demand on the profession, not only to deliver, but exceed expectations are constantly pushing boundaries of learning to newer heights in line with global professional standards, whose membership we have embraced.

Nevertheless, positioning the Institute as the primary authority in promoting and regulating the accountancy profession and its members, or exerting its identity, amidst growing challenges from other regulatory authorities, is perceived to be the biggest test that will confront ICAN in future.

In such an intensely evolving situation, fortunately, leadership in ICAN has consistently, and will no doubt, continue to demonstrate unwavering dedication and exceptional qualities in fulfilling the purpose of ICAN's establishment. This is aptly proven by the commitment of the governing council, the strong management team, performance delivery of members in society and to the corporate world along with effectiveness of continued professional education (CPE) and enforcement of discipline within the fraternity that keeps the whole gamut of the profession in high esteem, not only within SAFA but other global member bodies as well.

As the Institute continues to grow with ever increasing members, its role and responsibilities in driving the economy of the nation, by producing highly qualified and disciplined manpower to fulfill key management positions, both in public as well as the private sector, will definitely result in better fiscal discipline, improved management of resources with consequential reduction in misuse of funds which will contribute to enhanced economic standing of the nation.

Based on such a solid foundation of professional values and ethics, upheld proudly by thousands of members, ICAN's contribution to the nation will stand taller in the days to come.





**CA. B.K. Agrawal**  
(2002-03)

Our Institute will enter a new chapter on January 31, 2022, as we complete 25 years of its glorious existence. On the auspicious occasion of celebrating Silver Jubilee, I would like to highlight the fact that ICAN has been consistently committed to professional excellence and has diligently served the society and our nation who are the true stakeholders of our noble profession.

In these 25 years, ICAN has played a significant role in developing the accounting profession and act as the custodians of transparency and integrity. Over two decades, ICAN has dedicated itself to fulfill the expectations of our nation who have entrusted us with autonomy by passing the legislation 'The Nepal Chartered Accountants Act, 1997'. From only a handful of professionals in 1997, today ICAN has increased its strength significantly and is working to bring a positive paradigm shift in the field of accountancy and create a transparent atmosphere.

With this milestone being achieved by our Institute, I would like to encourage all our members that we should live by our values of Trust, Respect, Innovation, Relevance, Accountability, Integrity and Professional Excellence and aim to achieve greater heights for our institute & community.



**CA. Pradeep Kumar Shrestha**  
(2003-04)

I am delighted to know that the Institute of Chartered Accountants of Nepal is completing 25 years of its establishment on 17th Magh 2078. I would like to convey my hearty congratulations to the Institute on the auspicious occasion of 25th Anniversary and wish the event all success. I wish the Institute will reach new milestones in the overall development of the accounting profession in Nepal in upcoming years.



**CA. Pushpa Lall Shrestha**  
(2004-05)

On the Special occasion of celebrating Silver Jubilee of the Institute of Chartered Accountants of Nepal (ICAN), I would like to express my heartfelt congratulations to all the members, staffs and other stakeholders of the Institute. Contribution of the Institute and its Members for the economic development of the nation is praiseworthy. I would like to congratulate the Institute for its successful journey of 25 years and would like to wish many congratulations for more years to come.



**CA. Narayan Bajaj**  
(2005-06)

In the last 25 years our Institute has led an exemplary Profession. Thus, Our Silver Jubilee calls for a memorable Celebrations with a difference. As we celebrate, it is time for a new beginning and a time to look beyond. This historical moment should set a new benchmark for our profession to progress to greater heights. So let we all together join hands and let Institute showcase our rich heritage & Tradition of Excellence and Services to the Nation.

On this occasion, I also wish to mention the importance of not only keeping intact the glory of our achievements till date but also going forward with objective planning and efficient execution. Rather then adapting to changes, we should lead the changes in Governance, Business and Professional environment. Let's we all continue to set new bench marks for ourselves against best practices.

I wish you all a happy Silver Jubilee and feel fortunate to be a part of this important day.



**CA. Ratna Raj Bajracharya**  
(2007-08)

I am very happy to share the best wishes to ICAN on completing the journey of 25 years. The memory of establishing this noble Institution is still afresh within me. The Institute have accomplished great achievements during short span of times. My congratulations and gratitude to all the leaders who have taken great initiation in shaping this Institution to this level.

I have always felt very much proud to introduce myself as a Chartered Accountant. It surely carry a high esteem and acceptance all over the world. It is even more in our society, since beginning. The trust entrenched with this is still alive and it should be the continuous endeavor of all of us to maintain this legacy and respect. It would not come or stay easy.

However, by dint of hardcore training –both theoretical and practical- the knowledge and hardworking culture is built in every professional accountant, which needs to be endured not only for ourselves but the generations to follow.

The profession has demonstrated the ability to withstand the trust and been serving the society with integrity. The profession shall stand together and live up to the expectations as always.

Once again, my best wishes on this 25th Anniversary of ICAN to all.



**CA. Tanka Prasad Paneru**  
(2008-09)

I send my delighted greetings to the Institute of Chartered Accountants of Nepal (ICAN) on celebrating its Silver Jubilee on 31st January, 2022. On this auspicious occasion, I convey my good wishes and thanks to all the members and everyone associated with the Institute for their support to mark the success of the Institute. May, the Institute continue to raise higher in the upcoming years and beyond.

The Institute of Chartered Accountants of Nepal (ICAN) has seen pass through its portals a long line of members, CA students, many of whom have gone on to achieve dizzy heights in their chosen profession. We are all proud of them, and of our Institute.

I feel myself lucky enough to witness the development and growth of ICAN, in a crucial moment I was myself in the helm of affair. I feel fortunate to serve ICAN as its 3rd and 4th council member and 12th president.

I am sure while the Celebrations will be a joyous occasion, it also gives opportunity for introspection with a view to have well-conceived plans for future with confidence that the progress so far made inspires.



**CA (Dr.) Suvod Kumar Karn**  
(2009-10)

I am extremely happy that Institute of Chartered Accountants of Nepal is celebrating its Silver Jubilee this year. I congratulate the Institute and the entire accounting fraternity for successfully completing this glorious journey of twenty-five years. The credit of this historic achievement goes to our pioneers whose untiring efforts brought our Institution at this stage.

We know ICAN has dual responsibility of regulating its members and producing Chartered Accountant within the country. In this context, the Institute has been able in establishing major infrastructure required for the development of accounting profession in line with the objective of the Institute as enshrined in Nepal Chartered Accountants Act.

The Institute as a professional body is supporting the government and regulatory agencies in the area of capacity enhancement of public entities and public financial management which is important for sustainable economic development of the country. Further we have to explore areas where accounting profession can contribute to the government.

In the international arena ICAN as a member of international and regional accounting bodies has participated actively in the running of their affairs. We have successfully taken the leadership of SAFA from 2010 – 2018 as Board Member, Committee Chairman, President and currently serving as CAPA Board member. I have the privilege and good fortune of representing ICAN in SAFA in 2018 as President and currently serving as Board member (2019- 2023) of CAPA and also serving ICAN as its president in 2009-10, contributing for strengthening of accounting profession.

We have to note that this journey is still in its primitive state for the Institute, and our future endeavors should be directed to enhance capacity and competencies to cater the needs *(of 21st century or at least for coming fifty years.)* of the economic and financial system of our country.

Once again on this land mark occasion I congratulate the Institute, its members and students.





**Sunir Kumar Dhungel**  
(2010-11)

I am delighted to pen a few words in as The Institute of Chartered Accountants of Nepal (ICAN) celebrate Twenty Five years of formation. My congratulations to all members of ICAN as we celebrate Silver jubilee.

We gratefully remember the founder member for their pioneering efforts in establishing ICAN well in time, and the successive Council for their tireless effort in preserving noble institution standing tall for the last 25 years.

As we celebrate our Silver Jubilee, it is also a time to look beyond. This historical moment should act as a catalyst to propel our profession to greater heights. ICAN should be strong enough to regulate accounting profession and provide better education to students.

ICAN should continue dialogue with various international accounting bodies to have Mutual Recognition Arrangement (MRA). Similarly, it should play proactive roles to get recognition of CA course with various academic institutions/universities.

I believe that there has to be a greater penetration of our Institute in various Government departments and representation of ICAN on various Government constituted committees and panels. To achieve this, there is a need to create greater awareness of the role ICAN can play in the compliance and monitoring issues under the statutory framework.

I take this opportunity to wish President and the Council of ICAN all the very best on your Silver Jubilee celebration.



**CA. Sudarshan Raj Pandey**  
(2011-12)

I am pleased to feel that The Institute of Chartered Accountants of Nepal (ICAN) is celebrating Silver Jubilee on 31st January 2022. This is a glorious moment for the members, students, Team-ICAN and entire accounting profession. This historical moment should be successful in bringing our profession to greater heights.

Despite of several challenges, ICAN has successfully ushered the accounting profession for 25 years. ICAN has made remarkable contribution in professional excellence in all these years. I believe, it has left an impregnable footprint on not only the accountancy profession but also on the entire nation and society, which are the true stakeholders of our noble profession.

I understand, there are still a lot of works to be done in highlighting the role of ICAN and uplifting the accounting profession. As we celebrate our Silver Jubilee, it is also time for a new beginning, rebranding ourselves in the society about the capacity and role of the professional accountants in the development of the entire economy.

I am sure that under the dynamic leadership of ICAN, coordination with professionals and strength of Team-ICAN, we would reach greater heights of professional excellence and corporate governance in the days to come.

I extend my best wishes to the accounting profession, students, and sincere appreciation to Team-ICAN on this glorious moment.



**CA. Madhu Bir Pande**  
(2012-13)

It gives me great pleasure to congratulate the Institute of Chartered Accountants of Nepal (ICAN) on this historic occasion of successfully completing 25 years of its inception. I feel privileged to have been a part of this prestigious institute all these years, firstly as a member and later as a council member and the president.

On this occasion of 25th anniversary of ICAN I also congratulate all the members of ICAN for their contribution and commitment without which ICAN would not have achieved this milestone.

ICAN as a regulator of accounting profession and the only provider of professional accounting education in the country, has contributed remarkably for the development of accounting profession in Nepal. ICAN has played a pivotal role in strengthening the financial transparency and accountability in the country by way of pronouncement and implementation of various international standards relating to financial reporting, auditing and code of ethics. These have also helped building trust for investment in the country as well as revenue mobilisation of the government.

At the same time ICAN has produced a sizeable number of chartered accountants who are serving in various capacities in different sector of economy.

We should also appreciate that ICAN has gone beyond the boundaries by entering in to bilateral arrangement with some globally reputed professional accounting institutes for mutual recognition of respective qualification and membership.

There are also areas where ICAN should continuously look for the improvement and I feel ICAN has already laid a good foundation for these improvements and further development of accounting profession.

May this celebration provide even more impetus to ICAN for working strenuously towards enhancement of social recognition and public faith in accounting profession and, to all of us for delivering our best professional services for public interest and towards the economic development of the country.

I wish ICAN all the best.



**CA. Mahesh Kumar Guragain**  
(2013-14)

On this auspicious occasion of celebrating Silver Jubilee of the Institute of Chartered Accountants of Nepal (ICAN), I would like to express my sincere appreciation and gratitude to our Pioneer Professionals and my colleague for their leadership and guidance towards the growth of the Institute. In this 25 year of journey, the ICAN has played commendable role for development of Accounting Profession and overall economic development of Nepal. I wish for more success with its competency and autonomous on its jurisdictions in days to come.



**CA. Narendra Bhattarai**  
(2014-15)

It gives me immense pleasure to note that the Institute of Chartered Accountants of Nepal (ICAN) is completing its twenty-five years of glorious existence. On this auspicious occasion, I would like to congratulate ICAN along with all its members and stakeholders who have contributed to its establishment and for its unfaltering journey of professional excellence during this period of 25 years.

I wish for every success of ICAN in its future endeavor to fit in with the taste of time to achieve its objectives to enhance social recognition and faith of people at large in the accounting profession by raising public awareness towards the importance of the accounting profession as well as towards economic and social responsibility of the accountants and to contribute towards economic development of the country.



**CA. Prakash Lamsal, CPFA**  
(2015-16)

I am overwhelmed in this auspicious occasion of Silver Jubilee celebrations of The Institute of Chartered Accountants of Nepal, which is really a proud moment for all of us and also would like to extend my sincere congratulations to all its members, students, staffs and other stakeholders. It's with great pride and honor that the Institute is marching ahead gloriously in its Silver Jubilee and contributing for the development of the accounting education, profession and economic development of the nation.

We accountants today, face an ever-increasing pressure of changes and challenges arising due to globalization, digitalization and changing regulations and economic well-being are even more interdependent. I really applaud the role of the institute for being forward looking and proactive in providing values to these changes and challenges, though still a lot to do in various areas to meet the varied expectations of different stakeholders including members, students, government and public at large. Despite several constraints and challenges, the institute has been providing qualitative and globally competitive education to the students at the affordable cost and professional development services to the members so as they are contributing to the nation building and support government in achieving 2030 sustainable development goals. The institute has also been able to prove its presence and strength in national as well as international accountancy arena and has been actively participating in different activities of international accountancy umbrella organizations viz. IFAC, CAPA and SAFA and signed agreements with other international professional accountancy institutes for mutual recognition of its CA education.

It's one of the few professional organizations to reach this landmark birthday remarkably and we are quite fortunate to witness from its germination to Silver Jubilee celebrations. It's a matter of pride on becoming professional accountant and a part of the accountancy profession led by The Institute of Chartered Accountants of Nepal in order to support in achieving economic prosperity of the nation. I look forward to taking part with all of you in our profession's exciting future.

I wish the institute's Silver Jubilee celebrations every success.





**CA. Mahesh Khanal**  
(2016-17)

At the outset, let me congratulate The Institute of Chartered Accountants of Nepal (ICAN) for its great success on achieving the land mark of twenty-five years endless strive towards excellence.

Over the years, ICAN has moved ahead, and grown big in its size, strength and stature shouldering its responsibilities. I still recall the Big Day when the Institute of Chartered Accountants of Nepal was inaugurated with a handful of Chartered Accountants in 1997, and today our institute has expanded with around 2,000 Chartered Accountants and 7,000 Registered auditors, as a members spread out its wings to 6 Branch Offices across the nation. In addition, 2 overseas Chapters have been established across the world where our members have been strongly contributing to both national and global economy, and this indeed gives us a reason to celebrate.

Two decades have passed since the establishment of ICAN and having been involved in its establishment myself, I have an honest feeling that ICAN has really come a long way. Many changes have taken place in the last twenty-five years in our accounting profession, especially the standards our professional members need to follow in line with international standards and the intervention of Information Technologies in our profession. Keeping aware and informed of these changes and providing a balanced perspective to its members and students continues to be a challenge requiring dedication, hard work and experience. The Institute has been very much successful in fulfilling its duty from day one of its incorporation till its twenty five years operation.

But, success does not come easy! It takes a collective effort to make an institute like ours viable and visible to the world. I think it is only fair when we remember the dedicated hard work and the professional honesty of our Past Presidents, Council Members, General Members and the Employees who have contributed to build a conducive environment to nurture the Institute at this stage.

While there is still much to do, I am sure that the upcoming leadership, vision, passion to keep their integrity take us to another level and I strongly believe that our institute will continue to be the backbone of the nation for developing a trained workforce of noble, efficient and globally-competent finance professionals with integrity and transparency constantly bringing a positive difference in the financial health of all businesses be it corporate sectors, public sectors or the people that they serve.

Finally, I wish to take this opportunity to say a big "Thank You" to all supporting hands of ICAN. The Institute of Chartered Accountants of Nepal deserve sincere appreciation for accounting profession development of the nation and for the nation. Our present existence bears witness to our past successes.

Once again, a huge congratulation from my side for reaching this milestone and my best wishes for further endeavor.



**CA Prakash Jung Thapa**  
(2017-18)

On this historic occasion of the 25th Anniversary, it is my great pleasure to congratulate the Institute of Chartered Accountants of Nepal (ICAN). ICAN has been able to demonstrate it as a *credible professional accounting body* with the mission of promoting and regulating high-quality financial reporting and developing the competence of professional accountants to enhance reputation in all sectors of the economy. I feel privileged to have been a part of this journey since the inception of our institute.

ICAN, as a sole regulator of the accounting profession in the country, has played a key role in strengthening financial transparency and accountability by pronouncing and implementing various standards developed in line with international standards relating to financial reporting, auditing, and code of ethics. Similarly, ICAN, the only professional accounting education provider in the country, has been able to produce a sizeable number of chartered accountants and serve the country with over 9,000 members. ICAN has been instrumental in the development of the accounting profession and its contribution to the economic prosperity of the nation has been remarkable.

During this short span of time, ICAN has been able to prove its presence nationwide and globally. ICAN has been proactive in making a professional foray into the global accounting world through active participation in IFAC and holding key positions in CAPA and SAFA. Mutual recognition agreements have been signed with a few globally reputed professional accountancy bodies and also established two overseas chapters in Australia and USA where our members have a strong presence.

Our dynamic journey of excellence, integrity, independence, and service to the nation is marked by many milestones. ICAN has reached this far, all because of the support, contribution, and dedication of our seniors, past and present council members/office bearers, staff, members, and stakeholders. Congratulations to all for being part of the success and glorious journey.

As the accountancy profession landscape continues to evolve rapidly, I'm confident that ICAN will continuously look for improvement and forge ahead to stay relevant and deliver value to members, stakeholders, and the profession. Let's all pledge to retain the glory and legacy of our profession. We will have to go miles to retain that. Let us act with our conscience and profess accountability and integrity. Lord Gautam Buddha said, *"I never see what has been done, I only see what remains to be done"*.

Once again, congratulations on this big occasion and many wishes for a successful future. Happy 25th Anniversary!



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

It is my pleasure to congratulate ICAN for successfully completing 25 years (Silver Jubilee) since the start of this institute. I wish ICAN all the best to keep providing the services it is providing the members and student, and I am thankful for maintaining professionalism throughout these periods and I wish the same to continue for more than 100 years and beyond with all my heart.

Celebration of the Silver Jubilee is a great occasion for an Institute and marks the realization of the dreams of an Institute. I Congratulate ICAN for achieving this important milestone and wish all the best for the future.

I wish the Silver Jubilee Celebration to be a grand success.



**CA. Krishna Prasad Acharya**  
(2019-20)

It gives me much pleasure to extend my congratulations to the Institute of Chartered Accountants of Nepal (ICAN) on the completion of 25 years of its establishment. As a past president of ICAN, I want to thank all the past council members, members, and staff of the Institute, Government of Nepal, International Accounting Bodies, and other stakeholders for their contribution to reaching the Institute this milestone.

Contribution of ICAN in the development of the accounting profession, promoting financial transparency, producing qualified accounting professionals, and economic development of the nation till date is highly appreciable. As ICAN is a sole regulator of the accounting profession, the expectation of government and the public toward the Institute is very high. Farsighted leadership with continuous institutional development is pivotal in achieving those expectations. I wish the existing and upcoming leadership of the Institute will lead the Institute and accounting profession to new heights in upcoming years.

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**CA. Madan Krishna Sharma**  
(2020-21)

It is indeed a moment of great pleasure for all of us to celebrate 25th Anniversary of The Institute of Chartered Accountants of Nepal, a statutory body that has steered the accounting profession of Nepal to the global level. Over these years, the Institute has been successful in changing the landscape of the accounting profession in Nepal by mandating the standards for financial reporting and auditing and ensuring their quality and trustworthiness. The quality control standards and the code of ethics for its members ensure that the members are at the helm of the profession to meet the market expectation of the ever-expanding business horizon propelled by the technological advancements.

As the sole professional accounting body of the country, the Institute's responsibilities and obligations to the society remain in prominence in its every act - awarding professional degrees, enhancing competency of and opportunity for its members, and promoting and regulating the accounting profession. Despite the challenges that are inherent for a novel set up with the responsibility of the immense importance like the accounting profession, the Institute has stood the test of time in furthering the objectives of its establishment set by the parliament while approving the Institute of Chartered Accountant of Nepal Act, 1997. The valuable time and resources invested by the Council Members and the President of each of the nine Councils, starting from the first one on 1st August 1997 in bringing the Institute to the current stature is highly praiseworthy.

The accounting profession's foundation rests on the trust and respect the society in general and the stakeholders put on the work of the professional accountants. Maintaining and fostering the trust and credibility need continuous upgradation on the quality and competency as well as the stick for the delinquency in observing the fundamental principles of the code of ethics of this profession. The Institute needs to move ahead with resolute plans and actions recognizing the challenges that come across in achieving this, especially in ensuring an effective and credible system of disciplinary proceedings.

I am confident that the Institute has come of the age and can take the profession to the level that is more relevant and valuable for the new developments and the generation to come. I wish a more prosperous and prestigious accounting profession ahead on this occasion of the silver jubilee celebration the Institute.



## Profile of Late Past Presidents of ICAN



**Late CA. Komal Bahadur Chitrakar**  
(1997-98)

Late CA. Komal Bahadur Chitrakar was the founding President of Institute of Chartered Accountants of Nepal (ICAN)-1997/98 and Past President of South Asian Federation of Accountants (SAFA)- 2010. He was actively associated with SAFA since its inception when he represented on behalf of Association of Chartered Accountants of Nepal (ACAN), the predecessor organization of ICAN.

Mr. Chitrakar had been in public practice since 1970 after he qualified as a Chartered Accountant in 1965 from ICAI and he made undaunted dedication and contribution to the development of Accounting Profession in Nepal for over five decades.

Mr. Chitrakar was a dedicated social worker and was active in several social organizations. He served as the President of the Rotary Club of Kathmandu Mid-Town in 2005-2006. He was the founding Secretary General of Transparency International Nepal. He passed away on 31st May, 2021.



**Late. CA. Gopal Prasad Rajbahak**  
(2000-01)

Late CA. Gopal Prasad Rajbahak was the 4th President of the Institute of Chartered Accountants of Nepal (ICAN) for the year 2000/2001. He was a Fellow Member of the Institute. He served various Committees of the Institute during his tenure. He had several years of experience in accounting and auditing field. He was an M. Com and obtained Chartered Accountancy professional degree from The Institute of Chartered Accountants of India (ICAI) in 1983. He was born in 1942 and passed away on 10<sup>th</sup> February 2021 at the age of 79.



**Late CA. Binod Bahadur Rajbhandari**  
(2006-07)

Late CA. Binod Bahadur Rajbhandari was a President (2006/2007) and Fellow Member of The Institute of Chartered Accountants of Nepal. He is qualified Chartered Accountants from ICAI. He was graduated in Commerce from Tribhuvan University Nepal and Post Graduate Diploma in Management Control & MIS from Maastricht School of Management the Netherland.

He started his career as an audit officer in Nabil Bank. As a professional he had served several clients in various allied field associating with International Accounting and Consulting Firms.

He also served in various Committees of the Institute. He was nominated member of Accounting Standard Board. He was a president of Association of Chartered Accountants of Nepal (ACAN) in 2000. He had organized, presented, participated and chaired in different professional seminars and workshops.

# REMINISCE OF LAST 25 YEARS JOURNEY OF ICAN

## INSTITUTIONAL DEVELOPMENTS

### 1. Formulation of The Nepal Chartered Accountants Act and Establishment of The Institute of Chartered Accountants of Nepal

#### 1.1. Historical Pronouncement of Nepal Chartered Accountants Act, 2053 and Regulation, 2061

The first endeavor to regulate accounting profession in Nepal began after enforcement of Companies Act, 1936 which mandated the provision for maintenance of books of accounts and audit of Nepalese Companies. The Companies Act, 1936 was the first ever Company law of Nepal that was promulgated during the Rana Regime. Subsequently, a new Companies Act was enacted in 1950 as an amendment of previous Act but without repealing the provisions of earlier Act. Later on, for the first time in the history of Nepal Companies Act, 1964 was enacted that had provisioned for maintaining books of accounts and accounts to be audited by an auditor registered with the Department of Industries. Afterwards, in 1997, a new Companies Act, 1997 was enacted to address the changed political circumstances within the country. This Act came into existence through Royal Seal on 05th March, 1997.

Latterly, as a milestone in the history of commercial law in Nepal, on 9th October, 2005 a Companies Ordinance, 2005 was introduced to repeal forthwith the legislation relating to Companies with the objective to clarify provision regarding administration, operation and regulation of the companies and to incorporate all legal framework for Companies. Afterwards, a New Companies Act, 2006 was promulgated on 10th November, 2006 which includes much modern and clear legal framework for Companies including the separate chapter for “Accounts and Records of Company” and “Audit”. Companies Act, 2006 is the prevailing Company law of the Country.

In 1974, with the objective to systematize the procedures for obtaining license by the auditor and to regulate the license holder auditors, an Auditor’s Act, 2031 and Auditor’s Regulation, were enacted and as per the provision of the Act and Regulations thereunder the Office of Auditor General (OAG) was authorized to issue audit licenses to Registered Auditors. Thus, OAG, through its Disciplinary Committee, played a role of regulating agency of the Profession. Under that legislation, the Office of the Auditor General (OAG) was entrusted to issue auditor’s license and set qualification of auditors in four different classes of registered Auditors as below:

- a. Chartered Accountants having five years’ experience given **“Class A”** license with unlimited authority to audit any organization.
- b. Chartered Accountants or those having Bachelor’s Degree in Finance with five year of experience given **“Class B”** license with authority to audit organization with transaction up to five crores.
- c. Person with Bachelor’s Degree with five years’ experience or, Working in *Rajpatrankit* position with five years’ experience given **“Class C”** license with authority to audit organization with transaction up to one crore.

- d. Working in Rajpatra aanankit first or second class position or, working in Rajpatra aanankit position in either first or second and having five years of experience in accountancy or auditing or, those who does not hold qualification for either Class A, B, C and D Class Auditor but have obtained license of auditor from Office of Auditor General prior to commencement of this Act given “Class D” license with authority to audit organization with transaction up to five lakhs.

Moreover, all the disciplinary power was vested upon the Auditor General who was to receive recommendation from a Disciplinary Committee.

Later on, with the increase in number of professional accountants and the magnitude of activities in this profession demanded an institution that could streamline the accounting profession by transcribing the minimum requirement to obtain professional degree and by regulating it through disciplinary actions. In 1978 Association of Chartered Accountants of Nepal (ACAN) was formed as a voluntary social organization with an initial membership of 15 Nepali Chartered Accountants and on same year ACAN applied for registration under the Societies Registration Act. In 1982, ACAN was registered under the Societies Registration Act and ACAN was formally inaugurated by the Minister of Finance. Ever since then, ACAN got actively engaged in formulation of an independent and autonomous accounting body in Nepal. In 1984 ACAN was invited to participate in the South Asian Federation of Accountants (SAFA) as an observer and in 1985 SAFA formed a high-level study group to assist ACAN in recommending the Government for the formation of an accounting body in Nepal and the SAFA Committee submitted a report to the Government of Nepal. Consequently, Government of Nepal formed a high-level study group to recommend on the formation of an autonomous self-regulatory accounting body in Nepal. Eventually, ACAN held a SAFA International Seminar, which was inaugurated by the Prime Minister and a commitment for formation of an accounting body in Nepal was made.

After a long-drawn effort made by Office of Auditor General, Ministry of Finance, ACAN, and practicing professional auditors, the Nepal Chartered Accountants Act, 1997 was legislated. ***The Nepal Chartered Accountants Act, 1997 received the royal seal on 30th January, 1997 and a provision was made for establishment of the Institute as a National Level Professional Accounting Body in the Country.***

On, 12th Ashwin, 2056 the Nepal Chartered Accountants Regulation, 2056 came into effect which was latter on repealed by the Nepal Chartered Accountants Regulation, 2061 on 30th Kartik, 2061.

Moreover, the first amendment to the Nepal Chartered Accountant Amendment Act, 2059 was passed by both House of Representatives and the National Assembly, and obtained the Royal Seal of then His Majesty Government on 24th Ashadh, 2059. This revision has finally repealed Auditor’s Act, 1974 and bestowed full autonomy regarding the accounting profession by The Institute of Chartered Accountants of Nepal

**The Major change brought in by the revision in the Nepal Chartered Accountants Act are as follows:**

- Accounting and Auditing Standard Boards: The Act has made the provision for establishment of separate Accounting Standards Board and Auditing Standard Board to develop standards at par with international standards. These Boards are to be constituted by the government and majority of its members is to be drawn from professional chartered accountant members recommended by the Council of the Institute.
- Accounting Technicians: The Council is authorized to develop and organize courses to produce Accounting Technicians.



- Nationality Cause for the members: The stipulation of nationality, to be a member of the Institute, has been deleted.
- Continued Professional Education: The Council is empowered to enforce Continued Professional Education Program for its members.
- Designation of Chief Executive of the Institute: The title of the Chief Executive Officer has been changed to Executive Director from Secretary.
- Registered Auditor Members: The Council is bestowed with full authority to change audit ceilings and to upgrade to higher class the Certificate of Practice issued to the Registered Auditor Members.

## 1.2. Formation of Interim Council

Nepal Chartered Accountants Act, 1997 had provision for formation of an interim council. The interim council had following responsibility:

1. To register the person who have the required qualifications and are desirous to obtain membership of the Institute and Issuing Membership Certificate to those as per the provision of the Act and,
2. To conduct the election Council members from amongst the registered members as per the provision of the Act within six months from the date of commencement of Act.

**The Act has provisioned for composition of interim Council in below manners:**

S.No.	Remarks	Designation
a.	President, Association of Chartered Accountants of Nepal	Chairman
b.	Nominated by Government of Nepal from amongst the Registered Auditors registered as Auditors pursuant to the Auditors' Act, 1974	Member
c.	A Gazetted First Class Officer designated by Government of Nepal	Member-Secretary

On 05 Chaitra 2053 , as per the decision of Government of Nepal, Cabinet of Ministers formed Interim Council of the Institute which was latter on published in Nepal Gazette (*Part 3, Khanda 47, sankhya 5, issue date: 2054/01/30*) on 2054/12/05. Government of Nepal nominated the personnel for the Interim Council and the Composition of Interim Council as provisioned in the Act followed by Nepal Gazette consist of following members:

Name	Designation	Remarks
<b>Mr. Komal Bahadur Chitracar</b>	Chairman	President, Association of Chartered Accountants of Nepal
<b>Mr. Ram Babu Nepal</b>	Member	Assistant Auditor General
<b>Mr. Bhola Raj Pandey</b>	Member	President, Akhil Nepal Lekha Parikshan Sangh
<b>Mr. Tritha Raj Upadhyay</b>	Member	Chartered Accountant
<b>Mr. Mohan Prasad Banjade</b>	Member-Secretary	Joint-Secretary, Ministry of Parliamentary Affairs

On 17th Jestha, 2054, the Interim Council registered 88 Chartered Accountants and 2,862 Registered Auditors and issued Membership Certificates to them. As the responsibility to conduct election of first council was vested to the Interim Council, the Interim Council successfully conducted election of First Council as per the provision of the Act. And, the First Council was formed on 01st August, 1997 i.e. within six months from the date of commencement of the Act. After formation of first elected Council, the Interim Council was ipso-facto dissolved on 17th Shrawan, 2054.

### 1.3. Formation of First Council

The Act has provision for composition of Council to take up necessary actions required to attain objectives of the Institute in a well-planned manner and to manage and supervise all activities of the Institute by exercising all authority and discharging all duties conferred on and assigned to the Institute subject to the Act and Regulations and Bye-laws framed under the Act.

S.No.	Remarks	Designation
a.	Ten persons elected by and amongst Chartered Accountant Members	Member
b.	Four persons elected by and amongst Registered Auditors Members	Member
c.	Three persons nominated by Government, upon the recommendation of the Auditor General, from amongst the persons well experienced in the field of Accounting Profession.	Member

#### The 1st Council comprises of following members (1997 - 2000)

S.No.	Name of Council Members	Remarks
1.	Late. Komal Bahadur Chitracar	1st President (1997-1998)
2.	Tirtha Raj Upadhyay	2nd President (1998-1999)
3.	Kaushalendra Kumar Singh	3rd President (1999-2000)
4.	Late. Gopal Prasad Rajbahak	Elected from amongst CA Members
5.	Pushpa Lall Shrestha	Elected from amongst CA Members
6.	Nem Lal Amatya	Elected from amongst CA Members
7.	Pratap Prasad Pradhan	Elected from amongst CA Members
8.	Bijay Kumar Agrawal	Elected from amongst CA Members
9.	Aek Bahadur Kshatry	Elected from amongst CA Members
10.	Pramod Kaushik	Elected from amongst CA Members
11.	Umesh Prasad Dhakal	Elected from amongst RA Members
12.	Ganga Prasad Ghorsaine	Elected from amongst RA Members
13.	Netra Kumar Khatri	Elected from amongst RA Members
14.	Dr. Bihari Binod Pokharel	Elected from amongst RA Members
15.	Surendra Nath Shrestha	Nominated by Government of Nepal
16.	Krishna Prasad Neupane	Nominated by Government of Nepal
17.	Shankar Prasad Pandey	Nominated by Government of Nepal

### 1.4. The Time Line

Time	Milestone
2053/10/17	Nepal Chartered Accountants Act, 2053 was Enacted and ICAN was Established
2053/12/05	Interim Council was Formed by Cabinet of Ministers
2054/02/17	Interim Council issued notice to all the qualified person requesting to register themselves to ICAN and obtain membership of ICAN within 2053/01/17.
2054/04/17	Interim Council issued membership to 88 Chartered Accountants and 2,862 Registered Auditors (B, C and D Class)
2056/06/12	Interim Council Conducted Council Election as per Nepal Chartered Accountants Act 2053.

<b>2059/03/24</b>	First Council of ICAN Formed
<b>2059/04/01</b>	Nepal Chartered Accountants Regulation, 2056 came into effect
<b>2059/09/30</b>	First Amendment to the Nepal Chartered Accountants Act, 2053 was issued
<b>2061/07/30</b>	Auditor's Act, 2031 was repealed by Government by publishing notice in Nepal Raj Patra
	The Institute stopped granting Registered Auditor Membership. Cut-off was those who has received license before 32nd Ashadh, 2059 from the Office of the Auditor General under Auditor Act, 2031 and have registered with the Institute before 2059 Poush 30th.
	Nepal Chartered Accountants Regulation, 2061 came into effect which repealed Nepal Chartered Accountants Regulation, 2056

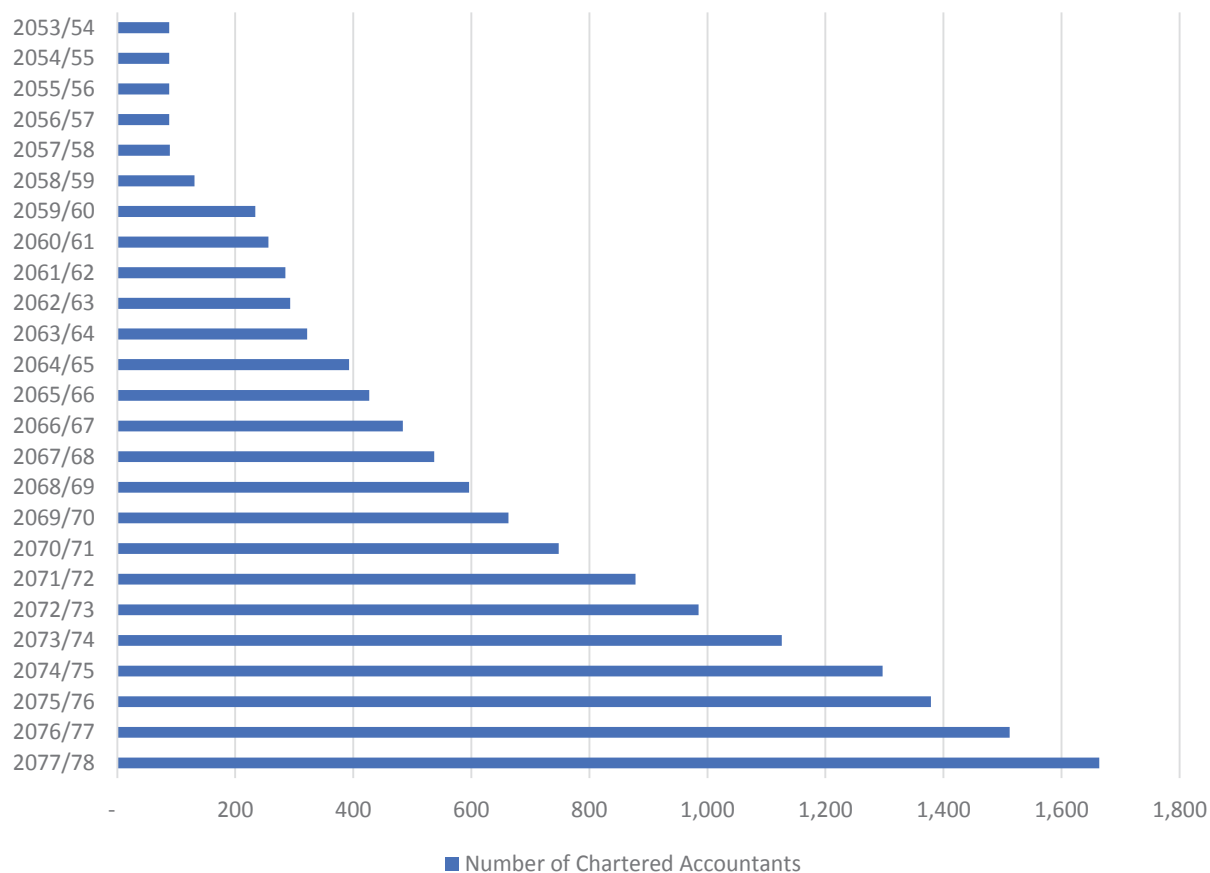
## 2. Our Members

As per the provision of Nepal Chartered Accountants Act, 2053 Membership Certificate is to be awarded to following two class of members:

- Chartered Accountant (CA):** For those who have , on the date of commencement of the Nepal Chartered Accountants Act obtained the certificate of Registered Auditor of class 'A' pursuant to the Auditors' Act, 2031 or of class 'B' on the basis of qualification of Chartered Accountant or, those who has passed Chartered Accountancy or equivalent course from the Institute or other foreign accounting bodies recognized by the Institute and has received practical training relating to accounting profession.

The year wise increase in the number of CA members in last twenty-five years has been presented below:

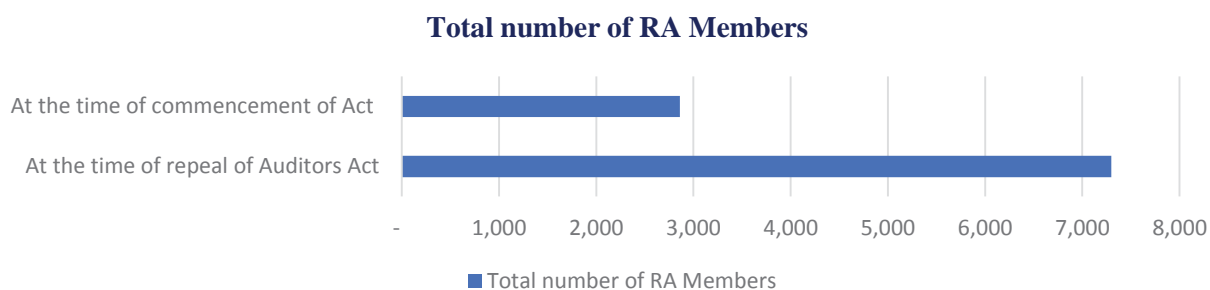
**Number of Chartered Accountants**





2. **Registered Auditor (RA):** For those persons holding audit license of class 'B', 'C' or 'D' acquired under the provisions of Auditor's Act, 2031 at the time of commencement of Nepal Chartered Accountant Act.

The status of RA Members in last 25 years has been presented here under :



The Registered Auditors can audit organization with following transaction limits:

Registered Auditor's Class	Audit Limit (Million) (at Inception of Act)	Audit Limit (Million) (at Present)
Class B	NPR 100	NPR 1,200
Class C	NPR 20	NPR 300
Class D	NPR 2.5	NPR 60

Section 49 of the Nepal Chartered Accountant Act, 2053 had provisioned to repeal the Auditor's Act, 2031 from the date of notification in Nepal Gazette by Nepal Government. Likewise, section 19 of Nepal Chartered Accountants Act, 2053 had provisioned for issuing RA membership certificate to those qualified licensed holder auditor as per Auditor's Act, who submit application to ICAN for obtaining membership within three months from the date of commencement of the Nepal Chartered Accountant Act, 2053. In this regard, Institute issued RA Membership Certificate to 2,862 (B, C and D Class Registered Auditors) on 2054/02/17.

However, even after enactment of Nepal Chartered Accountants Act, 2053 the Nepal Government did not issue notice to repeal the Auditor's Act, 2031. Thereby, both the Auditors Act and Nepal Chartered Accountants Act were parallelly effective and the Registered Auditors who initially obtain the Membership of ICAN along with all the Chartered Accountants obtaining Membership of ICAN were compelled to comply with both the Acts. They need to register, renew and submit return to both the Office of Auditor General as well as ICAN.

In absence of issuance of notice by the Nepal Government to repeal Auditor's Act, the Office of Auditor General continued to issue license as per the provision of Auditor's Act. The major contention of OAG to issue license was that the number of auditors for audit of small and micro enterprises were not adequate for the country. Finally, on 2059/03/24 the Nepal Chartered Accountants Act, 2053 first amended was passed by the Parliament and on 2059/04/01 Auditor's Act, 2031 was repealed by the Government by publishing notice in Nepal Rajpatra and it was provisioned to issued the license of Registered Auditor to all those licensed auditors who have obtained auditor license from OAG at the time of repellent of the Auditor's Act and a separate provision for introduction of Accounting Technician Course by the Institute to fulfill the requirement of auditors in the country was pronounced. Consequently, after the issuance of notice to repeal Auditors Act was published in Nepal Rajpatra, ICAN issued notice to all the licensed auditor receiving license from OAG to register themselves and obtain license of Registered Auditor of ICAN within 2059/09/30. By the time, the number of registered auditors registered in ICAN had reached from 2,862 to 7,297.

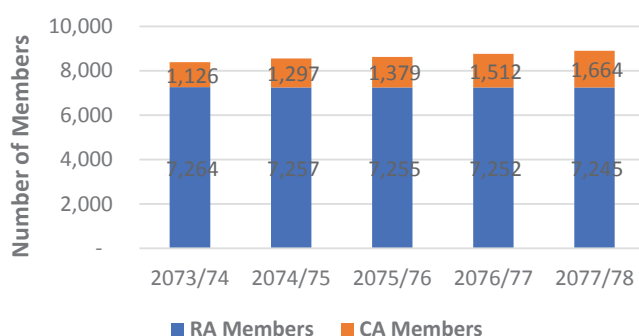
**The status of ICAN Members as at the end of Poush 2078 has been presented below:**

<b>Total Members</b>	<b>8,965</b>
Chartered Accountant Members	1,729
Registered Auditor Members	7,236

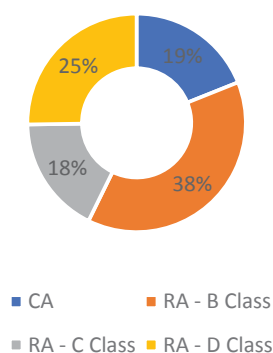
<b>Chartered Accountants</b>	
Fellow Chartered Accountant Members	404
Chartered Accountant Members in Practice	706
Chartered Accountants Firms	559
Chartered Accountant Residing Abroad	104
Chartered Accountant Qualified from ICAN	632
Female Chartered Accountant Members	261
Female Chartered Accountant Members in Practice	30

<b>Registered Auditors</b>	
B Class Registered Auditor Members	3,422
C Class Registered Auditor Members	1,562
D Class Registered Auditor Members	2,252
Female Registered Auditor Members	151
Registered Auditors Firms	2,619

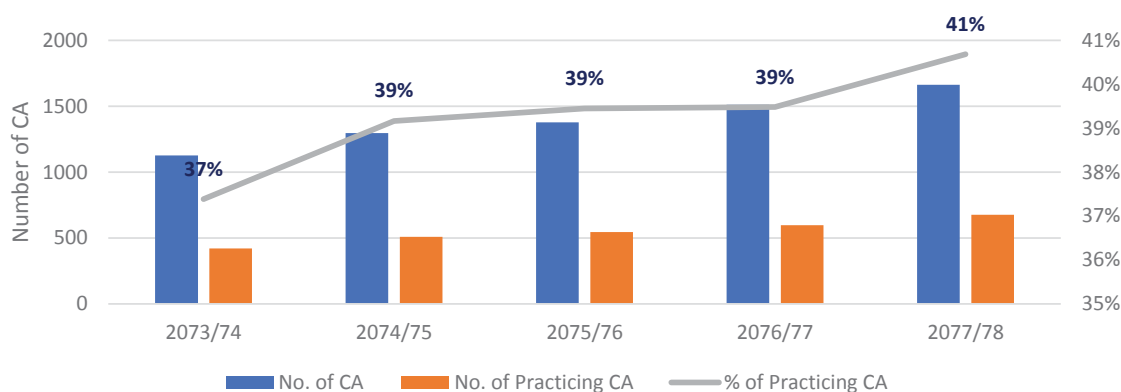
**Total Chartered Accountants and Registered Auditors Members**

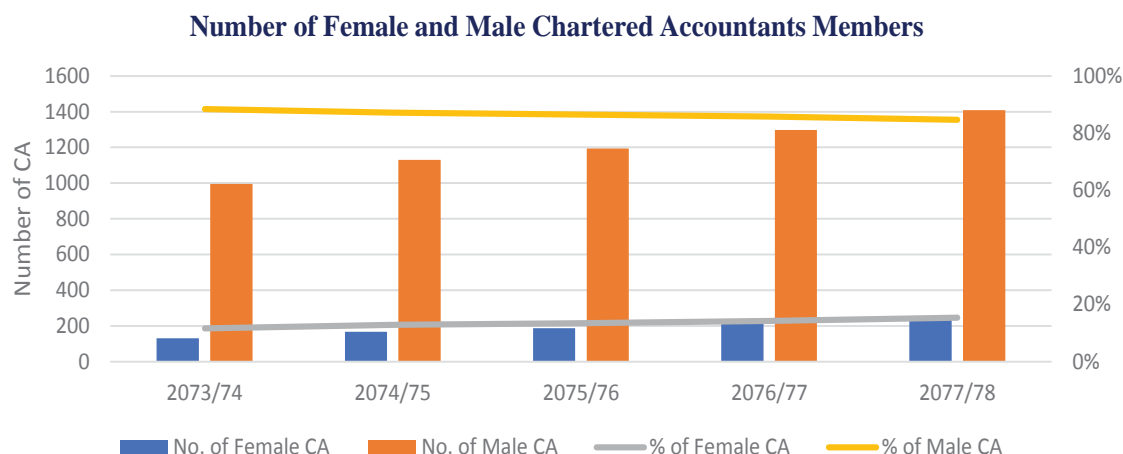


**Members 2077/78**



**Practicing and Non-Practicing CA Members**





### 3. Regulations and Supervision of our Members

#### 3.1. Code of Ethics

The Institute has issued Handbook on the Code of Ethics for Professional Accountants, 2018 which is effective as of or after 15th June, 2019. Besides, the Code of Ethics following guidelines are also applicable to its members:

- Guidelines on Continuing Professional Education
- Guidelines on Professional Appointments
- Guidelines on Non-Compliance with Laws and Regulations
- Guidelines on Marketing Professional Services
- Guidelines on Custody of Client Asset
- Guidelines on Network Firm

#### 3.2. Audit Firm Quality and Minimum Audit Fee Guideline, 2078

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.

#### 3.3. 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.

#### 3.4. 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.



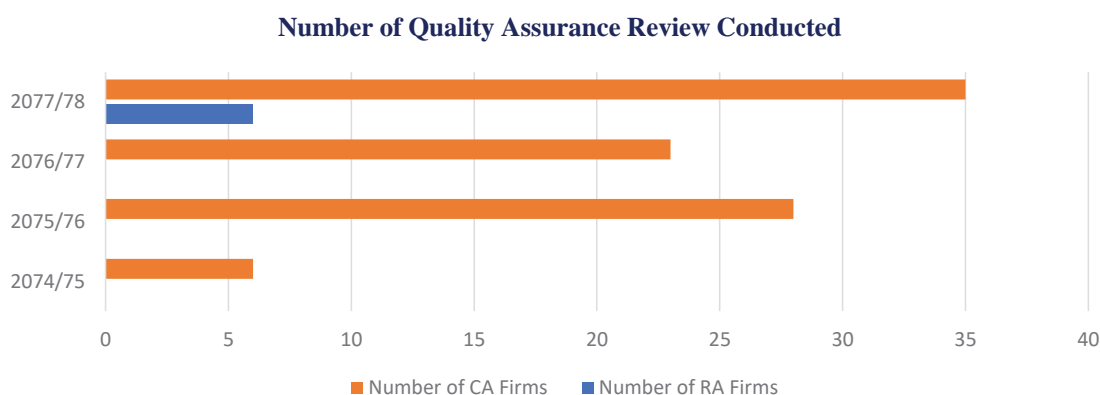
### 3.5. Quality Assurance Review

The Quality Assurance activities normally constitutes all activities necessary to fulfill Institute's responsibility of audit quality monitoring of audits carried out by its member firms intended at ensuring and upholding public confidence in audit and trust in the accounting profession. To achieve such goals and objectives, the Quality Assurance System has to cover the following points within its scope:

- Review of firm's system of quality control as required by NSQC-1 (ISQC-1) – whole firm
- Review of compliance to Nepal Standards on Auditing and Code of Ethics – selected audits
- Review of compliance to applicable laws and regulation – selected audits

#### Number of 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 98 Audit Firms till fiscal year 2078 out of which, 92 were Chartered Accountants Firms and 6 were Registered Auditor Firms. Out of which, 11 were the follow up review.



#### Result of Quality Assurance Review:

All the reviewed firms will be assigned grades of audit quality based upon the Marking and Grading Tool approved for use by the QAB that complies with the broad categories of audit quality as prescribed in the QA manual. Though this assignation of grades by the QAU is subject to further evaluation and ratification by the QAB.

The Marking and Grading Tool is a 100 marks checklist to include 30 marks to firms system of quality control and 70 marks to engagement level performance quality (20, 30 and 20 marks respectively for planning, execution and completion of audit engagement) which are further sub marked in detail under each of these categories. The firms will generally be graded in the following manner based upon the scores assigned to them after their review visits:

#### Marks

Firms obtaining Marks above 80  
 Firms obtaining Marks equal or above 60 but, below 80  
 Firms obtaining Marks equal or above 40 but, below 60  
 Firms obtaining Marks below 40

#### Grading/Category

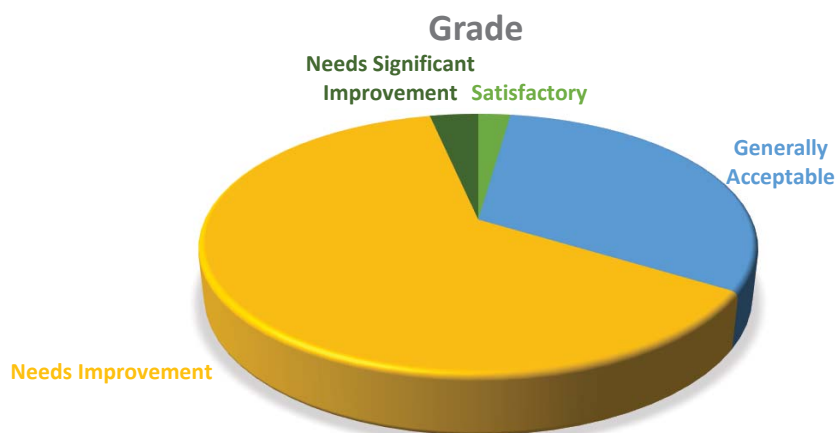
Satisfactory  
 Generally Acceptable  
 Need Improvement  
 Need Significant Improvement

Where,

- Satisfactory : Substantially Compliant with or without minor issues.
- Generally Acceptable : Issues are there but relatively minor and firm has willingness and capability to make improvements
- Need Improvement : Issues are there which are serious and requires urgent actions in view of audit quality and firm has to provision necessary resources and or willingness to make improvements
- Need Significant Improvement s: Firm has done gross negligence in audit and it has identifiable negative outcomes, and firm doesn't express the required commitment in terms of capability and willingness, or such commitment cannot be relied upon

After the firms are given the marks as above, they are further checked in terms of any critical issues they have. The presence of critical issues may result in bringing down the firm's grades even if the number scored represents the higher grade as above. The score obtained by the firms is a measure of to what extent the requirement of all areas of firms system and audit quality has been complied with and takes into account the responses of the firm in the issues identified. Grades are assigned to the firms such that the QA unit will be able to track the improvements made by the firms and because it contains some limitations, it is not for purpose of disclosures to the firm on an individual basis. The marking sheet is prepared in line with above conceptual meaning of the grades.

Out of Total 98 Chartered Accountancy firm's reviewed by QAU, the QAB has finalized the marking and grading and approved the quality assurance review report of 89 firms. Currently, marking system for review of Registered Auditor's firm has not been made. The further action for RA firms reviewed is based upon the nature of observation noted during review. And, the grading of the CA firms is presented below:



#### **Actions to Audit Firm on the basis of QA reviews**

Potential actions to audit firm are linked to the grades of audit quality the firm obtains. Currently, the QAB has devised following actions to audit firms which are being quality reviewed on routine cycle based upon Rule 103 of Nepal Chartered Accountants Rules 2061, clause 11 of Audit Quality Assurance Review Procedure 2017 and the QA Unit Procedures Manual 2020.

- Satisfactory: Nothing is to be done, just inform that the visit process has been completed
- Generally Acceptable: Attention of the firm is drawn through the Closure letter



- Need Improvement: Either status of progress is asked for or a follow up review visit is scheduled for next year based upon gravity of the issues. Firm is made aware to make the improvement on an urgent basis through Closure Letter.
- Need Significant Improvement: Notified to Council for necessary considerations and made aware to make improvement on urgent basis along with follow up visit next year.

The firms were accordingly sent the information on actions through closure letter but without disclosing the grades assigned. But, if the firms are not seen making improvements even after follow up visit, they may be further considered by the Board for whether they need to be recommended to Council for necessary actions for consistence compromise of audit quality. The possible actions, under current legislation, could attract disciplinary proceedings. Other potential actions and charges for follow up visits are under discussion and consideration for necessary amendments in the rules and procedures.

## **4. Our Students**

### **4.1. About Chartered Accountancy Education Course**

On 3rd and 4th December, 1999 the Institute organized a Launching Ceremony of ICAN Chartered Accountancy Course as a formal announcement in 39th SAFA Assembly and a SAFA International Seminar on “South Asian Accountant in the New Millennium”. Amidst a grand function in December 1999, the Institute declared opening of student’s registration in Chartered Accountancy Professional Course. This was indeed a landmark created in the history of accounting profession development in Nepal. Altogether 24 students enrolled for entry-level Foundation Course and 2 students for Intermediate level professional course.

In 2003, ICAN had formed a sub committee to review the syllabus of Chartered Accountancy Course referring to the syllabus in use in SAFA Countries, ICAEW, ICA Scotland for Foundation Level, Intermediate Level and Final Level. The sub-committee after referring to syllabus of above accounting professional bodies submitted syllabus review concept paper to the Council which was approved by the Council and assigned a consultant to develop the course structure. The consultant provided their report as under to pursue the CA Course in Nepal:

<b>Foundation Level</b>	7 Subjects
<b>Intermediate Level</b>	7 Subjects
<b>Final Level</b>	8 Subjects

In 2005 ICAN had developed an action plan for bilateral cooperation between ICAN and ICAI for technical assistance to improve the education system of ICAN and ICAI had provided its recommendations and comments on the curriculum developed by the ICAN.

In 2006, ICAN had formed education sub-committee to develop the study material of Corporate Laws, Direct Taxes and Indirect Taxes for Intermediate Level and Final Level to update the syllabus in line with changes in the national Corporate and Tax Laws. After incorporation of changes suggested in the syllabus following course structure was designed for the CA education.



Foundation Level	Intermediate Level	Final Level
Paper 1: Fundamentals of Accounting	Paper 1: Advanced Accounting	Paper 1: Advanced Financial Reporting
Paper 2: Fundamental of Economics	Paper 2: Auditing	Paper 2: Advanced Financial Management
Paper 3: Business Communication	Paper 3: Business and Commercial Laws	Paper 3 Advanced Auditing
Paper 4: Mathematics and Statistics	Paper 4: Financial Management	Paper 4: Corporate Laws and Secretarial Practice
Paper 5: Management and Organizational Relations	Paper 5: Cost & Management Accounting	Paper 5: Management Information & Control System
Paper 6: Fundamental of Information Technology	Paper 6: Business Communication and Marketing	Paper 6: Advanced Taxation
	Paper 7: Taxation	Paper 7: Advanced Cost and Management Accounting
		Paper 8: Strategic Management & Decision-Making Analysis

The above revised syllabus recommended by the sub-committee was approved by the Council to be effective from December 2007. Similarly, in 2007 ICAN had hired consultants to develop study materials of different levels which are as under:

Foundation Level	Intermediate Level	Final Level
Mercantile law	Income tax and VAT	Direct Tax
Economics	Economics	Indirect Tax

In 2009, ICAN appointed the resource persons in order to develop its own study material of Foundation Level, Intermediate Level and Final Level of Chartered Accountancy Course to discontinue the practice of using study materials being provided by the ICAL.

In 2010, syllabus was revised to accommodate few changes in the subjects and second edition of student manual was developed containing the following modules after incorporation of those changes:

CAP-I(Foundation)	CAP-II (Intermediate)	CAP-III (Final)
Paper 1: Fundamentals of Accounting	Paper 1: Advanced Accounting	Paper 1: Advanced Financial Reporting
Paper 2: Fundamental of Economics	Paper 2: Auditing and Assurance	Paper 2: Advanced Financial Management
Paper 3: Business Communication	Paper 3: Corporate and Other Laws	Paper 3 Advanced Auditing and Assurance
Paper 4: Mathematics and Statistics	Paper 4: Financial Management	Paper 4: Corporate Laws
Paper 5: Management and Organizational Relations	Paper 5: Cost & Management Accounting	Paper 5: Management Information & Control System
Paper 6: Fundamental of Information Technology	Paper 6: Business Communication and Marketing	Paper 6: Advanced Taxation
	Paper 7: Income Tax and VAT	Paper 7: Advanced Cost and Management Accounting
		Paper 8: Strategic Management & Decision-Making Analysis

Further in 2010 different committees were formed to review and revise following subjects:

- Financial Accounting & Auditing
- Financial Management and Management Accounting
- Corporate Law and Taxation
- Business communication/Economics/Management
- Information Technology and QT

In 2011, ICAN first time provided its students of all levels with study materials developed of its own.

The process of revision in syllabus being continued every year of which major revision in the syllabus was done in 2013 and 2016 which being carried till 2018 with required accommodation of country prospect changes. The existing syllabus in use by the Institute is as under:

CAP-I	CAP-II	CAP-III
Paper 1: Fundamentals of Accounting	Paper 1: Advanced Accounting	Paper 1: Advanced Financial Reporting
Paper 2: Part A: Mercantile Law Part B: Fundamentals of Economics	Paper 2: Audit & Assurance	Paper 2: Advanced Financial Management
Paper 3: Part A: Fundamental of Management Part B: Commercial Mathematics and Statistics	Paper 3: Corporate & Other Laws	Paper 3 Advanced Audit & Assurance
	Paper 4: Financial Management	Paper 4: Corporate Laws
	Paper 5: Cost & Management Accounting	Paper 5: Management Information & Control System
	Paper 6: Business Communication and Marketing	Paper 6: Advanced Taxation
	Paper 7: Income tax & VAT	Paper 7: Advanced Cost and Management Accounting
		Paper 8: Strategic Management & Decision-Making Analysis

### Roadmap to Upgrade Syllabus

In 2015, the Department for International Development (DFID, UK) awarded Institute of Chartered Accountants in England and Wales (ICAEW) a project grant to help strengthen the training and certification of professional accountants in Nepal – effectively the professional qualification (PQ). This included benchmarking the PQ against international comparators. A key objective of this work is to provide recommendations to guide the Institute of Chartered Accountants of Nepal (ICAN) in redesigning its PQ, so as to strengthen professional accounting capacity in Nepal and position the PQ for wider international recognition.

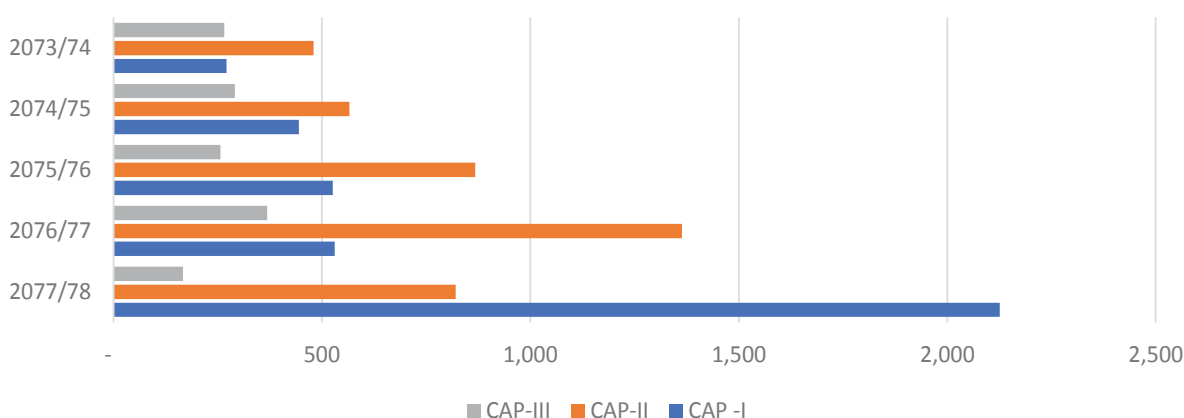
In this regard two consultants of ICAEW visited Nepal in 2016 to understand the CA course being offered by the ICAN to determine the scope for enhancement in the syllabus by interacting with ICAN Officials, Government Officials, Practicing Members and Tuition Providers. They submitted their Professional Qualification: Review and Roadmap report in 2016 which was tabled at 203<sup>rd</sup> Council Meeting for discussion. The Council decided to proceed with the suggestions provided in the report of the consultant by considering the resources available with the Institute.

To take up the suggestions of the ICAEW consultants and to proceed with revision of CA Syllabus, the 222nd Council Meeting decided to have meeting with ICAEW by visiting their office in London and a team of high-level representatives of ICAN visited ICAEW office in the month of March 2018 to finalize the process of syllabus twinning/revision. ICAN President CA. Prakash Jung Thapa, Immediate Past President CA. Mahesh Khanal, Past President CA. Prakash Lamsal and Council Member RA. Surya Prasad Adhikari had detailed meetings with ICAEW senior officials including Vice President of ICAEW on 19-20 March 2018 in London. The high-level team discussed on subjects, course contents, books and learning materials, examination system and procedures, methodology and estimated cost of this revision project. At present, the ICAN is in process of syllabus revision/twinning.

The status of our students as at end of Poush, 2078 has been presented below:

Total Active Students	
Enrolled in CAP- I Level	4,966
Enrolled in CAP- II Level	4,732
Enrolled in CAP- III Level	1,915

Number of New Students Registration



#### 4.2. About Accounting Technician (AT) Education Course

The provision for Accounting Technician (AT) education course was introduced by Nepal Government by publishing notice in Nepal Rajpatra on 2059/04/01 in accordance with provision of Section 29 of Nepal Chartered Accountants Act. The major objective for introduction of Accounting Technician was to make a separate arrangement, regarding audit of entities other than companies or commercial establishments registered under Company Act. As per the notice published in Nepal Rajpatra the ICAN was authorized for carrying on following activities:

- Development of course materials for AT Course
- Conducting AT Examination at least once in a year
- Issue certificate to those qualifying the AT Course
- To organize necessary trainings for Accounting Technicians
- To regulate the conduct of Accounting Technicians and carry disciplinary procedures
- To execute the above activities by itself or prepare guidelines for execution of same by other entities.



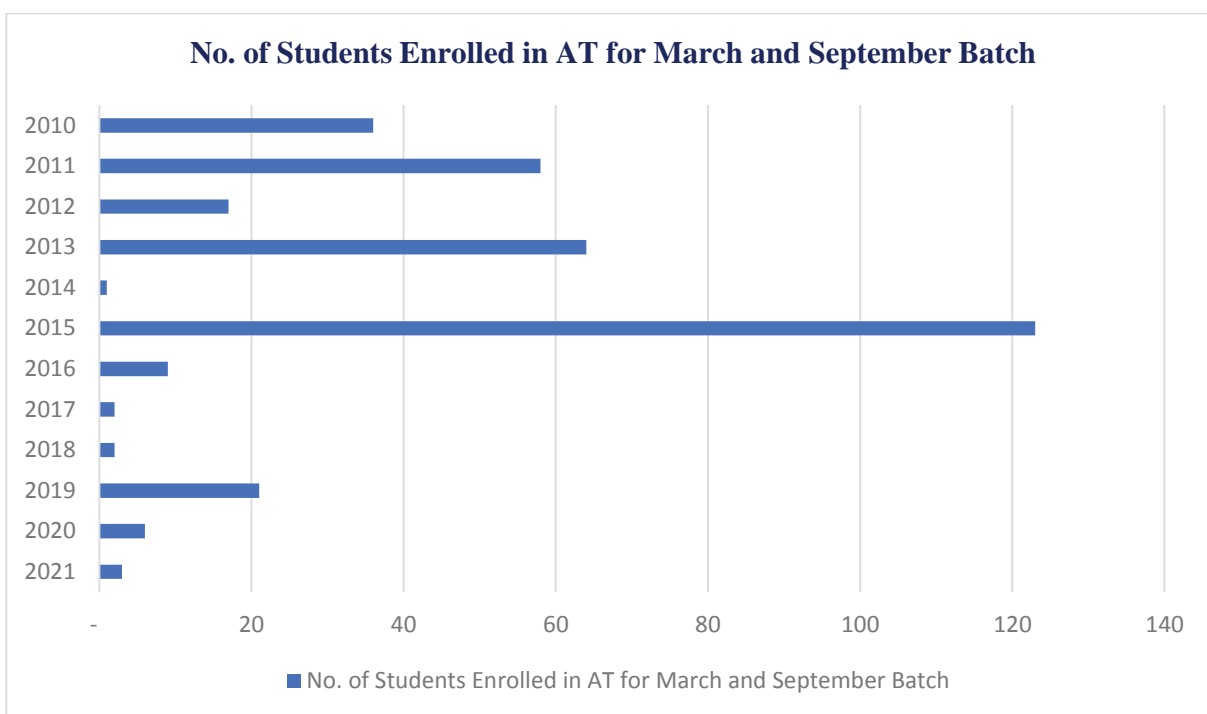
As per the amended, Nepal Chartered Accountants Act, 2053 the Institute can make necessary arrangement to produce, train, register and regulate accounting technician as per the need. Accordingly, AT education was introduced in the year 2010 for the mid-level segment of the accountancy profession. The education comes under the purview of an AT Board governed by ICAN under ICAN Act 1997. The syllabus of the AT course consists of 4 subjects covering the topics of Advanced Accounting, Audit and Assurance, Corporate and Other Laws and Tax Laws and 2 of them has 2 different papers for each. Likewise, Practical experience of 18 months is required under the mentorship of a professional accountant and post qualifying, 20 hours of CPE is required per annum to renew the qualification. Moreover, Qualified AT members are subject to the IFAC Code of Ethics and an AT Disciplinary Committee exists to investigate potential disciplinary matters, recommending any further action to the AT Board. And, ICAN has two different procedures to provide exemptions to AT to admit in Chartered Accountancy education and Vice versa.

**To be a qualified AT, followings are the eligibility criteria:**

- Completion of Bachelor's level of education from recognized university,
- Completion of Articleship training of 18 months under the supervision of professional accountants,
- Passing the eligibility test of each subjects,
- Passing the final examination of each subject,
- Passing the examination after taking 100 hrs. IT training, and
- Completion of 15 days GMCS training.

**Current status of Accounting Technician has been presented below:**

Total Students Enrolled for AT Education till date	338
Total Accounting Technician	37

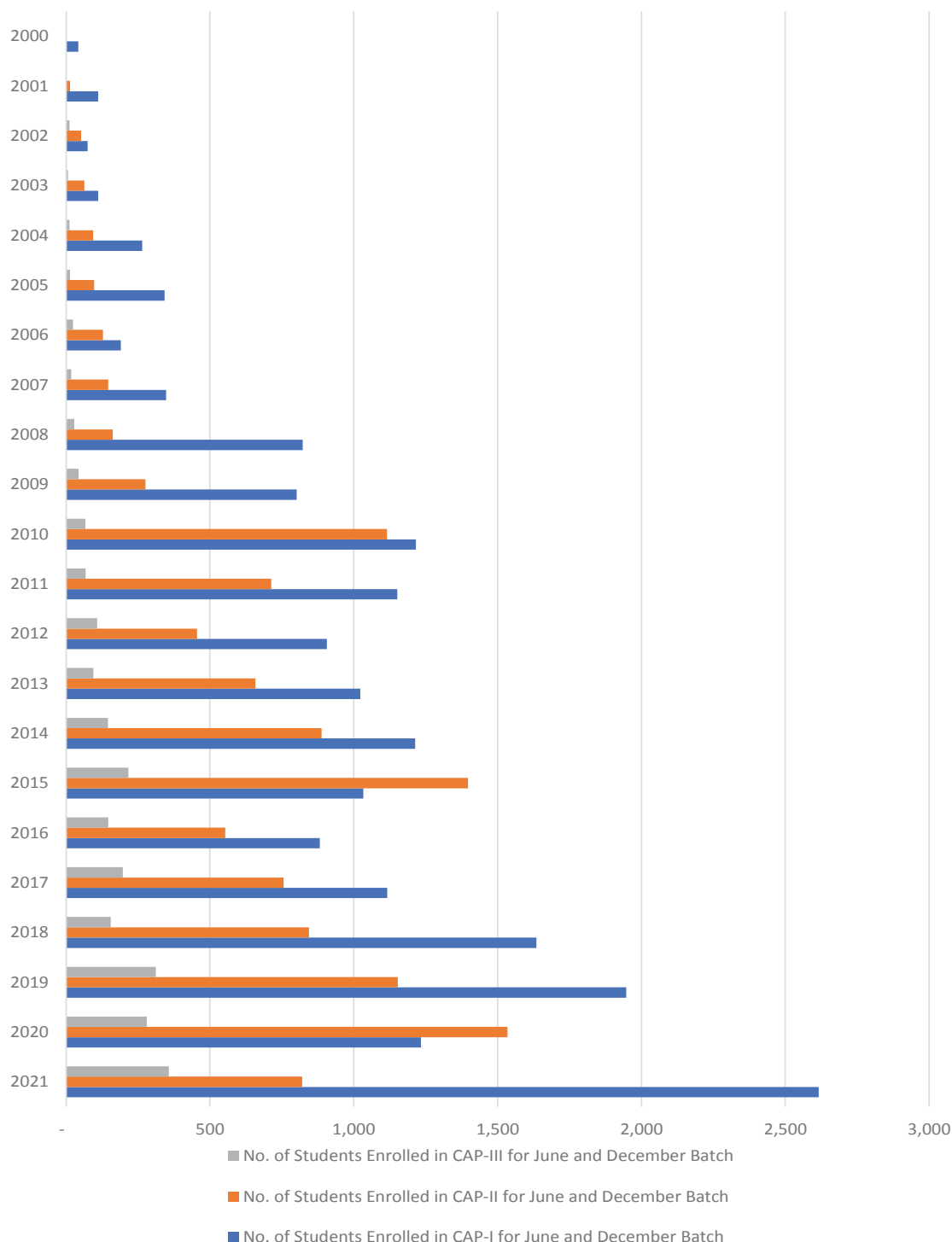


### 4.3. CA Examination:

The first professional examination took place in November, 2000. Till date, total 625 students qualified from the Institute. Likewise, CA Membership Examination commenced from June 2003 and till December 2021 altogether 923 members from foreign accountancy organization has obtained membership from ICAN.

The status of students enrolled for CA Course to appear in examination of June and December batch on year on basis are given below:

**Number of Students Enrolled for CA Examination in Year**



## 5. International Relation and Positioning

### 5.1. Technical Assistance and Memorandum of Understandings

#### First MoU with the Institute of Chartered Accountant of India (ICAI)

After pronouncement of the Nepal Chartered Act, 1997 on 30th January, 1997 the Institute in order to fulfill the immense responsibility bestowed by the Act, initiated talks with International Accountancy Bodies and Foreign Donors for their support in its institutional development. And, as a landmark during initial stage of setting up of the Institute, on 26th April, 1998 the Institute of Chartered Accountants of Nepal (ICAN) signed its first Memorandum of Understanding (MoU) in the history with The Institute of Chartered Accountants of India (ICAI) as the foundation of a foreseen future of close sovereign Institutions for developing and regulating the profession of Accounting in their respective countries of Nepal and India, as established by the Laws of the Land in those countries. And a Supplementary Agreement in continuation of the spirit of cooperation as expressed in the first MoU was signed on 25th June, 1998. The second Supplementary Agreement was signed to be specific in context of the technical and other assistance to be provided by the ICAI to the ICAN in 2017.

The MoU followed by the Supplementary Agreement with the ICAI was concentrated to depute the nominee of ICAI as an expert to ICAN to act as facilitator and consultant expert in the process of development of the profession as well as regulatory frameworks. The major scope of this MoU and Agreement were enlisted below:

1. To render assistance to ICAN to set a proper Technical Cell to provide such technical services to the Member
2. To render assistance to ICAN to set up a proper administrative system capable of accomplishing the following tasks:
  - a. Processing disciplinary cases in accordance with the rules framed thereto by the Council of the ICAN.
  - b. Processing all matters relating to Members of ICAN and provide such services to them as are mandatory under the Nepal Chartered Accountants Act of Nepal and as may be desired by the Council of the ICAN.
  - c. Maintaining and updating the roster of Members and the file of each individual member.
  - d. Maintain the Public Relations of the Institute.
  - e. Servicing all the Standing and Non-standing Committees of the Council.
  - f. Providing proper backup administrative support to the Council to the Institute in any matter as may be desirable.
  - g. Administering the process of admittance into membership of the Institute.
3. To render assistance to ICAN to set up a proper system of examinations and to advise regarding the formation of a properly systematized Board of Studies to facilitate and regulate the program of education and qualification for students undergoing the course of CA. This includes, inter alia, the following:

Advising on;

  - a. Designing and development of study materials
  - b. Designing and developing monitoring systems for students.

- c. Designing, developing examination systems.
- d. Designing and developing training guides etc. for students.
4. To render assistance to ICAN to set up a proper Technical Cell to provide such technical services to the Members of the ICAN as may be desired by the Council of ICAN for addressing, inter alia, the following aspects:
  - a. Development of Guidance Notes
  - b. Development and/or adaptation/adoption of Accounting and Auditing Standards.
  - c. Providing Expert opinion on various technical issues.
  - d. Such other matters as may be agreed.
5. To render assistance to ICAN to put practice a program for Continuing Professional Education, including, inter alia, the following:
  - a. Development of CPE Calendar
  - b. Design and development of CPE background material
  - c. Conducting of CPE courses
  - d. Such other matters as may be agreed.
6. To help ICAN to undertake a well formulated program of Research.

As an enforcement of MoU for technical assistance between ICAI and ICAN, ICAI deputed their expert for delivering the assistance as specified in the MoU. During that period, a senior Joint Director of Studies of ICAI Mr. Vijay Kapur, paid a number of visits in the capacity of a Special Officer on Duty/Nepal. And, under his direct supervision backed up by the team of experts of ICAI in India, ICAN setup a system for education, examination, student's registration, library establishment and other areas needed to demonstrate ICAN as an efficient and effective regulatory body of accounting profession.

### **DFID-SEA Project Grant**

Moreover, in the initial phase of institutionalization of ICAN, donor agencies were very positive and supportive to provide technical and financial assistance to set up the Institute. Amongst, them Department for International Development, South East Asia (DFID-SEA) demonstrated keen interest to assist the Institute in technical aspects and a project scoping proposal was developed with DFID's assistance and exact area of cooperation were identified. Accordingly, on 8th November, 1998 a Service Agreement was signed with DFIF-SEA under Enabling State Program Nepal of NPR 940,000.

### **HMG/N and ADB Technical Assistance**

As, the Institute demonstrate its importance in financial sector reform process of the country, several multilateral agencies like the World Bank and Asian Development Bank also expressed their interest to participate in the development of the Institute. World Bank officials including Mr. Jules Muis, Vice-President and several consultants visited ICAN and met the office bearers and assured of substantive support to the Institute.

On 12th January, 1999 Government of Nepal (GON) and Asian Development Bank (ADB) agreed to undertake a Technical Assistance Program "Capacity Building for Accounting and Auditing



Profession in Nepal” to be funded by ADB and to be executed by the Institute. The total cost of the Technical Assistance was USD 788,000 of which ADB agreed to finance USD 668,000 and rest USD 120,000 was to be borne by HMG/N and ICAN. After the evaluation of five different International biddings, ADB awarded the contract to the Institute of Chartered Accountants of Australia to successfully conclude this Technical Assistance.

The main objectives of this Technical Assistance were as follows:

- a. To assist ICAN in drafting a long-term business plan
- b. To assist in setting up Accounting Standard Board and auditing Standard Board
- c. To educate, train and enrich the members of Boards in IAS and IAuS
- d. To assist ICAN to draft a CA curriculum of International Standard

And in May 2000, President CA. Kaushalendra Kumar Singh visited ADB Headquarter in Manila to finalize the negotiation. Subsequently, in June 2000 a team of consultants led by Mr. Kevin Stevenson made first visit to the Institute and submitted their inception report. Other members of the team were international consultants Mr. Allen Blewitt and Prof. Colin Ferguson and domestic consultant CA. Komal Bahadur Chitrakar, Dr. Bijya KC and Mr. Nilan Shakya. The project completed in 2001.

## 5.2. International Affiliation:

At present, 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, Sri Lanka and Afghanistan. ICAN became the member of SAFA in 1997.

## 5.3. International Recognition:

The first amendment in the Nepal Chartered Accountants Act, 2053 on 2059/03/24 has created avenues for International Recognition of CA members as it removed the provision for requirement of being Nepalese Citizen to obtain membership of ICAN. After, this the ICAN has entered into Mutual Recognition Agreement (MRA) with other International Professional Accountancy Organizations (PAOs) for recognition of members.



The Institute has signed its first Mutual Recognition Agreement with the ICAEW on 03rd October, 2016. The Institute renewed Recognition Agreement (The ICAEW/ ICAN Membership and Examination Arrangements) with the Institute of Chartered Accountants in England & Wales (ICAEW), UK in 23rd March, 2021. The objective of this recognition agreement is to enhance the existing good relations and fruitful cooperation between the two institutes and to accelerate the development of the accountancy profession.



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



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 Membership Pathway Agreement with CPA Australia on 10<sup>th</sup> March, 2016.



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



The Institute has signed Memorandum of Understanding (MoU) with Association of International Certified Professional Accountants (AICPA) on 31st May, 2019.



The Institute signed Mutual Recognition Agreement (MRA) with The Institute of Chartered Accountants of India (ICAI) on 22nd October, 2020. 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. Prior to this MRA, ICAN has signed MRA/MOU with ICAI on 1998, 2004 and 2017.

**Besides the above, ICAN has signed MoU and Technical Collaboration Agreement with following PAOs:**



The Institute has signed Memorandum of Understanding with Malaysian Institute of Accountants on 10th May, 2013.



The Institute has 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)



The Institute has signed Technical Collaboration Agreement with The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) on 05th January, 2022 with the objective to work towards strengthening, promoting and developing the accountancy profession on the basis of equality and mutual benefits.

## 5.4. 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 in 2018.

### 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 the 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.

## 5.5. The Time Line

Year	International Milestone
1997	▪ Membership of the South Asian Federation of Accountants (SAFA)
1998	▪ Signed MoU for Technical Cooperation with the Institute of Chartered Accountants of India (ICAI) ▪ Membership of the Confederation of Asian and Pacific Accountants (CAPA)
1999	▪ Government of Nepal signed Technical Assistance Agreement with Asian Development Bank (ADB) for capacity building of ICAN for a project of 12 months period.
2003	▪ ICAN became Associate Member of the International Federation of Accountants (IFAC)
2004	▪ Signed Second MoU with the Institute of Chartered Accountants of India (ICAI)
2008	▪ ICAN became full Member of the International Federation of Accountants (IFAC)
2013	▪ Signed MoU with Malaysian Institute of Accountants (MIA)
2015	▪ Signed MoU with Asian Development Bank (ADB) for piloting Audit Quality Assurance Systems Road Map
2016	▪ Signed Membership Pathways Agreement with the Certified Public Accountant (CPA) Australia ▪ ICAN signed Mutual Recognition Agreement with the Institute of Chartered Accountants in England and Wales (ICAEW)
2017	▪ Signed Technical Cooperation MoU with the Institute of Chartered Accountants of India (ICAI)
2018	▪ Signed MoU with the Chartered Institute of Public Finance and Accountancy (CIPFA) for advancement of High Quality Public Financial Management. ▪ Signed Mutual Recognition Agreement (MRA) with the Chartered Accountants Australia and New Zealand (CA ANZ) ▪ ICAN opened its abroad Chapter in US and Australia ▪ Opened first abroad Chapter in Australia and US
2019	▪ Signed Mutual Collaboration Agreement with the Association of Chartered Certified Accountants (ACCA) ▪ Signed MoU with the American Institute of Certified Public Accountants (AICPA)
2020	▪ Signed Mutual Recognition Agreement with the Institute of Chartered Accountants of India (ICAI)
2021	▪ Signed Recognition Agreement with Institute of Chartered Accountants in England and Wales (ICAEW) ▪ Signed Memorandum of Understanding (MoU) with The Institute of Internal Auditors, India (IIA, India)
2022	▪ Signed Memorandum of Understanding with The Institute of Chartered Accountants of Sir Lanka (CA Sir Lanka)

Year	National Milestones
2016	Signed Memorandum of Understanding (MoU) with Pokhara University (PU) to establish mutually beneficial relationship between PU and ICAN.
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
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

## 6. Initial Setup and Development

**ICAN's MOTTO:** *“Punantu Mansaa Dhiyam” which means, “Purity of Mind and Clarity of Wisdom.”*

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।

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. Therefore, we 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:** The initial Mission of ICAN was **“ICAN to be recognized as a respectable professional accounting body, providing leadership on standards, education and self-regulation in Nepal”** which was latter on changed to **“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 practice so as to make the accounting profession respectable and reliable.

## STRATEGIC DIRECTION

The Institute has system of formulating three years strategic plan to provide roadmap for next three years. The ICAN developed its first strategic plan for term 2071/72 – 2073/74, then for 2074/75 – 2076/77 which was also used during the Fiscal Year 2077/78. Currently the ICAN's activities are guided as per the strategic objective and direction laid down in its strategic plan 2078/79 – 2080/81. The Key Strategic Domain and Strategic Objectives of the Strategic Plan 2078/79 – 2080/81 are:

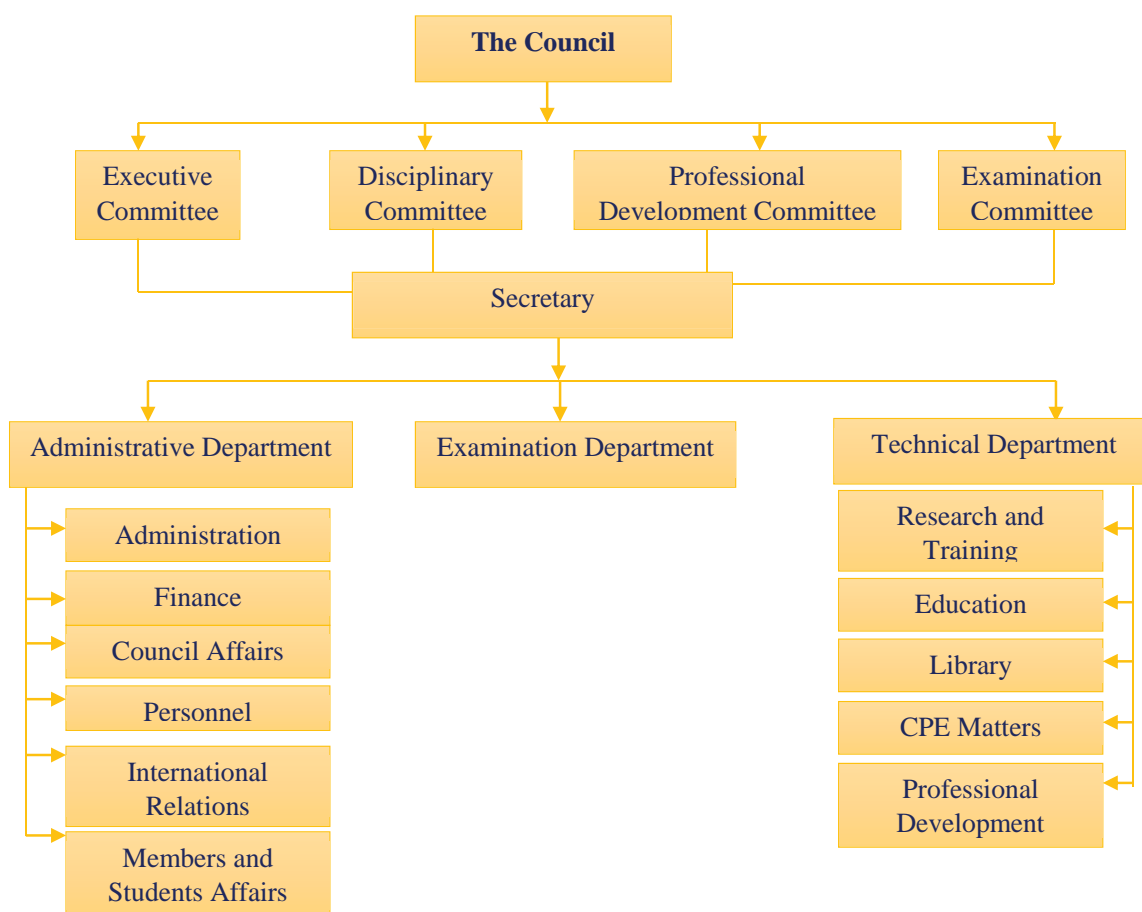
<b>Strategic Domain 1: Regulation and Supervision</b>	<b>Strategic Domain 2: Professional Development</b>
<b><u>Strategic Objectives:</u></b> Strengthen the legal framework of the Institute to enhance the regulatory and supervisory power and functions of the Institute and demonstrate as a responsive Professional Body and Regulator.	<b><u>Strategic Objectives:</u></b> 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.
<b>Strategic Domain 3: Education</b>	<b>Strategic Domain 4: National Relation: Public and Government</b>
<b><u>Strategic Objectives:</u></b> Deliver International level education, training and professional development opportunities in line with the International Educations Standards to create global professionals.	<b><u>Strategic Objectives:</u></b> 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.
<b>Strategic Domain 5: International Relation: Global Positioning and Leadership</b>	<b>Strategic Domain 6: Institutional Development and Sustainability</b>
<b><u>Strategic Objectives:</u></b> 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.	<b><u>Strategic Objectives:</u></b> Ensure organizational effectiveness through appropriate structure, resources and process reengineering.

## 6.1. Administrative Set-Up

### 6.1.1. Organizational Structure

The first organogram of the Institute approved by the first Council during 1997-2000 consist of three departments namely Administrative, Examination and Technical Department and there were various sections under these departments. Technical Department oversees all the educational, professional and technical activities. Administrative Department was responsible for administrative functions like finance, personnel, stores, council affairs etc. And Examination Department oversees the activities relating to the examination.

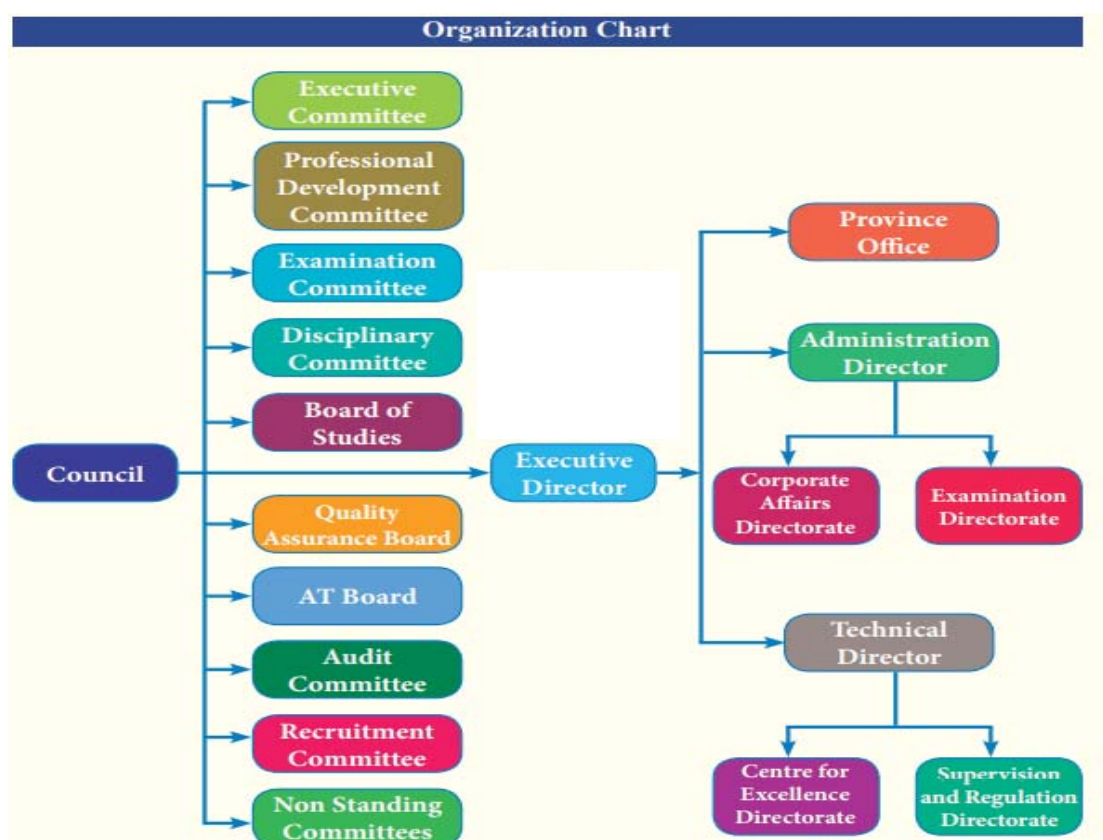
#### First Organogram of ICAN – (1997-2000)



The Institute has undergone few revisions to its organogram during last two decades, the recent organizational revamping took place in Fiscal Year 2076/77 to centralize the functioning of management under two Directorates, Technical Directorate and Administrative Directorate.

The Technical Directorate has been made responsible to cater specialized services through Center for Excellence in the areas of Quality Assurance, Disciplinary Actions, Monitoring Activities, Information and Technology, Research and Survey etc., whereas the Administrative Directorate has been made responsible to handle day to day and ongoing recurring activities of the Institute in systematic way. Likewise, revised Organogram has facilitated positioning of qualified Chartered Accountants at various technical positions to provide dedicated services to the members, students and stakeholders.

### Organogram of ICAN — (2020-2021)



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).

#### 6.1.2. Human Resource

The Institute started with a mere two staff to assist the Secretary in 1997 and within three years i.e., by the end of Fiscal Year 1999/2000, the Institute had a work force of eight well-educated and efficient staffs in different levels. The Staff who served the Institute during the initial setup period are as follows:

Designation	Name of the Staff	Qualification
Secretary	Mr. Purushottam Lal Shrestha	M.Com, B.L, M.Soc Science
Deputy Director	CA. Parakram Sharma	B.Com., CA
Admin. Officer	Mr. Binod Prasad Neupane	M.B.A.
Technical Officer	Ms. Goma Raut	M.B.A
Assistant	Mr. Bikram Zoowa	M.Sc
Assistant	Mr. Netra Kumar Rana	M.Sc.
Assistant	Ms. Samjhana Uprety	B.A.
Assistant	Mr. Mahesh Chitrakar	I.Com.
Office Assistant	Mr. Bhola Ghimire	
Office Assistant	Mr. Khornath Lamichhane	

Out of the above staffs Mr. Binod Prasad Neupane, Ms. Goma Raut, Mr. Mahesh Chitrakar, Mr. Bhola Ghimire and Mr. Khornath Lamichhane has been continuously serving the Institute respectively for more than two decades.

During the end of Fiscal Year 2020/21 there are altogether 66 staff serving at the ICAN

<b>Total Number of Employees</b>	<b>66</b>
Permanent Employee	36
Contract Employee	30
Employee at Head Office	54
Employee at Branch Office	12
<b>Number of Chartered Accountants Employee</b>	<b>9</b>

The institute has been updating its internal Bye-Laws and Procedures as per the statutory requirement and for the effective and efficient operation of the Institute. During the Fiscal Year, 2021/22 Public Service Commission has conducted examination to full fill the vacant position of staffs in the Institute and the final placement followed by result and interview of candidates is expected to be completed soon.

## 6.2. Finance

The annual renewal fee and one-time membership application fees paid by the members used to be the major source of revenue of the Institute at its early stage whereas, revenue from education program constitute a nominal share in the total revenue of the Institute. However, in present context with gradual increase in the flow of students towards Chartered Accountancy Education the income from educational and examination activities contribute more than 65% of Institutes revenue whereas, the share of revenue from Members and Professional Development activities is around 15% of total revenue. The Institute has been receiving a fixed block grant from government since its inception. The amount of annual government grant received during last few year amounts to NPR 12 lakhs which used to be NPR 4 lakhs during the initial stage.

The accumulated reserve of the Institute as per its first audited financial statement for the year ending 1997/98 was NPR 18.33 lakhs which has now reached to NPR 5,867.6 lakhs as per the audited financial statement of Fiscal Year ending 2020/21. The Institute has prepared its first NFRS Compliant Financial Statement for the Fiscal Year ending 2016/17.

The Institute used to be tax exempt entity up to year 2016/17 however, from the financial year 2017/18 Institute started to pay income tax on its surplus income.

The management prepares its Annual Budget and Program in line with the Strategic Plan which is executed after approval from Council. Likewise, revision to the approved budget on need basis is made after obtaining approval from the Council. Institute has been conducting periodic internal audit in order to identify the weakness in the internal control system and timely identification of risks. Discrepancies identified during the audit period are timely resolved and suggestion are put into action for effective and smooth operation of the Institute.

## 6.3. Physical Infrastructure

The first office of the Institute was set up in a rented building at Babaharmahal, Kathmandu. The Institute started collection of amounts for building fund from its Members at the time of renewal of



membership and from students at the time of registration. On 9th November, 2009 the Government of Nepal provided its land at Satdobato, Lalitpur on lease to the Institute under fifty years of lease agreement and within nineteen year of its establishment, on 13th July, 2014 ICAN shifted to its own building. The building was inaugurated by Rt. Hon'ble President of Nepal Ram Baran Yadav. Members and other stakeholders made significant contribution in the building fund of the Institute. The main building of the Institute was setup at the cost of around NPR 16.60 Crores. The Institute still continues to collect the amount for Building Fund with the determination to set up its own building at province level as well.

As a step towards expanding its services to the Members and Students throughout the nation, the Institute established its first branch office at Biratnagar subsequently, five branch office were set up. At present, there are altogether six branch office of ICAN at Biratnagar, Butwal, Birgunj, Pokhara, Nepalgunj and Dhangadi. And, Branch Advisory Committee has been formed at every branch to oversee the activities of branch offices.

Moreover, the Institute has also signed the MoU with the Bela Adharbhat School of Dhangadhi, Beladevipur-11 to avail five kattha land for construction of Province Office building of the Institute at Dhangadi. Likewise, The Institute has signed lease agreement with the Biratnagar Metropolitan City on 5th Magh 2078 to acquire three kattha of land for thirty years to construct its own building for Branch Office in Biratnagar

#### 6.4. Intellectual Resources

The Institute has been adopting technological advancement in its operation. In the last two decades the Institute has moved towards digitalization of its activities and has induced Enterprise Resource Planning for managing the operation within a centralized and integrated system. Likewise, multiple web-based application has been developed for facilitating the Students and Members. And, the Institute has been operating its official website and social media site like; Facebook, YouTube and LinkedIn as well as its Mobile Application for delivering timely information to its users and facilitating the Members and Students.

<b>Web Based Application for Members</b> a. Member's Login <ul style="list-style-type: none"> <li>Online Membership Renew</li> <li>Online Certificate of Practice Renew</li> <li>Online Firm Renew</li> <li>Nissa</li> <li>Online Know Your Members Form (KYM)</li> <li>Online Audit Information</li> <li>Claim Your CPE</li> </ul> b. Online CPE <ul style="list-style-type: none"> <li>Recorded Video</li> <li>Examination Module</li> </ul> c. Unique Document Identification Number (UDIN)	<b>Web Based Application for Students</b> a. Student's Login <ul style="list-style-type: none"> <li>Online New Student Registration for CAP I, CAP II and CAP III Level</li> <li>Online Board Examination Form</li> <li>Online Pretest Examination</li> <li>Online Revision Class</li> </ul> b. Online Membership Exam Form
<b>Online Payment System</b> <ul style="list-style-type: none"> <li>Himalayan Bank Online Payment Gateway</li> <li>E-Sewa</li> <li>Connect IPS</li> </ul>	<b>Online Meeting Platform</b> <b>SMS Notification System</b>

The Institute with its objective to facilitate its members and to excel in technological advancement is under consideration of developing an integrated ERP System to replace the existing ERP. Likewise, the Institute is under taking regular upgrading of the existing application.

## 7. Accounting Standard Board and Auditing Standard Board

### 7.1. The Accounting Standards Committee and Standards on Auditing Committee

The first enacted Nepal Chartered Accountants Act, 2053 did not provisioned for establishment of Accounting Standard and Auditing Standard Board. But the development of standards was felt urgent, the Council has, while amendment in the Act was in pipeline, formed two separate Standards Committees, under the Chairmanship of its two separate Presidents and made progress in preparing exposure drafts. These two committees were expected to be formally transformed into the Boards to be constituted by Government of Nepal following the amendment of the Act.

**Accounting Standards Committee:** This Committee developed following exposure draft:

1. Framework for the preparation and presentation of Financial Statements
2. NAS-01: Presentation of Financial Statements
3. NAS-02: Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies
4. NAS-03: Cash Flow Statements
5. NAS-04: Inventories

**Standards on Auditing Committee:** This committee developed following exposure drafts:

1. Preface to Nepal Standards on Auditing
2. NSA-01: Objectives and General Principles Governing Audit of Financial Statements
3. NSA-02: Terms of Audit Engagements
4. NSA-03: Documentation
5. NSA-04: Audit Evidences
6. NSA-05: Fraud and Error
7. NSA-06: Audit and Materiality
8. NSA-07: Audit Planning
9. NSA-08: Audit Report
10. NSA-09: Audit Sampling
11. NSA-10: Going Concern

### 7.2. Establishment of the Accounting Standards Board and Auditing Standards Board

The amendment of the Act made specific provision to establish separate Accounting Standards Board and Auditing Standards Board. These Boards were fully authorized to promulgate Standards in Nepal. And, it replaced the Accounting Standards Committee and Standards on Auditing Committee constituted by the Council earlier. And, the Secretariat of Accounting Standards Board shall be stationed in the Head Office of the Institute.

### Accounting Standards Board Nepal (ASB, Nepal)

The Accounting Standards Board shall comprise of following members:

S.No.	Remarks	Designation
a.	One FCA member nominated by Government of Nepal	Chairman
b.	Representative, Ministry of Finance	Member
c.	Representative, Office of the Auditor General	Member
d.	Representative, Office of the Comptroller General	Member
e.	Company Registrar, Company Registrar's Office	Member
f.	Director General, Department of Inland Revenue	Member
g.	Chairman, Securities Board/Nepal	Member
h.	Five Chartered Accountants nominated by Government of Nepal on recommendation of the Council	Member
i.	One Registered Auditor nominated by Government of Nepal on recommendation of the Council	Member

Accordingly, as per the notification made in the Nepal Gazette, CA. Tritha Raj Upadhyay, Past President of ICAN was nominated the first Chairman of ASB, Nepal. The members of the first term of ASB, Nepal were as under:

S.No.	Remarks	Designation
a.	Mr. Tritha Raj Upadhyay, FCA	Chairman
b.	Mr. Rishi Kesh Paudel	Member
c.	Mr. Mahesh Kumar Guragain	Member
d.	Bhadreshwor Upadhyay	Member
e.	Mr. Awanindra Kumar Shrestha	Member
f.	Mr. Sushil Prasad Sharma	Member
g.	Mr. Dambar Prasad Dhungel	Member
h.	Dr. Govinda Ram Agrawal, FCA	Member
i.	Mr. Sundar Man Shrestha	Member
j.	Mr. Pradeep K. Shrestha	Member
k.	Mr. Pramod Kausik, FCA	Member
l.	Mr. Binod Rajbhandary, FCA	Member
m.	Mr. Umesh Prasad Dhakal, RA	Member

### Auditing Standards Board of Nepal (AuSB, Nepal)

The Auditing Standards Board shall comprise of following members:

S.No.	Remarks	Designation
a.	One FCA member nominated by Government of Nepal	Chairman
b.	Representative, Ministry of Finance	Member
c.	Representative, Office of the Auditor General	Member

d.	Three Chartered Accountants nominated by Government of Nepal on recommendation of the Council	Member
e.	One Registered Auditor nominated by the Government of Nepal on recommendation of the Council	Member

Accordingly, as per the notification made in the Nepal Gazette, CA. Kaushalendra Kumar Singh, Past President of ICAN was nominated the first Chairman of AuSB, Nepal. The members of the first term of AuSB, Nepal were as under:

S.No.	Remarks	Designation
a.	Mr. Kaushalendra Kumar Singh, FCA	Chairman
b.	Mr. Upendra Bhattarai	Member
c.	Mr. Dev Bahadur Bohara	Member
d.	Mr. Jagdish Agrawal, FCA	Member
e.	Mr. Swaymbhu Krishna Kansakar, FCA	Member
f.	Mr. Sudarshan Raj Pandey, FCA	Member
g.	Mr. Netra Kumar Khatry, RA	Member

### 7.3. Pronouncement of Accounting Standards and Standards on Auditing

Nepal Accounting Standards and Nepal Financial Reporting Standards (NASs and NFRSs)

The Accounting Standards Board, headed by Mr. Tirtha Raj Upadhyay, FCA, had during the year 2003/04 pronounced six Nepal Accounting Standards (NAS). This was the first time Accounting Standards issued in the history of Accounting Profession in Nepal. These six Standards were pronounced by the ICAN for implementation on the dates given here under:

NASs	Name of Nepal Accounting Standard	Effective Date
1	Presentation of Financial Statements	16 <sup>th</sup> July 2004
2	Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies	16 <sup>th</sup> July 2004
3	Cash Flow Statements	16 <sup>th</sup> July 2004
4	Inventories	16 <sup>th</sup> July 2004
5	Events After the Balance Sheet Date	16 <sup>th</sup> July 2004
6	Property, Plant and Equipment and Depreciation	16 <sup>th</sup> July 2004

Later on, Accounting Standards Board of Nepal (ASB, Nepal) has developed Nepal Financial Reporting Standards (NFRS) 2013 version in accordance with the International Financial Reporting Standard (IFRS) developed by The International Accounting Standards Board (IASB). The NFRS developed by ASB, Nepal have been pronounced by the Institute of Chartered Accountants of Nepal (ICAN) for implementation in phased manner starting from July 15, 2014 and full implementation by July 15, 2017.

Recently, the 244th meeting of the Council, in exercise of powers conferred by section 11(m) of Nepal Chartered accountants Act, 2053 had decided to pronounce NFRS 2018 version developed by ASB, Nepal. And this NFRS also includes IASB interpretations, IFRIC interpretations, SIC interpretations, and other interpretations. The pronounced standards are the updated standards in line with the IFRSs issued on 01st January, 2018 by IASB.



The list of applicable NFRS and its effective date has been presented below:

**Detail List of Nepal Financial Reporting Standards 2018**

Nepal Financial Reporting Standards (NFRSs)		
S. No.	Name of Nepal Financial Reporting Standards (NFRSs)	Effective Date
	The Conceptual Framework for Financial Reporting	16 <sup>th</sup> July, 2020
1.	NFRS 1 First-time Adoption of Nepal Financial Reporting Standards	
2.	NFRS 2 Share-based Payment	
3.	NFRS 3 Business Combinations	
4.	NFRS 4 Insurance Contracts Superseded by NFRS 17	
5.	NFRS 5 Non-current Assets Held for Sale and Discontinued Operations	
6.	NFRS 6 Exploration for and Evaluation of Mineral Resources	
7.	NFRS 7 Financial Instruments: Disclosures	
8.	NFRS 8 Operating Segments	16 <sup>th</sup> July, 2021
9.	NFRS 9 Financial Instruments	
10.	NFRS 10 Consolidated Financial Statements	16 <sup>th</sup> July, 2020
11.	NFRS 11 Joint Arrangements	
12.	NFRS 12 Disclosure of Interests in Other Entities	
13.	NFRS 13 Fair Value Measurement	16 <sup>th</sup> July, 2021
14.	NFRS 14 Regulatory Deferral Accounts	
15.	NFRS 15 Revenue from Contracts with Customers	
16.	NFRS 16 Leases	16 <sup>th</sup> July, 2023
17.	NFRS 17 Insurance Contracts	
18.	NAS 1 Presentation of Financial Statements	16 <sup>th</sup> July, 2020
19.	NAS 2 Inventories	
20.	NAS 7 Statement of Cash Flows	
21.	NAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	
22.	NAS 10 Events after the Reporting Period	
23.	NAS 12 Income Taxes	
24.	NAS 16 Property, Plant and Equipment	
25.	NAS 19 Employee Benefits	
26.	NAS 20 Accounting for Government Grants and Disclosure of Government Assistance	
27.	NAS 21 The Effects of Changes in Foreign Exchange Rates	
28.	NAS 23 Borrowing Costs	
29.	NAS 24 Related Party Disclosures	
30.	NAS 26 Accounting and Reporting by Retirement Benefit Plans	
31.	NAS 27 Separate Financial Statements	
32.	NAS 28 Investments in Associates and Joint Ventures	

33.	NAS 29 Financial Reporting in Hyperinflationary Economies	16 <sup>th</sup> July, 2021
34.	NAS 32 Financial Instruments: Presentation	16 <sup>th</sup> July, 2020
35.	NAS 33 Earnings per Share	
36.	NAS 34 Interim Financial Reporting	
37.	NAS 36 Impairment of Assets	
38.	NAS 37 Provisions, Contingent Liabilities and Contingent Assets	
39.	NAS 38 Intangible Assets	
40.	NAS 39 Financial Instruments: Recognition and Measurement	
41.	NAS 40 Investment Property	
42.	NAS 41 Agriculture	

Interpretation Name		
IFRIC		Remarks
1.	IFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	As per IFRS 2018
2.	IFRIC 2 Members’ Shares in Co-operative Entities and Similar Instruments	
3.	IFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	
4.	IFRIC 6 Liabilities arising from Participating in a Specific Market—Waste Electrical and Electronic Equipment	
5.	IFRIC 7 Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies	
6.	IFRIC 10 Interim Financial Reporting and Impairment	
7.	IFRIC 12 Service Concession Arrangements	
8.	IFRIC 14 IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	
9.	IFRIC 16 Hedges of a Net Investment in a Foreign Operation	
10.	IFRIC 17 Distributions of Non-cash Assets to Owners	
11.	IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments	
12.	IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine	
13.	IFRIC 21 Levies	
14.	IFRIC 22 Foreign Currency Transactions and Advance Consideration	
15.	IFRIC 23 Uncertainty over Income Tax Treatments	
SIC		
1.	SIC-7 Introduction of the Euro	
2.	SIC-10 Government Assistance—No Specific Relation to Operating Activities	
3.	SIC-25 Income Taxes—Changes in the Tax Status of an Entity or its Shareholders	
4.	SIC-29 Service Concession Arrangements: Disclosures	
5.	SIC-32 Intangible Assets—Web Site Costs	

### Other Accounting Standards

S. No.	Accounting Standards	Effective Date
1.	NFRSs for Small and Medium-sized Entities (NFRS for SMEs) 2017	Mandatorily from 17 <sup>th</sup> July, 2023
2.	NASs for Micro Entities (NAS for MES) 2018	
3.	NAS for Not -for-Profit Organization (NAS for NPOs) 2018	

### Nepal Standards on Auditing (NSAs)

The Auditing Standard Board, headed by Mr. Kaushalendra Kumar Singh, FCA, has during the year 2003/04, issued Nineteen Nepal Standard on Auditing (NSA) for the first time in the history of Accounting Profession in Nepal and those Standards were pronounced by ICAN for implementation on the dates given here under:

NSAs	Name of Standard on Auditing	Effective Date
3	Documentation	15 <sup>th</sup> January 2004
4	Audit Evidence	15 <sup>th</sup> January 2004
5	The Auditor's Responsibility to Consider Fraud and Error in an Audit of Financial Statements	16 <sup>th</sup> July 2004
6	Audit Materiality	16 <sup>th</sup> July 2004
7	Planning	16 <sup>th</sup> July 2004
8	The Auditor's Report on Financial Statements	16 <sup>th</sup> July 2004
9	Audit Sampling and Other Selective Testing Procedures	16 <sup>th</sup> July 2004
10	Going Concern	16 <sup>th</sup> July 2004
11	Management Representations	16 <sup>th</sup> July 2004
12	Risk Assessment and Internal Control	16 <sup>th</sup> July 2004
13	Communication of Audit Matters with Those Charged with Governance	14 <sup>th</sup> January 2005
14	Knowledge of the Business	14 <sup>th</sup> January 2005
15	Consideration of Laws and Regulations in an Audit of Financial Statements	14 <sup>th</sup> January 2005
16	Subsequent Events	14 <sup>th</sup> January 2005
17	External Confirmation	14 <sup>th</sup> January 2005
18	Using the Work of Another Auditor	14 <sup>th</sup> January 2005
19	Considering the Work of Internal Auditor	14 <sup>th</sup> January 2005
20	Using the Work of Expert	14 <sup>th</sup> January 2005
21	Initial Engagements-Opening Balances	14 <sup>th</sup> January 2005

At present, the following Nepal Standards on Auditing 2018 are voluntarily applicable from 01st Shrawan, 2075 and Mandatory from 01st Shrawan, 2076 except for NSA 701- Communicating Key Audit Matters in the Independent Auditor's Report, which is applicable from 01st Shrawan, 2077.

**Nepal Standards on Auditing (Based on IAASB Hand Book 2018 Edition)**

S.No.	NSA No.	Standards
		Preface to the Nepal Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements.
		Glossary of Terms
<b>NEPAL STANDARDS ON QUALITY CONTROL(NSQCs)</b>		
<b>1</b>	<b>NSQC1</b>	Nepal Standard on Quality Control (NSQC) 1 : Quality Control For Firms that Perform Audits and Reviews Of Financial Statements, and Other Assurance and Related Services Engagements
<b>AUDITS OF HISTORICAL FINANCIAL INFORMATION</b>		
<b>200-299 GENERAL PRINCIPLES AND RESPONSIBILITIES</b>		
<b>1</b>	<b>NSA 200</b>	Overall Objective of the Independent Auditor and the conduct of an Audit in Accordance with Nepal Standards on Auditing
<b>2</b>	<b>NSA 210</b>	Agreeing the Terms of Audit Engagements
<b>3</b>	<b>NSA 220</b>	Quality Control for an Audits of Financial Statements
<b>4</b>	<b>NSA 230</b>	Audit Documentation
<b>5</b>	<b>NSA 240</b>	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements
<b>6</b>	<b>NSA 250</b>	Consideration of Laws and Regulations in an Audit of Financial Statements
<b>7</b>	<b>NSA 260 (Revised)</b>	Communication with Those Charged with Governance
<b>8</b>	<b>NSA 265</b>	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management
<b>300-499 RISK ASSESSMENT AND RESPONSE TO ASSESSED RISKS</b>		
<b>9</b>	<b>NSA 300</b>	Planning an Audit of financial statements
<b>10</b>	<b>NSA 315 (Revised)</b>	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment
<b>11</b>	<b>NSA 320</b>	Materiality in Planning and Performing an Audit
<b>12</b>	<b>NSA 330</b>	The Auditor's Responses to Assessed Risks
<b>13</b>	<b>NSA 402</b>	Audit Considerations Relating to an Entity Using a Service Organization
<b>14</b>	<b>NSA 450</b>	Evaluation of Misstatements Identified during the Audit
<b>500-599 AUDIT EVIDENCE</b>		
<b>15</b>	<b>NSA 500</b>	Audit Evidence
<b>16</b>	<b>NSA 501</b>	Audit Evidence-Specific Considerations for Selected Items
<b>17</b>	<b>NSA 505</b>	External Confirmations
<b>18</b>	<b>NSA 510</b>	Initial Audit Engagements—Opening Balances
<b>19</b>	<b>NSA 520</b>	Analytical Procedures
<b>20</b>	<b>NSA 530</b>	Audit Sampling
<b>21</b>	<b>NSA 540</b>	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures
<b>22</b>	<b>NSA 550</b>	Related Parties
<b>23</b>	<b>NSA 560</b>	Subsequent Events





24	NSA 570 (Revised)	Going Concern
25	NSA 580	Written Representations
<b>600-699 USING THE WORK OF OTHERS</b>		
26	NSA 600	Special considerations-Audit of Group Financial statements (including the work of component Auditors)
27	NSA 610 (Revised 2013)	Using the work of Internal Auditors
28	NSA 620	Using the work of an Auditors Expert
<b>700-799 AUDIT CONCLUSIONS &amp; REPORTING</b>		
29	NSA 700 (Revised)	Forming an opinion and Reporting on financial statements
30	NSA 701	Communicating Key Audit Matters in the Independent Auditors Report
31	NSA 705 (Revised)	Modifications to the opinion in the Independent Auditors report
32	NSA 706 (Revised)	Emphasis of Matter Paragraphs and other Matter Paragraphs in the Independent Auditors Report
33	NSA 710	Comparative information-corresponding Figures and comparative Financial Statements
34	NSA 720 (Revised)	The auditor's responsibilities relating to Other information in Documents Containing Audited Financial statements.
<b>800-899 SPECIALIZED AREAS</b>		
35	NSA 800 (Revised)	Special Considerations-Audit of financial statements Prepared in accordance with special Purpose Frame works
36	NSA 805 (Revised)	Special Considerations-Audits of Single Financial statements and Specific Elements, Accounts or Items of a Financial statements
37	NSA 810 (Revised)	Engagements to Report on Summary of Financial Statements
<b>NEPAL AUDITING PRACTICE NOTES</b>		
38	NAPN 1000	Special considerations in Auditing Financial Instruments
<b>AUDITS AND REVIEW OF HISTORICAL FINANCIAL INFORMATION</b>		
<b>2000-2699 NEPAL STANDARDS ON REVIEW ENGAGEMENTS(NSREs)</b>		
39	NSRE 2400 (Revised)	Engagement to Review Financial Statement
40	NSRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity
<b>ASSURANCE ENGAGEMENTS OTHER THAN AUDITS OR REVIEWS OF HISTORICAL FINANCIAL INFORMATION</b>		
<b>3000-3699 NEPAL STANDARDS ON ASSURANCE ENGAGEMENTS (NSAEs)</b>		
<b>3000-3399 APPLICABLE TO ALL ASSURANCE ENGAGEMENTS</b>		
41	NSAE 3000 (Revised)	Assurance Engagements Other than Audits or Reviews of Historical Financial Information

<b>3400-3699 SUBJECT SPECIFIC STANDARDS</b>		
<b>42</b>	<b>NSAE 3400</b>	The Examination of Prospective Financial Information (Previously NSA 810)
<b>43</b>	<b>NSAE 3402</b>	Assurance Reports on Controls at a Service Organization
<b>44</b>	<b>NSAE 3410</b>	Assurance Engagements on Greenhouse Gas Statements
<b>45</b>	<b>NSAE 3420</b>	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus
<b>RELATED SERVICES</b>		
<b>4000-4699 NEPAL STANDARDS ON RELATED SERVICES (NSRSs)</b>		
<b>46</b>	<b>NSRS 4400</b>	Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (Previously NSA 920)
<b>47</b>	<b>NSRSs 4410 (Revised)</b>	Compilation Engagements
<b>AUDIT QUALITY</b>		
<b>48</b>		A Framework for Audit Quality: Key Elements that Create an Environment for Audit Quality
<b>ASSURANCE FRAMEWORK</b>		
<b>49</b>		Amend Nepal Framework for Assurance Engagements

# नेपालमा लेखापरीक्षण र आइक्यानको इतिहास

✍ सि.ए. तीर्थराज उपाध्याय  
पूर्व अध्यक्ष, आइक्यान



विक्रम सम्वत् १९९३ सालमा तत्कालिन प्रधानमन्त्री जुद्ध शमशेर राणाले कम्पनी ऐन तर्जुमा गरी लागू गरेपछि नेपालमा क्रमशः बैंक तथा उद्योगहरू खुल्न थाले । तसपछि नेपाल बैंक लिमिटेड, विराटनगर जुट मिल्स लगायत केही उद्योगहरू स्थापना भए । नेपाल बैंक लिमिटेड र विराटनगर जुट मिल्स पब्लिक लिमिटेड कम्पनीका रूपमा खोलिएका थिए । त्यही ऐन अन्तर्गत लेखापरीक्षण गर्नुपर्ने व्यवस्था पनि गरियो । त्यतिबेलासम्म नेपालमा लेखापरीक्षण गर्नका लागि अनुमती पत्र दिने व्यवस्था थिएन । सरकारी लेखापरीक्षण गर्नका लागि भारतीय चार्टर्ड एकाउन्टेन्टहरू नेपालमा ल्याउन शुरु गरियो । नेपाल बैंक लिमिटेड र विराटनगर जुट मिल्सको लेखापरीक्षण उनीहरूबाटै हुन थाल्यो । स्मरणीय रहोस, भारतमा पनि त्यस बखत चार्टर्ड एकाउन्टेन्सीको अध्यापन हुँदै थियो । लेखापरीक्षण गर्नका लागि गर्भमेन्ट डिप्लोमा इन एकाउन्टेन्सी ९म्बो उत्तिर्ण गरेका व्यक्तिहरूलाई लेखापरीक्षण गर्ने अनुमती पत्र दिइन्थ्यो । तर त्यस बखत पनि भारतमा बेलायतबाट सीए उत्तीर्ण गरेकाहरू पनि थिए । सीए र जीडिएले समान मान्यता प्राप्त गरेको देखिन्छ ।

विक्रम सम्वत् २००७ सालमा नयाँ कम्पनी ऐन लागू गरियो । यसले १९९३ सालको ऐनलाई विस्थापित नगरेकोले दुबै ऐन समानान्तर रूपमा प्रभावकारी रूपमा प्रचलन रहे । २०२१ सालमा नयाँ कम्पनी ऐन लागू भयो । त्यसले पुराना दुबै ऐनलाई विस्थापित गरिदियो । समयकाल बित्दै जाँदा नयाँ कम्पनी ऐनको महशुस हुन आयो । २०५३ सालमा कम्पनी ऐन, २०२१ विस्थापित गरी नयाँ ऐन जारी गरियो । त्यस ऐनलाई पनि कम्पनी ऐन, २०६३ ले विस्थापित गरी २०६३ साल कार्तिक २४ गतेदेखि नयाँ ऐन लागू भयो । यो ऐन अहिले सम्म प्रभावकारी रूपमा प्रचलन रहेको छ ।

कम्पनी ऐन १९९३ र कम्पनी ऐन, २००७ सालमा लेखापरीक्षकको के कस्तो योग्यता तोकिएको थियो र अनुमती पत्र दिने निकाय को थियो ? यकिन साथ भन्न सकिन्न । त्यसपछिका ऐनहरूमा लेखापरीक्षणका लागि अनुमती पत्र दिने काम उद्योग विभागलाई सुम्पिएको थियो । पछिल्ला सबै ऐनहरूमा कम्पनीले लेखापरीक्षकको नियुक्ति गर्नुपर्ने र लेखापरीक्षकले आफ्नो प्रतिवेदनमा खुलाउनु पर्ने विषयहरू उल्लेख गरिएका थिए । लेखापरीक्षकको प्रतिवेदनमा समावेश गरिनु पर्ने विषयहरू बाहेक लेखापरीक्षण व्यवसायलाई नियमन गर्ने विस्तृत व्यवस्था कम्पनी ऐनमा गरिएको थिएन । २०६३ सालको ऐनले लेखापरीक्षणमा लापवाही वा जानाजान गरेको त्रुटी देखाएमा सजायको व्यवस्था गरेको थियो ।

विक्रम सम्वत् २०३१ मा लेखापरीक्षक सम्बन्धी ऐन, २०३१ पारित गरि लागू गरियो । त्यस ऐनले लेखापरीक्षकलाई “क”, “ख”, “ग” र “घ” वर्गमा वर्गीकरण गरी लेखापरीक्षणका लागि अनुमती पत्र दिने अधिकार महालेखा परीक्षकलाई सुम्पियो । उक्त व्यवस्था अनुसार सीए उत्तिर्ण गरी पाँच वर्ष अनुभव भएकालाई क वर्ग र सीए उत्तिर्ण गरेको पाँच वर्ष नपुगेको वा एम.कम वा एमबीए उत्तीर्ण गरि एक वर्षको लेखा वा लेखापरीक्षणको अनुभव वा तोकिएको विषयमा स्नातकोत्तर वा स्नातक उत्तीर्ण गरी तीन वर्षको अनुभव भएकालाई “ख” वर्ग र त्यस भन्दा कम शैक्षिक योग्यता भएकालाई “ग” र “घ” वर्गमा वर्गीकरण गरी यिनीहरूले कम्पनीको लेखा परीक्षण गर्नका लागि रकमको निश्चित सीमा तोकियो । “क” वर्गका लेखापरीक्षकले असीमित अंकको लेखापरीक्षण गर्ने व्यवस्था थियो । सीमा रकम समय समयमा संशोधन हुँदै हाल “ख” वर्गका लागि १ अर्ब २० करोड,

“ग” वर्गका लागि ३० करोड तथा “घ” वर्गका लागि ६ करोड रुपैयाको सीमा कायम भएको छ । तर लेखापरीक्षक ऐन, २०३१ ले चार्टर्ड एकाउन्टेन्ट (सीए) लाई बेग्लै पहिचान नदिएर सबैलाई दर्तावाला लेखापरीक्षकको नाम दिईएको थियो । त्यस ऐनमा चार्टर्ड एकाउन्टेन्ट (सीए) को सम्बन्धमा गरिएको व्यवस्थाको वारेमा सीएहरूले विरोध प्रकट गर्दै आएका थिए । साथै त्यस बखत सीएहरूको संख्या निकै कम रहेकोले पनि होला तिनीहरूले उठाएका विषयको सुनवाई भएन । गाउँ पञ्चायतको लेखापरीक्षण गर्न क र ख वर्गका लेखापरीक्षकले नभ्याउने भनी हाइस्कूल मात्र पास गरेकालाई पनि लेखापरीक्षणको लाइसेन्स दिने व्यवस्था अव्यवहारिक मात्र नभई लेखापरीक्षण कार्यको मर्यादा पनि मर्महत भएको मेरो धारणा छ ।

विक्रम सम्वत् २०२१ मा कुबेर शर्मा र डाकुरनाथ शर्मा नेपालमा पहिलो सीए भए । उनीहरू भारतबाट सीए उत्तिर्ण गरी आएका थिए । त्यसपछि नेपालमा सीए उत्तिर्ण गर्नेको संख्या निरन्तर वृद्धि हुँदै गयो । सीएको संख्यामा वृद्धि हुँदै गएपछि सीएहरू संगठित हुनुपर्ने धारणा बन्यो । पहिले अनौपचारिक रुपमा सीए समाजको गठन भयो । त्यसको केही समयपछि यस समाजलाई औपचारिक रुप दिन नेपाल चार्टर्ड एकाउन्टेन्ट्स संघ (ACAN) गठन भयो । त्यस बखत पञ्चायत कालमा कुनै पनि संगठन दर्ता गराउँदा राजनीतिक दृष्टिकोणले पनि छानबीन गरिन्थ्यो । यसैको फलस्वरूप एकयान वर्षोसम्म दर्ता हुन सकेन । यसका सदस्यहरू लुकिछिपि बैठक गर्न बाध्य थिए । निरन्तर प्रयासपछि ACAN दर्ता भयो तर लेखापरीक्षण व्यवसायलाई नियमन गर्ने अधिकार यस संस्थासँग थिएन । यो एउटा स्वेच्छिक संगठित संस्था मात्र थियो ।

लेखापरीक्षक सम्बन्धी ऐन, २०३१ र कम्पनी ऐन, २०२१ अनुरूप लेखापरीक्षकहरू लेखापरीक्षण कार्य गर्दै आएका थिए र ऐनले तोके अनुसारका विषयमा आफ्नो प्रतिवेदन प्रस्तुत गर्दथे । तर ऐनमा लेखापरीक्षण व्यवसायलाई नियमन गर्ने व्यवस्था पर्याप्त थिएन । उदाहरणका लागि लेखापरीक्षकले आफ्नो प्रतिवेदनमा “लेखाका प्रचलित सर्वमान्य सिद्धान्त” अनुरूप हिसाब तयार पारिएको र “हामीले लेखापरीक्षण गरी प्रतिवेदन बुझाएको भनी लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिन्थ्यो । तर नेपालमा लेखाका सर्वमान्य सिद्धान्तलाई परिभाषित गरिएको थिएन । यो त श्राद्धमा बिरालो बाँध्नु पर्ने जस्तै थियो । त्यसैगरी लेखापरीक्षण सम्बन्धी कसूर गरेमा दण्ड जरिवानाको व्यवस्था गरियो तर कुन कार्य गरेमा कस्तो कसूर मान्ने कहीं परिभाषित गरिएको थिएन । ऐनको कमजोरीका कारणले गर्दा लेखापरीक्षणमा देखिएका त्रुटीहरू स्थापित गरी सजाय भएको अपवादमा मात्र देख्न सकिन्छ । लेखापरीक्षकहरूको आचार संहिताको अभावमा लेखापरीक्षकहरू आफू अनुकूल काम गर्न स्वतन्त्र थिए । व्यवसायको मर्यादा राख्ने कार्य लेखापरीक्षकको नैतिकतामा छाडिएको थियो । वैधानिक रुपमा यसलाई लागू गराउने कुनै निकाय तोकिएको थिएन ।

यी सबै कमजोरीहरू हटाउन र लेखा व्यवसायलाई अन्तर्राष्ट्रिय मापदण्ड अनुसार व्यवस्थित गर्नुपर्ने आमधारणा बन्न शुरु भयो । यसको लागि चार्टर्ड एकाउन्टेन्ट्स संस्थाको स्थापना अनिवार्य थियो । त्यही बेला म महालेखापरीक्षकको विभागमा (हालको कार्यालय) मा जागिरे थिएँ । मैले जागिर खानु केही अघि लेखापरीक्षक सम्बन्धी ऐन २०३१ लागू भइसकेको थियो । साथीहरूको सल्लाह अनुसार मैले सीए इन्ष्टिच्युट खोल्नका लागि महालेखापरीक्षकको विभाग घच्चच्याउन थालें । महालेखा परीक्षकले मलाई नै ऐनको मस्यौदा तयार गर्न जिम्मा दिए । अनि मैले ऐनको मस्यौदा तयार पारेँ । तर त्यो मस्यौदा महालेखापरीक्षकको विभागमा नै थन्किरह्यो । काम अगाडि बढ्न सकेन । यता हामी सीएहरू इन्ष्टिच्युट खडा गर्न भनेर कस्सीएर अघि बढ्यौँ । त्यसमा खासगरी म र स्व. कोमल बहादुर चित्रकार बढी सक्रिय भयौँ । महालेखामा मस्यौदा थन्किएपछि चित्रकारले अर्को मस्यौदा तयार गर्नुभयो । महालेखापरीक्षकको विभागमा भएको मस्यौदा र चित्रकारले लेखेको मस्यौदामा तात्विक भिन्नता केही थिएन । कारण के भने हामीलाई भारतीय सीए इन्ष्टिच्युटको बाहेक अन्य कुनै पनि देशको अनुभव थिएन । सबै सीएहरू भारतबाट नै उत्तीर्ण भएर आएकोले भारतीय ऐनलाई आधार मानेर हामीले पनि नेपालमा ऐन बनायौँ । तत्पश्चात सीए संस्था गठन गर्ने कामको शुरुवात भयो । महालेखापरीक्षकको कार्यालय, अर्थ मन्त्रालय र कानुन मन्त्रालयमा पेश भयो । चित्रकारजी रजिष्टर्ड अडिटर (आरए)हरूलाई नयाँ इन्ष्टिच्युटमा संलग्न गराउनु हुँदैन भन्ने पक्षमा थिए । यो इन्ष्टिच्युट विशुद्ध सीएहरूको हुनुपर्छ भन्ने उहाँको धारणा थियो । म भने उनीहरूलाई सहभागी गराएन भने इन्ष्टिच्युट खडा नै हुन सक्दैन भन्थेँ । त्यस बखत सीएको संख्या करीव ४० जना मात्र थियो भने रजिष्टर्ड अडिटर (आरए) को संख्या



तीन हजार भन्दा बढी थियो । रजिष्टर्ड अडिटर (आरए)लाई छाडेर अगाडि बढ्न सकिने अवस्था थिएन । महालेखापरीक्षकले पनि ४० जना सीएले नेपालभरि को लेखापरीक्षण गर्न सक्दैनन् भन्ने धारणा बनाएको थियो । सीए संस्थाको गठन सम्बन्धमा यो नै सबैभन्दा ठूलो व्यवधान थियो । धेरै लामो वादविवाद पश्चात रजिष्टर्ड अडिटर (आरए)लाई समेत समावेश गरी चार्टर्ड एकाउन्टेन्ट्स(सीए) इन्ष्टिच्यूट खोल्ने सहमति भयो । तर रजिष्टर्ड अडिटर (आरए) हरूले लेखापरीक्षकको वर्गीकरण हटाई चार्टर्ड एकाउन्टेन्ट (सीए) र अन्य सबै एकै वर्गमा हुनुपर्ने धारणा राखेका थिए जसले रजिष्टर्ड अडिटर (आरए) ले पनि लेखापरीक्षण गर्न सक्ने रकममा सीमा नतोकिनु पर्ने अर्को माग समेत उठाइएको थियो ।

त्यसै समयमा सीएहरु संगठित हुनको लागि इन्ष्टिच्यूटको रुपमा अर्को बाटो खोज्यो कि भन्ने सरकारलाई भ्रम पयो । यसले गर्दा पनि सीए संस्था सम्बन्धी ऐन पारित गर्न ढिलो हुन गयो । दोस्रो कुरा आरए को समायोजन र तिनीहरुको माग सम्बोधन कसरी गर्ने भन्नेमा नै अड्कियो । यस बीच विभिन्न अर्थमन्त्रीहरु नियुक्ति भए । हामी सीएहरु हरेक अर्थमन्त्रीलाई भेटेर आफ्नो कुरा प्रष्ट्याउन लागि रह्यौं । कुनै अर्थमन्त्रीसँगको भेटघाट सकारात्मक रह्यो, कुनैसँग भने हुन सकेन । एक्यानका पदाधिकारीहरु पनि शक्ति केन्द्रमा धाउने काम गरे । त्यतिबेला एक्यान पनि समग्रमा सक्रिय थिएन । यसरी हुँदाहुँदै २०४२ सालतिर ऐनले फेरि गति समात्न थाल्यो । अर्थ मन्त्रालय गयो, कानून मन्त्रालय गयो तर कुनै नतिजा आएन । नोकरशाहीको अलमलमा मात्र मस्यौदा ऐन घुमिरह्यो ।

माथि भनिए भैं इन्ष्टिच्यूट खडा गर्ने या नगर्ने विषयमा सीए र आरए को लवी एक अर्काको विपरीत सक्रिय थियो । सीएहरु इन्ष्टिच्यूट हुनुपर्छ भनेर लागि रहेका थिए भने आरएहरु निजहरुको माग सम्बोधन नगरीकन इन्ष्टिच्यूट स्थापना हुनुहुँदैन भन्नेमा शक्ति केन्द्रमा धाइरहेका थिए । उनीहरुको संख्या पनि धेरै र राजनीतिक रुपमा पनि सक्रिय भएकाले सरकारमा उनीहरुको सहज पहुँच थियो । जो मन्त्री आए पनि कुनै नेताको फेरो समातेर उनीहरु आफ्नो कुरा व्यक्त गरेर दबाव दिइहाल्थे । तर सीएहरु आ-आफ्नो काममा व्यस्त हुने र संख्या पनि कम भएकोले सक्रिय रुपमा त्यस्तो लवीको लागि चाहिने समय दिन सक्दैन थिए ।

२०४६ सालको जनआन्दोलनपछि हामीले फेरि अर्थमन्त्रीहरुलाई यस विषयमा बुझाउन थाल्यौं । अन्तिममा अर्थ मन्त्रालयले त्यो फाइल अगाडि बढायो । आरएसँग त्यहाँ पनि कुरा मिलेन । उनीहरु सिए र आफूहरु बीच भेदभाव हुनु हुँदैन भन्ने अडानमा कायमै थिए । सीएहरु भने हामी उनीहरुलाई लिदै लिनौ भन्नेमा थिए । दुबै पक्षको आ-आफ्नो अडानपछि विभिन्न चरणमा वार्ता गरेर समाधान खोज्न तिर लाग्यौं । हरेक अर्थमन्त्रीलाई भेट्दा पनि निकास निस्कैन । २०५१ सालको मध्यावधि निर्वाचन पश्चात एक कालखण्डमा सूर्यबहादुर थापा प्रधानमन्त्री र रवीन्द्रनाथ शर्मा अर्थमन्त्री भए । हामी अर्थ मन्त्रीसहितको बैठकमा अर्थ मन्त्रालयमा वार्ताको लागि गयौं । त्यस बैठकमा म र स्व. कोमल बहादुर चित्रकार साथै अन्य केही सीए साथीहरु र रजिष्टर्ड अडिटर (आरए) सहभागी थियौं । छलफलको क्रममा अर्थमन्त्री रवीन्द्रनाथ शर्माले भन्नुभयो, 'तपाईंहरु सीए क्लब खोल्न थालेको कि सीए इन्ष्टिच्यूट खोल्न थालेको ? आरए लाई छाडेर कसरी इन्ष्टिच्यूट खडा हुन्छ ?' उनको प्रश्नले हामीलाई गम्भीर बनायो । त्यसपछि दुबै पक्ष बीच समझदारीमा लेखापरीक्षक सम्बन्धी ऐन, २०३१ अन्तर्गत अनुमती पत्र प्राप्त सबैलाई समेटेर सीए इन्ष्टिच्यूट गठन गर्ने सहमति बन्यो ।

अर्थमन्त्रालयको मध्यस्थतामा औपचारिक रुपमा फाइल अगाडि बढ्यो । अर्थमन्त्रालयका तात्कालिन सहसचिव श्री विनोद देवकोटाको संयोजकत्वमा एक्यानको समेत प्रतिनिधित्व रहने गरी कानून मन्त्रालयका उपसचिव श्री राजुमान सिंह मल्ल र श्री प्रमोद कार्की सहितको कार्यदल बन्यो । जसले ऐनको मस्यौदालाई अन्तिम रुप दिने कार्य गर्‍यो । एक्यान पनि ऐन पास गराउनेतर्फ क्रियाशील भयो । हामी कानून मन्त्रालयलाई सबैले सक्दो सहयोग गर्यौं र कानून तयार भयो । त्यसपछि अर्थमन्त्री डा. रामशरण महतले संसदमा त्यो ऐन पेश गर्नुभयो । ऐनको मस्यौदामा प्रस्तावित संस्थाको परिषदमा चार्टर्ड एकाउन्टेन्ट्स सदस्यहरुबाट १० जना, रजिष्टर्ड अडिटर (आरए) बाट ४ जना र सरकारबाट ३ जना मनोनित हुने व्यवस्था थियो । हाम्रो माग १२ जना सीए, ३ जना आरए र २ जना सरकारी प्रतिनिधि भन्ने थियो । रजिष्टर्ड अडिटर (आरए)ले सीएको भन्दा हाम्रो संख्या बढी भएकोले परिषदमा सीएभन्दा हाम्रो बढी प्रतिनिधित्व हुनुपर्दछ भन्न थाले । महालेखा परीक्षकको पनि उनीहरुलाई अप्रत्यक्ष रुपमा सहयोग रहेको थियो । यस विषयमा सहमति हुन पनि केही समय लाग्यो । पछि मस्यौदा ऐनमा व्यवस्था भए

अनुसार नै हुने गरी सहमति भयो । यसरी सम्भ्रमदारी बनेतापनि रजिष्टर्ड अडिटर (आरए)को एउटा लवी पुरानै माग अनुसार ऐनमा व्यवस्था हुनुपर्ने भनी सांसदहरूलाई मनाउनेतर्फ क्रियाशील भएँ । त्यसैले संसदमा ऐन पारित हुन पनि ढिलो भयो । यो कुरा थाहा पाएपछि हामी पनि लवी गर्न थाल्यौं । मैले अर्थमन्त्री डा.रामशरण महत, सांसदहरू, भरतमोहन अधिकारी र रविन्द्र शर्मा लगायतकालाई चिनेको थिएँ । म लगायत अन्य सीए साथीहरूको सक्रियताबाट सांसदहरूलाई ऐन पास गराउने कुरामा सहमत गरायौं । फलस्वरूप संसदबाट नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था ऐन २०५३ पारित भयो । यसरी २०५३ माघ १७ गते विहिवारका दिन नेपाल राजपत्रमा नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, प्रकाशित भयो ।

नयाँ ऐनको संक्रमणकालीन प्रावधान अनुसार महालेखापरीक्षकलाई यो ऐन प्रारम्भ हुने मिति तोक्ने अधिकार दिइएको थियो । यसै प्रावधान अनुसार २०५३ चैत ५ गते मन्त्रिस्तरीय निर्णयबाट एउटा तदर्थ समिति गठन भयो । २०५४ बैशाख ३० गते सरकारको सो निर्णय राजपत्रमा प्रकाशित गरियो । सरकारी निर्णय बमोजिम सीए स्व. कोमल बहादुर चित्रकारको संयोजकत्वमा तदर्थ समिति गठन भयो । त्यस समितिको सदस्यमा सीएको तर्फबाट म पनि थिएँ । अन्य सदस्यहरूमा राम बाबु नेपाल, नायब महालेखा परीक्षक भोलाराज पाण्डे अध्यक्ष, अखिल नेपाल लेखापरीक्षक संघ र मोहनप्रसाद बन्जाडे, सह सचिव संसदिय व्यवस्था मन्त्रालय थिए । उक्त समितिले सांगठनिक रुपरेखा तयार पार्‍यो । म सबै तदर्थ परिषदका सदस्यलाई महत्वपूर्ण कार्यको लागि हार्दिक धन्यवाद दिन चाहान्छु । महालेखापरीक्षकको विभाग तथा महालेखानियन्त्रकको कार्यालयमा उच्च तहमा रही काम गरीसकेका श्री पुरुषोत्तमलाल श्रेष्ठलाई संस्थाको सचिव र एक्यानका कार्यालय सचिव विनोद न्यौपाने हाल आइक्यानका (निर्देशक) लाई प्रशासकीय अधिकृतका रुपमा नियुक्त गरियो उनिहरूको पनि संस्था स्थापना र विकासमा महत्वपूर्ण भूमिका रहेको छ ।

आइक्यानले सरकारी आधिकारिकता पाएपछि २०५४ साल साउन १७ गते परिषदको चुनाव भयो । सहमतिकै आधारमा स्व. कोमलबहादुर चित्रकारको अध्यक्षतामा पहिलो परिषद गठन भयो । पहिलो परिषदको पहिलो कार्यकालमा म उपाध्यक्ष भएँ । १७ जनाको परिषदमा १० जना सीए, ४ जना आरए र ३ जना सरकारको तर्फबाट सदस्य भए । यसरी आइक्यान औपचारिक रुपमा संचालन गर्ने प्रक्रिया शुरु भयो र २०५९ श्रावण १ गतेबाट संस्थाले लेखापरीक्षण अनुमतीपत्र प्रदान गर्ने काम समेत शुरु गर्‍यो ।

हामीसँग नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था (The Institute of Chartered Accountants of Nepal-ICAN) को संचालनको लागि आवश्यक अनुभव र जनशक्तिको अभाव भएकोले द इन्स्टिट्यूट अफ चार्टर्ड एकाउन्टेन्ट्स अफ इन्डिया (The Institute of Chartered Accountants of India-ICAI) सँग सहयोग माग्यौं । त्यसका लागि सन १९९८ अप्रिल २६ मा प्राविधिक सहयोग सम्झौता गर्‍यौं र फेरि २५ जुन मा पनि अर्को सम्झौता भयो । सम्झौता बमोजिम भारतीय इन्स्टिट्यूटबाट विशेष जिम्मेवारीसहित विजय कपूरलाई सहयोगका लागि पठाइयो । उनले नै प्रशासनिक संरचना तयार गरिदिए । हामी पनि नियमको मस्यौदा तयार गर्न तर्फ लाग्यौं । परिषदले आफ्नो कार्यकालको पहिलो वर्षमा नै आइक्यानको नियम मस्यौदा तयार गरिसकेको थियो । तर परिषद सदस्यहरूबीच मतभेद भएकोले त्यो पारित हुन सकेन । स्व. चित्रकारजीको कार्यकालपछि परिषदको दोश्रो वर्षमा म अध्यक्ष भएँ । सीए के.के.सिंह उपाध्यक्षमा निर्वाचित हुनुभयो । मेरो एक वर्षे कार्यकालमा केही सदस्यहरू विशेषगरी सीए. के.के.सिंह र सीए पुष्पलाल श्रेष्ठको भिन्न मत रहेको कारणले परिषदबाट नियम पारित हुन सकेन । दोस्रो वर्षको अन्त्यमा परिषदको अध्यक्ष र उपाध्यक्षको निर्वाचन गर्नु पर्‍यो । नियम पारित नगरिएको कारण जनाउँदै मैले दोस्रो कार्यकालका लागि निर्वाचनमा भाग लिने निर्णय गरे । त्यसमा सबै सीएहरू मेरा विरुद्ध लामवद्ध भई मेरो नामांकनका लागि प्रस्तावक र समर्थक हुन समेत तयार भएनन् । सीए बाहेक अन्य परिषद सदस्यहरूको म प्रति समर्थन थियो । अन्ततः सीए एकबहादुर क्षेत्री सीएहरूको कार्टेलबाट बाहिरिए र मलाई समर्थन जनाए । चुनावको मतदान प्रक्रिया शुरु हुँदै गर्दासम्म पनि मेरो नामांकन फिर्ता लिनु पर्ने दवाव कायमै थियो । अन्ततः मतदान अधिकृतको रोहवरमा परिषदका सबै सदस्यहरूले एक मत भइ नियम पारित गरे । मैले आफ्नो अध्यक्षको दावी फिर्ता लिएँ । सीए के.के.सिंह तेस्रो उपाध्यक्ष र त्यसपछि अध्यक्ष नै हुनुभयो । मेरो कार्यकालमा पनि भारतीय सीए इन्स्टिट्यूटको सहयोगको निरन्तरता रह्यो । त्यससँग दोस्रो प्राविधिक सम्झौता

जुलाई २००४ मा गयौं। यस अन्तर्गत सिए अध्ययन गर्नका लागि पाठ्यक्रम तयार पार्नेदेखि त्यससँग सम्बन्धित पूर्वाधारहरू (Logistics) तयार पार्ने काम भयो।

उक्त समितिले ऐनको प्रावधान अनुसार संस्थाको सदस्यता प्रदान गर्ने काम शुरु गयो। ऐनकै प्रावधान अनुसार लेखापरीक्षक सम्बन्धी ऐन, २०३१ अन्तर्गत कायम रहेका सदस्यहरूलाई उनीहरूको साविक कै वर्गीकरण अनुसार नै कायम रहने गरी सीएको सदस्यता र आएको सदस्यता प्रदान गर्ने काम भयो। पुरानो ऐनमा पाँच वर्ष अनुभव नपुगेका सीएलाई ख वर्गमा राखेकोमा नयाँ ऐनमा सबै सीएहरू समान रूपमा सीए सदस्य बनाइए। लेखापरीक्षक सम्बन्धी ऐन, २०३१ अन्तर्गत केही भारतीय सीए र तिनीहरूसँग सम्बन्धित फर्महरूले नेपालमा लेखापरीक्षण गर्नका लागि अनुमतिपत्र लिइसकेका थिए। उनीहरूले नेपालमा आफ्नो कार्य विस्तार गरिरहेका थिए। यही क्रममा २०३३ सालदेखि २०३५ सालमा तत्कालीन महालेखा परीक्षक सरदार भीमबहादुर पाँडेले नेपालको सरकारी संस्थानहरूको लेखापरीक्षण गर्नको लागि ठूलो संख्यामा भारतीय सीएहरू भित्र्याएका थिए। नयाँ ऐनमा नेपाली नागरिकलाई मात्र अनुमतिपत्र दिने व्यवस्था रहेकाले भारतीयहरूलाई अनुमतिपत्र प्रदान गर्न सकिएन। यसका लागि तदर्थ समितिले विभिन्न शक्ति केन्द्रहरूको दवाव समेत खेप्नु परेको थियो।

सदस्यता प्रदान पश्चात हामीले महालेखापरीक्षकलाई लेखापरीक्षक सम्बन्धी ऐन, २०३१ खारेज गरी चार्टर्ड एकाउन्टेन्ट्स ऐन लागू गर्ने सूचना प्रकाशित गर्न अनुरोध गयौं। महालेखापरीक्षकले सूचना जारी गर्ने दिनसम्म त्यस कार्यालयबाट अनुमतिपत्र प्रदान गरेका सबै लेखापरीक्षकहरूलाई सदस्यता प्रदान गर्नुपर्ने धारणा राख्नुभयो। त्यो धारणा ऐनको प्रावधान बर्खिलाप थियो। ऐनको प्रावधान अनुसार ऐन पास भएको मितिमा कायम रहेका लेखापरीक्षकले मात्र नयाँ संस्थाको सदस्यता पाउन सक्ने अधिकार दिएको थियो। महालेखापरीक्षकको नयाँ अडानका कारण चार्टर्ड एकाउन्टेन्ट्स ऐन प्रारम्भ हुने मिति घोषणा गर्नमा थप ढिलाइ हुन गयो। अन्ततः महालेखापरीक्षकले आफ्नो शक्ति प्रयोग गरी लेखापरीक्षण अनुमतिपत्र खुला गरिदिए। फलस्वरूप: संक्रमणकालमा नै आएको संख्या ४ हजारबाट करीव ८ हजार पुग्न गयो। यी सबैलाई सदस्यता दिन संस्था बाध्य भयो। मिति २०५९ श्रावण १ बाट लेखापरीक्षक सम्बन्धी ऐन, २०३१ खारेज भयो र नेपाल चार्टर्ड एकाउन्टेन्ट्स ऐन, २०५३ पूर्ण रूपमा लागू हुन गयो। सोही ऐन अनुसार वर्षेनी सदस्यता थपिने र नविकरण हुने काम हुँदै आएको छ। २०७८ असार मसान्तसम्ममा आइक्यानमा आवद्ध आएको संख्या ख वर्गमा ३४२५, ग वर्गमा १५६३ र घ वर्गमा २२५७ गरी कुल ७२४५ जना पुगेको छ। सिएको संख्या भने १,६६४ मात्र पुगेको छ।

नियमहरू बनिसकेपछि नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्थाले सीएको पठनपाठनको काम शुरु गयो। The International Federation of Associate Accountants (IFAC), The Confederation of Asian and Pacific Accountants (CAPA) र South Asian Federation of Accountants (SAFA) जस्ता लेखा व्यवसायसँग सम्बन्धित संस्थाहरूको सदस्यता प्राप्त गयो। सन् १९९७ SAFA मा र सन् १९९८ CAPA मा आइक्यान आवद्ध भएको थियो। त्यसैगरी सन् २००३ मा IFAC मा एसोसिएट सदस्यता प्राप्त गरेको थियो भने सन् २००८ मा आधिकारिक रूपमा पूर्ण सदस्यता प्राप्त गरेको थियो। यसबाट संस्थाको प्रतिष्ठामा अभिवृद्धि भयो। लेखा र लेखापरीक्षण व्यवसायलाई अन्तर्राष्ट्रिय स्तरमा पुर्‍याउनको लागी लेखामान र लेखापरीक्षणमान तयार पारी लागू गर्न जरूरी थियो। ADB को सहयोगमा अष्ट्रेलियाबाट आउनुभएका परामर्शदाताले तयार पार्नु भएका लेखामान र लेखापरीक्षणमानहरू लागू गर्न निकै सहयोग मिल्यो। उहाँहरूकै सल्लाह अनुसार २००४ जुलाई १६ मा नेपाल लेखामान बोर्ड र लेखापरीक्षणमान बोर्डको गठन भयो। लेखामान बोर्डको पहिलो अध्यक्ष म नियुक्त भएँ भने लेखापरीक्षणमान बोर्डको अध्यक्ष सीए के.के. सिंह हुनुभयो। Kevin कै सल्लाह अनुसार केही लेखामान र लेखा परीक्षणमानहरू तयार पारी क्रमशः लागू गरिए। सो कार्य अद्यापि जारी छ।

Kevin ले मानहरू जारी गर्नका लागि नेपालमा ज्ञान र सीपको कमी रहेकोले अन्तर्राष्ट्रिय मानहरू नै लागू गर्न सुझाव दिए। तर IFAC को नियमानुसार त्यहाँबाट जारी भएका मानहरू संशोधन गर्न नमिल्ने र हामी त्यसलाई हुबहु लागू गर्न सक्ने स्थितिमा नरहेकाले त्यस मानमा सामान्य संशोधन गरि नेपाल लेखामान र लेखापरीक्षणमान भनी जारी गर्नु पर्‍यो। हाल अन्तर्राष्ट्रिय लेखामान (IAS) को नाम परिवर्तन भइ International Financial Reporting Standard (IFRS) कायम गरिएको छ। त्यसै

अनुरूप लेखामान बोर्डले पुराना मानहरू विस्थापित गर्न Nepal Financial Reporting Standard (NFRS) जारी गर्दै लागू गरिरहेको छ ।

IFAC को सदस्यता प्राप्त गरेपछि संस्थाले त्यसले जारी गरेको आचार संहिता लागू गर्‍यो । यो संहितामा सदस्यहरूले पालना गर्नुपर्ने आचरण र लेखापरीक्षण व्यवसायलाई नियमन गर्न विस्तृत व्यवस्था गरिएको छ ।

आइक्यान गठन हुँदाको समयमा आर्थिक श्रोतको साह्रै कमी थियो । नेपाल सरकारको वार्षिक चार लाखको अनुदान र सदस्यता शुल्क नै आयका श्रोत थिए । तर संस्थाको कार्यक्रम संचालन गर्न यी श्रोतबाट प्राप्त रकम पर्याप्त थिएन । सीएको पठनपाठन र सदस्यहरूलाई Continuing Education Program (CPE) गरे पश्चात् संस्थाको आम्दानीमा वृद्धि हुँदै गयो । संस्थाको आफ्नै भवन बनाउनका लागि नेपाल सरकारसँग जग्गा माग गरियो ।

विशेषगरी संस्थाका पूर्व अध्यक्ष टंक पनेरु, चार्टर्ड एकाउन्टेन्ट (सीए) र रजिष्टर्ड अडिटर (आरए) सदस्यहरू को सक्रिय सहयोगबाट सातदोवाटो स्थित ढलौट कारखानाको जग्गाको केही भाग संस्थाले प्राप्त गर्न सक्यो । उक्त स्थानमा संस्थाका पूर्व अध्यक्ष सीए. सुबोध कुमार कर्णको पहलमा त्यहाँ भव्य भवन तयार भई संस्थाको सबै गतिविधिहरू त्यहीबाट संचालित छन् । संस्थाले प्रदान गर्ने सीए डिग्रीलाई कतिपय विकसित देश समेतले मान्यता दिइ सकेका छन् । संस्थाबाट उत्तीर्ण गरेका कतिपय सीएहरू देश विदेशमा आफ्नै लेखा व्यवसाय संचालन गरिरहेका छन् साथै उच्च पदमा आसिन भई बैंक, वित्तीय संस्था, विभिन्न कम्पनी र फर्महरूमा आफ्ना सेवा प्रदान गरिरहेका छन् । संस्थामा कुशल एवं योग्य कर्मचारीहरूको बाहुल्यता छ । संस्था स्थापनाको २५ वर्षे कार्यकालमा संस्थाले हासिल गरेको उपलब्धि सराहनीय मान्नु पर्दछ ।

संस्थाको उपलब्धि प्रशंसनीय रहेता पनि यसका चुनौतीहरू पनि नभएका होइनन् । यसका प्रमुख चुनौतीहरू बुँदागत रुपमा तल उल्लेख गरिएको छ :

१. लेखामान र लेखापरीक्षणमानलाई प्रभावकारी ढंगबाट लागू गर्न संस्थाका सदस्य र यसअनुसार आर्थिक विवरण तयार पार्न जिम्मेवारी बोकेका कम्पनी र कर्पोरेसनमा काम गर्ने व्यक्तिहरूमा मानहरूका बारेमा पर्याप्त ज्ञान र कौशलको कमी ।
२. लेखापरीक्षणमान लागू गर्न संस्थाका सदस्यहरूसँग पर्याप्त जनशक्तिको अभाव रहेको छ । नेपालका अधिकांश लेखाव्यवसायी फर्महरू एकल स्वामित्वमा रहेका छन् ।
३. वर्तमान स्तरको शुल्कबाट लेखा व्यवसायलाई लेखापरीक्षणमानले तोके अनुसारको स्तरमा पुर्‍याउन गाह्रो छ । सदस्यले सेवा प्रदान गरे वापत प्राप्त गर्ने पारिश्रीक अभै न्यूनता रहेको छ ।
४. सदस्यहरूले गरेको लेखापरीक्षण कार्यको गुणस्तर तोकिएको स्तरको रहे नरहेको परीक्षण गर्न संस्थाले Quality Assurance Review को व्यवस्था सुरु गरेको छ यसमा रहेका केही व्यवहारीक कठिनाई तर्फ ध्यान दिई यसलाई थप व्यवस्थित बनाउँदै जानुपर्ने देखिन्छ ।
५. चार्टर्ड एकाउन्टेन्सीको पाठ्यक्रममा समयानुसार सुधार गर्दै गएतापनि अहिलेको परिस्थिति अनुसार यसमा अभै परिमार्जन गर्नुपर्ने हुन्छ ।
६. सीए अध्ययन गर्ने विद्यार्थीहरूले कुनै सीए अन्तर्गत तीन वर्ष अनिवार्य व्यवहारिक तालिम पूरा गर्नुपर्ने हुन्छ । हाम्रा सदस्यहरू धेरै जसो एकल व्यक्तिका रुपमा व्यवसाय संचालन गर्दै आएकाले यस्ता फर्मबाट प्राप्त सीप र अनुभवको प्रभावकारिता र उपयोगिता सुनिश्चित गर्नुपर्ने हुन्छ ।
७. संस्थाको उद्देश्यअनुरूप यसले नेपाल सरकारको सल्लाहकारको रुपमा उचित मर्यादा पाउन सकेको छैन । सरकारले वैधानिक संस्थाको रुपमा नलिई अन्य सामाजिक संस्थाको रुपमा व्यवहार गरेको देखिन्छ । यसमा संस्थाले आफुलाई व्यवस्थित रुपमा अगाडि बढाउन सक्नुपर्दछ ।



८. समाजबाट लेखा व्यवसायीप्रति उच्च सम्मान हासिल हुन सकेको छैन । समाजले लगाउने अनेक लाञ्छनालाई चिर्दै यस पेशालाई अभि मर्यादित र सम्मानित बनाउन ध्यान दिनुपर्दछ ।
९. सीएहरूको संख्यामा वर्षेनी उल्लेखनीय वृद्धि भएको अनुपातमा रोजगारीका अवसरहरू सोचेजती उपलब्ध नभएबाट सीएहरू न्यून पारिश्रमिक र न्यून स्तरमा रहेर काम गर्न बाध्य हुँदैछन् । यसबाट विद्यार्थीहरू सीए अध्ययन गर्नेतर्फ भविष्यमा निरुत्साहित हुँदै जान सक्ने भएकोले यसतर्फ पनि संस्थाको ध्यान जान जरुरी छ ।
१०. विदेशमा लेखा व्यवसायीहरूको उच्च माग रहेकाले कतिपय सीएहरू विदेशिएका छन् । संस्थाले आफ्ना सदस्यहरूका लागि उक्त देशको आवश्यकता अनुसारको ज्ञान, सीप र कौशल अभिवृद्धि गर्ने कार्यक्रम संचालन गर्नेतर्फ अग्रसरता देखाउनु पर्ने हुन्छ ।
११. पुरानो सोचअनुसार लेखा व्यवसायलाई अन्य विधाका व्यवसायीहरूसँग साभेदारीमा काम गर्न प्रतिबन्ध लगाइएको छ । आजको भूमण्डलीकरण (Globalization) को युगमा बहुराष्ट्रिय कम्पनीहरूले एकद्वारबाट सेवा खोज्दछन् । अन्य व्यवसायमा यस्तो प्रतिबन्ध नरहेकोले सीएहरू प्राप्त हुने अवसरबाट बञ्चित रहन सक्ने स्थिति छ ।
१२. संस्था गठन हुनु अघिदेखि आएको माग सम्बोधन हुन नसकेबाट समय समयमा विवाद उत्पन्न हुँदै आएको छ । हुनत उनीहरूको सबै माग पूरा गर्न कतिपय व्यावहारिक कठिनाइहरू पनि छन् । तर वार्ताको माध्यमबाट सम्भव भएसम्म मागहरू पूरा गरी संस्थाको निरन्तरता सुनिश्चित गर्नुपर्ने देखिन्छ ।
१३. कतिपय देशले चार्टर्ड एकाउन्टेन्सी (सीए) शिक्षालाई स्नातकोत्तर तहको मान्यता दिएको छ । यस्तो मान्यता प्राप्त गर्न संस्था प्रयत्नशील रहेतापनि सम्बन्धित अधिकारीहरू यसलाई सम्बोधन गर्न नैराश्यता देखाउँदै आएका छन् ।

कुनै पनि काम गर्दै जाँदा चुनौतीहरू आउनु स्वाभाविक हो । यसको उचित सम्बोधन गर्दै अघि बढ्दै जानु नै जीवन हो । नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था राम्ररी संस्थागत भइसकेको छ । नेपालका कतिपय समकक्षी संस्थाहरू वर्षौंदेखि कार्यरत भएतापनि शैशवावस्थामा नै रहेका छन् । यस संस्थाको सञ्चालन पारदर्शी रहेको छ । यसको व्यवस्थापन पूर्ण प्रजातान्त्रिक छ । तोकिएअनुसार आवधिक निर्वाचन हुन्छ । पदाधिकारीहरू निर्वाचित हुन्छन् । प्रशासनिक संयन्त्र सुदृढ रहेकोले संस्था अवश्य पनि यस्ता चुनौतीहरू समाधान गर्न सक्षम रहेको मेरो धारणा रहेको छ ।

अन्त्यमा, संस्थाको व्यवस्थापनको बागडोर नयाँ पुस्ताका सीएहरूमा हस्तान्तरण भइसकेको छ । यो पुस्ता उद्यमशील, क्षमतावान र आधुनिक व्यवस्थापन र सूचना प्रविधिमैत्री रहेकाले पनि उनीहरू संस्थालाई अभि उचाइमा पुर्‍याउन सक्ने कुरामा शंका गर्ने ठाउँ छैन । निरन्तरको प्रयासपछि आज नवौँ परिषदसम्म पुगु तथा ११ हजार भन्दा बढी विद्यार्थीहरूले स्वदेशमै अध्ययन गर्न पाउनु कम उपलब्धि होइन । संस्थाको स्थापना र विकासका क्रममा मैले विभिन्न पदमा रही वा नरही काम गर्न पाएको अवसरका लागि म आफूलाई गौरवान्वित ठान्दछु । यसको विकासका लागि मेरो निरन्तर सहयोग रहिरहने बाचाका साथ संस्थाको २५ औँ वार्षिक दिवसको उपलक्ष्यमा हार्दिक बधाई एवं शुभकामना व्यक्त गर्दछु । ■

## Twenty-Five Glorious Years of The Institute of the Chartered Accountants of Nepal: Some Reminiscences of the Early Days

✍ Mr. Vijay Kapur\*



I am truly delighted to participate in the Silver Jubilee celebrations of the Institute of Chartered Accountants of Nepal (ICAN). I share a very special bond with ICAN as, in the capacity of Officer on Special Duty from the Institute of Chartered Accountants of India (ICAI), I was partly responsible for operationalizing it during 1998-99 by laying down the education and training system and overseeing the robust examination system. I have observed ICAN's evolution since then with great interest, and I'd like to commend and congratulate everyone, who has been associated with the growth of ICAN and its significant contribution to the Nepalese economy.

### 1. Genesis

The roots of the emergence of the accountancy profession in Nepal can be traced back to the 1934 legislation on company law. This was followed by the Nepalese Companies Act, 1956, which mandated company audit by an auditor, who was licensed by the Department of Industries, Nepal. The growth of the accountancy profession, however, was catapulted by the enactment of the Auditors' Act in 1974. This enactment entrusted the Office of the Auditor General, Nepal to issue auditor's licence and prescribe qualification of auditors for two different classes of auditors – 1) Chartered Accountants; and 2) Registered Auditors. Chartered Accountants with five years' experience were given Class A licence while Registered Auditors were given Class B, C, and D license, depending upon their education and experience, as specified in the 1974 Auditors' Act. However, such classification of auditors in two broad categories posed a challenge at a later stage.

Consequently, the organisation of the accountancy profession in Nepal began in 1978 with the formation of the Association of Chartered Accountants of Nepal (ACAN) as a voluntary professional organisation. Finally, the aspirations of the accounting professionals were realised with the enactment of the Nepal Chartered Accountants Act, 1997 which received the royal seal on 30 January 1997. The First Council of ICAN was constituted on 1st August 1997.

### 2. Memorandum of Understanding

The ICAI and ICAN entered into a Memorandum of Understanding (MOU) in June 1998. The MOU was signed by two great accounting stalwarts and visionaries, namely, Mr. Komal B. Chitracar, President, ICAN and Mr. Rahul Roy, President, ICAI. The speech delivered by Mr. Roy, partly

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in Nepalese, on the occasion was historic and enthralled everyone present in the audience. I'm certain that, the then, Vice President Mr. Tirath Raj Upadhyay and, particularly, members of the First Council, amongst others, would fondly remember it.

Mr Komal B. Chitracar, the First President of the ICAN, hailed the MOU and stated that " the signing of the MOU between two sovereign institutions, namely, the ICAI and the ICAN, was not only a remarkable event in the history of the two institutes but also will be a milestone in the area of regional cooperation among the SAARC countries". He further added that, "MOU would promote and foster knowledge sharing among the participating professional institutions, and that ICAN was encouraged to strengthen itself and initiate similar activities in the future. Apart from this, ICAN expects to receive other technical support considered indispensable for the growth of the newly born institute in Nepal."

The MOU explicitly provided that the ICAI will depute its nominee to the ICAN to act as a facilitator and consultant to advance the development of the profession as well as regulatory frameworks which, inter alia, included – a) Drafting of syllabi; b) Setting up the examination system; c) Setting up a functioning disciplinary system; d) Setting up a technical cell, e) Formulation of a policy for Continuing Professional Education and implementation of the same; f) Design and development of study materials; g) Design and development of training systems for students; and h) Research.

I was fortunate to have been deputed as Officer on Special Duty to achieve the desired objectives in a diligent manner. I vividly remember the brightness in the eyes of Mr. Roy while persuading me to take up the assignment and act as an "ambassador" of the Indian Accountancy Profession.

### 3. Role of ICAI

The role of ICAI in the development of ICAN can be outlined under four broad areas – 1) Drafting regulations, including matters relating to students such as education, training, and examination and members; 2) Promoting ICAN at international fora; and 3) Enhancing professional development; and 4) Mobilizing international funding

#### A) ***Drafting Nepal Chartered Accountants Regulations, 1999***

On my arrival in Kathmandu on day one, I had the privilege of having a dinner meeting with the members of the First Council. At the meeting, Council members raised highly pertinent concerns w.r.t. to the common syllabi, the two categories of members, provisions relating to uniform training and monitoring of the same etc.

- ***Design and development of the education system:*** The proposition of "common syllabi" was suggested to the Council members. However, it was impressed upon them that having different syllabi in company law, taxation, and economics would only lead to considerable delay in operationalising the ICAN, given the lack of proper resources to develop the study material and lack of quality textbooks in the market. However, after further deliberations, the proposition of "common syllabi" was accepted. Such acceptance led to few obvious advantages, namely, the ICAI decided to provide the complete set of study material free of cost and, further bolstered a stronger case for membership at ICAI.
- ***Training Provisions:*** Though the provisions relating to training were replicated in ICAN but it's monitoring could be further strengthened.

- **Examination System:** As far as regulations relating to examination were concerned, the same were modified without diluting the quality. For few examination attempts, the ICAI used to set a separate, but a simpler paper, for ICAN's exam, for which answers were provided by ICAI's Board of Studies department. ICAI provided technical assistance to ICAN to strengthen the examination systems, wherein officers from ICAN used to visit ICAI regularly to discuss various intricacies of activities related to smooth conduct / flow of Examinations.
- **Two categories of members:** Two categories of members, namely, chartered accountants and registered auditors posed another challenge which was to ensure common ethos and culture in the organisation. Accordingly, it was decided to provide a channel to registered auditors to take chartered accountancy examinations. In 1998, there were about 100 plus chartered accountants and about 7000 Registered Auditors. Majority of chartered accountants were qualified from India but there were some members who were either CPAs or ACCAs. Therefore, it was decided to grant membership to each person irrespective of the accountancy body.

**B) Promoting ICAN at International Fora**

The ICAI has always been at the forefront, directly or indirectly, to push the consolidation of the accountancy profession in Nepal. During the tenure of Mr. PN Shah, First President of the South Asian Federation of Accountants (SAFA), the ACAN was formally invited in 1984 to participate as an observer in SAFA. To give a further push to grant autonomy to the Nepalese accountancy profession, SAFA formed a committee in 1985 to assist ACAN in the formation of an accounting body in Nepal. Consequently, a High-Level Study Group constituted by His Majesty of the Government of Nepal recommended the formation of an autonomous self-regulatory accounting body in Nepal in 1988. The ICAI also sponsored ICAN for membership of the Confederation of Asian and Pacific Accountants in 1998. As a matter of record, ICAN became Associate Member of International Federation of Accountants in 2003 and Full Member of in November 2008.

**C) Enhancing professional development**

The ICAI also played a proactive role in enhancing the professional development of Nepalese professionals. Series of programs were conducted by the ICAI faculty in the areas of accounting and auditing standards, corporate governance, and information technology. Two full days program was also conducted for all members on Peer Review.

**D) Mobilize International Funding**

The ICAI consultant played a catalyst role in mobilizing funds from the Department For International Development, Southeast Asia under DFID's Enabling State Programme Nepal. About NR one million was allocated to ICAN for procuring equipment. These funds were used to buy computers and laptops which provided a great boost in administrative operations particularly during initial stages. Mr. Rahul Roy, President, ICAI at the 49th Annual Function of ICAI held on 16th January 1999 commending the implementation process of the MOU with ICAN stated that "we had the unique privilege of signing memorandum of professional cooperation with Nepal and our role in professional endeavours have been appreciated and we have come out with glowing colours in competition with the best in the world."



#### 4. Continuous Cooperation between ICAN and ICAI

ICAN signed a second MOU with ICAI in July 2004. Recently ICAI and ICAN entered into an MoU in 2017 that was approved by the Union Cabinet chaired by Hon'ble Prime Minister of India Shri Narendra Modi and later on formally signed and exchanged by both the Institutes in his august presence in 2017. Such cooperation between ICAI and ICAN would help in the advancing accounting knowledge, professional and intellectual development, and the interests of the respective members and thereby positively contribute to the development of the accounting profession in India and Nepal.

#### 5. Concluding Observations

I'm glad to see that on the occasion of its Silver Jubilee celebrations, ICAN leadership has reaffirmed its faith in "Upholding Public Interest" – hallmark of the accountancy profession is its obligation to act in the public interest. To uphold the public interest, it is imminent for ICAN to ensure soundness of financial and non-financial reporting, comparability of financial and non-financial information across borders, fiscal prudence in public expenditures, and contributions that accountants make to enhance corporate governance, efficient resource management, and organisational performance. Finally, with the advent of globalisation, geographical boundaries have blurred, and due to disruptions caused by relentless technological innovations, it is imperative for each accounting body to reorient and reinvent itself to stay relevant in the larger public interest.

(PS: On this occasion, I would like to pay my tribute to Mr. Komal Chitracar, a humble visionary, and I also miss Rahul Roy, a dynamic and charismatic leader. I will not hesitate to mention that but for the guidance and support of Mr. Tirath Raj Upadhyaya, the ICAN regulations wouldn't have been released in time. Finally, Mr. Purushottam and Mr. Binod deserve a special mention because both worked tirelessly with me at the expense of their family life).

#### *In Lighter Vein!*

#### *"Has that Indian gone"*

Generally, my friend Komal Chitracar would insist that I should stay in Kathmandu for at least a month, at a stretch, as I never used to stay for more than a week. In fact, Sunday being a working day in Nepal provided an excellent cushion since I travelled to Nepal on Saturday. Even Komal Chitracar would lure me for a longer stay and encourage me to explore the beauty of Nepal like Pokhara etc. But I always used to tell him politely that the work is my priority and hence we used to work till late evenings and never stepped out of Kathmandu. Perhaps, the genesis of one of the amusing remarks received by me is as under – One day during the week, I told Purushottam to call it a day around 4.00 pm since I wanted to meet my friend Mr. Bhandari, MD, Everest Bank. Next day morning Purushottam told me that when he reached home yesterday well in time, his wife enquired as to, "has that Indian gone"?

Today I take this opportunity to thank Ms. Purushottam, whom I have never met in life, for a wonderful innocent remark. Finally, I may state that I enjoyed each moment of stay at Kathmandu and did learn a lot through my interaction with so many professionals.

## आइक्यान स्थापना पछिको परिवर्तन

✍ सि.ए. कौशलेन्द्र कुमार सिंह  
पूर्व अध्यक्ष, आइक्यान



भारतको चार्टर्ड एकाउन्टेन्टसी अध्ययन गरेर जब हामी नेपाल आएर काम गर्न थाल्यौं, सो बेला नेपालमा लेखा प्रणालीको अवस्था एकदम कमजोर थियो । सरकारी बाहेक संस्थानहरूको लेखा प्रणाली पनि कमजोर थियो । लेखापरीक्षण भएपनि रीतपूर्वकको थिएन । त्यतिबेला खोलिएका सरकारको स्वामित्व भएका अन्य संघसंस्थाहरूको लेखा प्रणाली पनि राम्रो थिएन । राम्रो भनिएकोमा पनि सुधारको आवश्यकता अति जरूरी थियो । जब भारतबाट सीए पढेर नेपाल आए उनीहरूले व्यवस्थित किसिमका व्यावसायिक लेखा प्रणाली हुनुपर्छ भनेर आवाज उठाउन थाले । लेखा प्रणाली सुधारका साथै सीएहरूको सुरक्षा र क्षमता अभिवृद्धि गर्ने एउटा संस्थाको महशुस गरी गठनको प्रयास भयो । यसैको जगमा नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था (आइक्यान) स्थापना भई नेपालको लेखा व्यवसायमा सुधारको प्रादुर्भाव भयो । केही संस्थामा भएका नमूना कामहरूले अरु कार्यालयहरूमा पनि सीएको आवश्यकता बोध हुन थाल्यो । त्यति बोध गराउन हामीले थुप्रै छलफल, सेमिनार र गोष्ठी गर्नु पर्‍यो । त्यसकै बलमा एक्यान हुँदै २०५३ सालमा नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था (आइक्यान) को स्थापना भयो । यसको स्थापनाको सूत्रधार स्व. कोमलबहादुर चित्रकार नै हुन । निकै दूरदर्शी र मेहनती चित्रकारकै कारण नेपालको लेखा व्यवसाय संस्थागत हुँदै यहाँसम्म आईपुगेको छ । आइक्यान स्थापनाको समयमा महालेखा परीक्षक विष्णुबहादुर केसीको सहयोगी भूमिका महत्वपूर्ण छ ।

आइक्यान स्थापना भएपछि नेपालमा अब व्यावसायिक रूपमा लेखा पद्धतिमा सुधार हुन्छ भन्ने हाम्रो आशा थियो । आइक्यानको स्थापनापछि सीएहरूले संगठित भइ आफ्नो हक, अधिकार र व्यवसायको सुरक्षाको लागि काम गर्दै आए । देशमा आर्थिक रूपमा व्यावसायिक लेखा राख्ने सवालमा आइक्यानको ठूलो भूमिका र योगदान छ । स्थापनापछि भारतमा सीए पढेर आएको ज्ञानकै आधारमा हामीले सुधारको काम थाल्यौं । त्यतिबेला लेखा राख्नको लागि कुनै मापदण्ड थिएन । लेखा प्रणालीलाई व्यवस्थित गर्ने विश्वमा करिव १२ वटा जति संस्था खुलिसकेका थिए । तर हामीले भारतसहित अन्य देशमा प्रचलित लेखा प्रणालीलाई अनुसरण गर्‍यौं । यो क्रम तीन वर्षसम्म चल्यो । प्रायः सबै कार्यालय, कम्पनीहरूमा यही पद्धति लागू गर्न एक्यान र आइक्यानको तर्फबाट धेरै सेमिनार तथा गोष्ठी र अर्न्तक्रिया गर्‍यौं । दुबै संस्थाको नेतृत्वमा स्व. कोमल बहादुर चित्रकार नै सक्रिय हुनुहुन्थ्यो । उहाँ नै यसको प्रमुख प्रवर्द्धक हो ।

मुलुकमा जति पनि सरकारी कार्यालय, संस्थानहरू खुले ती सबैमा हामीले नै व्यवस्थित लेखा प्रणाली राख्न थाल्यौं । सम्बन्धित पक्षहरूलाई यसको महत्व बारे बुझाउन पनि लाग्यौं । राम्रो लेखा प्रणाली भएन भने देशको आर्थिक विकास गर्न सकिदैन । आर्थिक क्रियाकलापका समुचित लेखांकन गर्न सकिएन भने जनताले त्यसको केही फाइदा पाउन सक्दैन भनेर सचेतना बढाउन छलफल र सेमिनार कार्यक्रमहरू गर्‍यौं । यसरी विस्तारै व्यावसायिक लेखा राख्ने काम शुरु भयो । सि.ए. स्व. कोमल बहादुर चित्रकार, सि.ए. टि. आर. उपाध्याय र म लगायत तत्कालीन समयमा उपलब्ध सीएहरूको यसमा महत्वपूर्ण भूमिका रहेको छ । विस्तारै हामीले नेपाल लेखामान बनाएर लागू गर्‍यौं । अन्तराष्ट्रिय मानहरूको आधार नेपालमा मानहरू जारी गर्‍यौं र आइक्यानको तर्फबाट लेखामानहरूको तालिम शुरु गर्दा यसलाई नै आधार बनायौं ।

वि.सं २०५९ मा आइक्यानले आफ्नै ऐन संशोधन गरेर नेपाल लेखामान बोर्ड र नेपाल लेखापरीक्षणमान बोर्डको स्थापन गऱ्यो । नेपाल लेखामान बोर्डको पहिलो अध्यक्ष तीर्थराज उपाध्याय हुनुभयो भने नेपाल लेखा परीक्षणमान बोर्डको पहिलो अध्यक्ष म आफैं भएँ । दुबै बोर्डको तीन वर्षको कार्यकाल थियो । आइफ्याकले जारी गरेको लेखामानलाई लिएर सिए तीर्थराजजीले नेपालको परिवेशलाई सुहाउँदो करिव १४ वटा नेपाल लेखामानहरु बोर्डबाट पारित गरी लागू गर्नुभयो । त्यसले लेखाप्रणालीलाई कानूनी रुपमा पहिलो पटक स्थापित गर्‍यो ।

नेपाल लेखामान बोर्ड र नेपाल लेखापरीक्षणमान बोर्डका हामी दुबै अध्यक्ष मिलेर आइफ्याकले सूत्रधार गरेको मापदण्डलाई नेपालमा लागू गर्न पहल गर्‍यौं । यी मानहरु अमेरिका बाहेक विश्वव्यापी रुपमा लागू भएको थियो । अमेरिकाले भने आफ्नै छुट्टै मापदण्ड बनाएको थियो । त्यही आधारमा हामीले नेपालमा पहिलो पटक लेखामान र लेखापरीक्षणमान लागू गर्न सफल भयौं । नेपाल लेखापरीक्षणमान बोर्डको अध्यक्षको रुपमा मैले पनि ३१ वटा नेपाल लेखापरीक्षणमानहरु तयार गर्न सफल भएँ । ती मानहरु लागू पनि गर्‍यौं । त्यो नेपालको लेखापरीक्षणको इतिहासको लागि एउटा कोशेदुङ्गा बन्यो ।

यसरी हाम्रो पहलमा अन्तर्राष्ट्रिय रुपमा मान्यता प्राप्त मापदण्ड कै आधारमा लेखापरीक्षण राख्नुपर्ने व्यवस्थाको नेपालमा पहिलो पटक शुरुवात भयो । त्यसपछि पहिले चलिरहेको हचुवा र तजविजको भरमा लेखा राख्ने प्रचलनको अन्त्य भयो । यो अन्तर्राष्ट्रिय मापदण्डअनुसार लेखा तथा लेखापरीक्षण गर्नमा हामीले उपलब्धि प्राप्त गर्‍यौं । त्यो हिसावले हाम्रो कार्यकाल निकै सफल भयो । त्यही समयमा सीएहरुको लागि आ-आफ्नो बोर्डको तर्फबाट धेरै सेमिनार, गोष्ठी र तालिमको कार्यक्रम सञ्चालन गर्‍यौं । त्यस वखत शुरुवातीको चरण भएको कारण धेरैमा लेखा र लेखापरीक्षणको ज्ञान भएको व्यक्तिको अभाव थियो । यस कारण पनि तालिम निकै प्रभावकारी हुनुका साथै लेखा प्रणालीबारे जानकारी भयो । सबैलाई हिसाव राख्न र लेखा परीक्षण गर्न सक्ने सक्षम बनायौं ।

त्यतिबेला सरकारी कार्यालय तथा संस्थानहरुमा निकै ढिलो लेखापरीक्षण हुन्थ्यो । अहिलेको जस्तो वर्ष वर्षमा हुँदैन थियो । महालेखा परीक्षकको कार्यालयले सरकारी संघसंस्थानहरुको ४,५ वर्षको लेखापरीक्षण एकै पटक गर्दथ्यो । जब नयाँ लेखापरीक्षणमानहरु लागू गर्दै गयौं, क्रमिक रुपमा लेखापरीक्षण अद्यावधिक हुन थाल्यो । आर्थिक वर्ष समाप्त हुनासाथ नै धेरै सार्वजनिक संस्थानहरुमा लेखापरीक्षण ६ महिना भित्र सम्पन्न हुन थाल्यो । तर बैंक, कम्पनी, सहकारी संस्थाहरुको भने तीन महिना भित्र छेस्ता तयार गरी लेखा परीक्षण सम्पन्न हुने कामको थालनी हुन थाल्यो । यसरी हाम्रो निरन्तर प्रयास र अभियानपछि हरेक वर्ष हिसाब दुरुस्त हुन थाल्यो । अहिले त तीन महिना भित्रै वित्तिय विवरणहरु तयार गरी लेखा परीक्षण हुने गरेको सुखद पक्ष छ । त्यसमध्ये बैंक, वीमा कम्पनी तथा सहकारी संस्थाहरु सबै भन्दा अगाडि छन् । बैंक हाम्रो देशको आर्थिक अवस्थाको मेरुदण्ड बनेको छ । बैंकहरुले विधिवत लेखा राख्ने कामहरु पौष मसान्तसम्म सम्पन्न गरी पत्रिकाहरुमा समेत सार्वजनिक गर्ने अभ्यासमा ल्याएका छन् ।

वास्तवमा भन्ने हो भने लेखापरीक्षणको सही अभ्यास यी वित्तीय संस्थाहरुमा नियमित छ । यो अवस्थामा आइपुग्न सीएहरुले निकै मेहनत गर्नु परेको थियो । आइक्यानले गरेको यो धेरै राम्रो पक्ष हो । तर सबै व्यवस्था राम्रो हुँदाहुँदै पनि अब यसको पुनरावलोकन र मूल्यांकन गर्नु जरुरी भएको छ । हामीले विगत २५ वर्षको उपलब्धीको मूल्यांकन गर्नु पर्दछ । हामीले के-के गर्न सक्यौं, कहाँ-कहाँ, के-के गर्न सकेनौं, त्यसको परिणाम के-कस्तो निस्कियो, यसको समग्रमा मूल्यांकन हुनु जरुरी छ । मेरो अनुभवमा आइक्यान सोचे जति अभूत अघि बढ्न सकेको छैन । अब आइक्यानको नेतृत्वले पुनर्विचार गर्ने बेला आएको छ । केही कमी कमजोरीहरु अवश्य छन् । व्यवस्थित रुपमा लेखापालनमा सुधार जरुरी छ । सरकारीस्तरमा अपेक्षित सुधार नभएपनि सार्वजनिक क्षेत्रहरुमा लेखा राख्ने काम अद्यावधिक भइसकेको छ ।

आर्थिक पद्धतीको सुधार गर्न गठित आइफ्याक यसको सूत्रधार संस्था हो । यो एउटा गैरसरकारी संस्थाले त विश्वमा यति ठूलो सेवा उपलब्ध गराएको छ भने हाम्रो संस्थाले पनि आफ्नो उत्तरदायित्वबाट अलग हुन सक्दैन । थुप्रै कमी कमजोरीहरु छन् जुन आइक्यानले जवाफदेही वहन गर्दै सुधार गर्नुपर्ने छ । आइक्यानमा व्यापक सुधारको आवश्यकता छ । आइक्यान

लेखाव्यवसायको मर्यादित संस्था भएकोले पनि यसलाई राजनीतिक दबाव र प्रभावबाट मुक्त राख्नुपर्दछ। आइक्यान मार्फत नेपालमै सीएको पढाई भइरहेको छ। यसलाई समायानुकुल परिवर्तन र अभि प्रभावकारी बनाउन जरुरी छ। सीए उत्तीर्ण भएका व्यक्तिहरूसँग शैक्षिक योग्यता र प्रमाणपत्र त छ तर उनीहरूलाई परेको समस्यामा संस्थाले ध्यान दिन जरुरी छ।

त्यस्तै लेखापरीक्षणमान बोर्डको काम पुनरावलोकन (Over View) गर्ने हो। पुनरावलोकन गर्दा के कति कमजोरी छ, ती कुराहरू कार्यान्वयनको लागी आइक्यानलाई सुभाष दिनु पर्ने हो। तर बोर्डले अबै यसमा ध्यान पुर्‍याउन सकिरहेको छैन। खाली मानहरू कपी पेष्ट गरेर दिने मात्र होइन। आइफ्याकले प्रकाशित गरेको पुस्तकहरू बजारमा ल्याएर मात्र दायित्व पुरा हुँदैन। उनीहरूको प्रमुख दायित्व लेखापरीक्षणमान व्यवहारमा अभ्यासमा ल्याउन शिक्षा दिने हो। त्यस अनुसारको कार्यान्वयन गराउनका लागि सरकारी, गैरसरकारी संस्थानहरू लगायत ठूलाठूला कम्पनीहरूलाई पनि यो कुरामा कसरी शिक्षा दिन सकिन्छ भनेर त्यसको व्यवस्थापन पक्षलाई जानकारी पनि दिने हो। त्यहाँ पनि ध्यान दिन सकेका छैनन्। नयाँ नयाँ मापदण्ड र लेखामानहरू जारी भएपनि त्यो सही रूपमा लागू भएका छैनन्।

जनताले स्टक एक्सचेन्जहरूमा ठूलो आर्थिक लगानी गरेका छन्। लगानीअनुसार प्रतिफल पाउन नसक्दा कानुनी मान्यता प्राप्त स्टक एक्सचेन्जमा जनताको विश्वास जगाउन सकिएको छैन। त्यहाँबाट आउने वित्तिय विवरण सही रूपमा प्रस्तुत गर्न नसकेको कारण विश्वास जाम्न नसकेको हो। बैंकहरूको वित्तिय विवरणलाई चार्टर्ड एकाउन्टेन्टहरूले सर्टिफाइड गरेको हुन्छ। मुलुकको कूल अर्थतन्त्रको ६० प्रतिशत कारोबार बैंकमार्फत हुने गरेको छ। तर त्यसको पनि स्वीकृत लेखामानअनुसार सत्य र पारदर्शी चित्रण हुन सकेको छैन। वार्षिक हिसाव मिलानको उद्देश्यले मात्र लेखापरीक्षण हुने गरेको छ। नियमन निकायको लागि आवश्यक जानकारी प्रस्तुत गर्ने वित्तिय विवरणलाई नियमक निकायको आवश्यकता अनुसार उसले तोकेको ढाँचामा तयार गरीन्छ भने साधारण वित्तिय विवरण सरोकारवालाहरूको जानकारीको लागि तयार गरिएको हुन्छ।

आइफ्याकले नै साधारण वित्तिय विवरणको बारेमा मात्र कुरा गरेको छ। आइफ्याकले नियमक वित्तिय विवरणको बारेमा कदापि यो भनेको छैन। यसमा कुनै पनि इन्ष्टिच्युटले ध्यान दिने वा लागू गर्ने भनेको छैन। तथापि हामीकहाँ सबै सीएहरूले रेगुलेटरी स्टेटमेन्टमा आफ्नो राय दिएर प्रमाणित गरिरहेका छन्। जुन जनताको हितमा छैन। यसमा नियमनकारीहरू आफ्नो दायित्वबाट उन्मुक्ति पाउन सक्छन्। जनताको सम्पत्तिको अधिकार जनतालाई छ। त्यसको जानकारी पनि जनतालाई हुनु पर्छ। तर त्यो जानकारीबाट जनता बञ्चित छन्। यो आवाज आइक्यानले उठाउनु पर्नेमा उठाउन सकेको छैन। यो आवाज उठाउन कुनै गाह्रो कुरा छैन। आइक्यानले आफ्ना सदस्यहरूलाई निर्देशन दिनुपर्छ। आइफ्याकले दिएको लेखा प्रणाली पूर्ण कार्यान्वयनमा आउनु पर्नेमा आउन सकेको छैन। नियमक उद्देश्यको वित्तिय विवरण र सामान्य उद्देश्यका वित्तिय विवरण धेरै फरक छ। जस्तो भनौं, कुनै पनि बैंकको आर्थिक अवस्था थाहा पाउनको लागि उसले साधारण उद्देश्यको वित्तिय विवरणबाट थाहा पाउन सकिन्छ तर नियमक उद्देश्यबाट थाहा पाउन सकिदैन।

नियमक उद्देश्यमा धेरै कुरा गोप्य राखिएको हुन्छ। सबै कुरा खुलाउनु पर्नेमा खुलाइएको हुँदैन। तर साधारण उद्देश्यमा सबै कुरा खुलाउनु बाध्यकारी नियम छ। ताकि जनतालाई कहाँ लगानी गर्ने वा कहाँ नगर्ने जानकारी हुन्छ। जनताको पैसा जनताले नै विचार गरेर लगानी गर्नु पर्नेमा नियमक उद्देश्यको लागि तयार गरिएको वित्तिय विवरणको आधारमा लगानी गर्दा लगानीको सही स्थितिको जानकारी नपाई लगानी गर्नु परेको छ। अध्यारोमा जनतालाई लगानी गराई रहेका छौं। फलस्वरूप जनताले अबौं रुपैयाँको नोक्सानी व्यहोर्नु पर्ने अवस्था छ। यो दुःखद पक्ष हो। स्टक एक्सचेन्जमा कारोबार कहिले दुई सय विन्दुले (Index) माथि जान्छ, अर्को दिन दुई तीन सय विन्दुले (Index) तल भर्छ। कतिपयले स्टक एक्सचेन्ज एउटा जुवा हो भनेर समेत भनेको सुनिन्छ। वास्तवमा त्यस्तो होइन। स्टक एक्सचेन्ज देशको आर्थिक कारोबारको मापन (ब्यारोमिटर) हो। थुप्रै अर्थशास्त्रीहरूले सय वर्ष अगाडिदेखि भनिरहेका छन्, त्यो सूचकलाई व्यवस्थित गर्नको लागि चार्टर्ड एकाउन्टेन्टको अहम् भूमिका थियो। सत्य र पारदर्शी लेखापरीक्षण गरी पेश गर्नु पर्नेमा नभएको कारणले लेखापरीक्षण भइरहे पनि जनताले उचित लाभ पाउन सकिरहेका छैनन् की यसतर्फ पनि आइक्यानले सोच्नुपर्ने अवस्था छ। यस विषयमा जनतालाई ज्ञान दिनु आइक्यानको दायित्व हो। आइक्यानले यसवारे स्पष्ट पार्नु जरुरी छ।



म आइक्यानको अध्यक्ष भइसकेको व्यक्तिले अहिले यो कुरा भन्नु पर्दा दुःख लाग्छ । तर सुधारको लागि मैले भन्नै पर्ने मेरो कर्तव्य ठानेको छु । आइक्यान आफ्नो कर्तव्यबाट बिमुख हुनु हुँदैन । निर्वाचनपछि सदस्यहरूको कुनै भूमिका हुँदैन । पदाधिकारी मात्रै सर्वेसर्वा हुन्छन् ।

पहिले कुमारी चोकबाट हिसाब किताब जाचिन्थ्यो । कौसी तोषाखाना अहिले पनि छ । विक्रम सम्वत् २०१५ सालमा महालेखा परीक्षकको विभाग (हाल कार्यालय) स्थापना भएको थियो । त्यो बेलादेखि लेखा परीक्षण गर्नेमा विस्तारै परिवर्तन हुँदै गयो । त्यतिबेला लेखापरीक्षण नगण्य मात्रामा थियो । ढड्डामा हिसाब राखिन्थ्यो, कति ठीक, कति बेठीक थियो भन्ने कसैलाई थाहा हुने थिएन । जनताको सामु त्यो हिसाब कहिले पेश हुँदैनथ्यो । जब सरकारी बजेट र खर्च बढ्न थाल्यो, कम्पनीहरू खडा हुन थाल्यो त्यसपछि लेखा प्रणालीको विस्तार शुरु भयो । त्यसबखत नेपालमा खासै लेखाविज्ञ नभएकोले आफ्नो तरीकाले हिसाब राख्ने गरिन्थ्यो । त्यसपछि सोल्टी होटल संचालन हुँदा भारतबाट आर.के. घोषलाई ल्याएर लेखा राख्ने व्यवस्था शुरु गरियो । २०२०-२१ साल तिर उनलाई नेपाल ल्याइएपछि यस व्यवसायले विकास गर्ने मौका पायो । त्यही समय भारतबाट एन. के. स्वामी आए । उनी भारतको सीएमा गोल्ड मेडलिस्ट थिए । उनी पछि क्रमशः नेपालीहरू सीए पढेर आउन थाले । सुधारको क्रम बढ्न थाल्यो । कुवेर शर्मा, डाकुरनाथ शर्मा, कोमलबहादुर चित्रकार र हिरण्यलाल बज्राचार्य लगायत आएपछि नेपालको पनि आफ्नै लेखा प्रणालीको प्रादुर्भाव भयो ।

पहिले र अहिलेको लेखा प्रणालीमा जमीन आकाशको फरक आयो । पहिले जानकारी दिइने थिएन भने अहिले जानकारी दिने व्यवस्था भयो । गैर सरकारी क्षेत्रमा बैंक, निजी कम्पनीहरूमा अहिले समयमै लेखा राख्ने र लेखापरीक्षण गर्ने परम्परा शुरु भएको छ । तर यो कतिको विश्वसनीय छ, जनतालाई कतिको सही जानकारी दिइएको छ ? यो बुझ्न जरुरी छ ।

यस अवस्थामा संस्थाले मुलुकको आर्थिक तथा वित्तीय क्षेत्रमा ठूलो योगदान पुर्‍याउन सक्छ र पच्‍याउनु पनि पर्छ भन्ने मलाई लाग्छ । यसको लागि रणनीतिक रूपमा आगामी वर्षहरूमा सुधारका उपायहरूको थालनी आवश्यक छ । यसबाट संस्थाको गरिमा बढ्ने छ । संस्थाको २५ औं वार्षिकोत्सवको उपलक्ष्यमा यी कुराहरूमा अभि ववस्थित ढंगबाट अगाडि बढ्न सकोस भनि हार्दिक शुभकामन दिन चाहान्छु । ■

## Role of South Asian Federation of Accountants (SAFA) for Establishment of ICAN

✍️ **Prof. Lakshman R. Watawala FCA,  
FCMA, FCMA(UK), CGMA, FCPM\***



### About SAFA

South Asian Federation of Accountants (SAFA) was formed in the year 1984 to serve the accounting profession in the South Asian Region and uphold its eminence in the world of accountancy. SAFA is an Apex Body of the South Asian Association for Regional Co-operation (SAARC) and an Acknowledged Accounting Grouping of International Federation of Accountants (IFAC). SAFA represents over 300,000 accountants having membership of the national chartered accountancy and cost & management accountancy institutions in the South Asian countries namely Bangladesh, India, Nepal, Pakistan and Sri Lanka as members, Afghanistan as an Associate Member Maldives and Bhutan as observer. SAFA came into existence at the initiative of the accounting professional bodies in the South Asian Region, which has a bond of culture and homogeneity of professional environment.

South Asian Federation of Accountants (SAFA) is 38 years and In 2022, we are celebrating the Silver Jubilee of the Institute of Chartered Accountants of Nepal (ICAN). Since its formation in 1984 SAFA has played a major role in supporting the incorporation of the Association of Chartered Accountants of Nepal (ACAN).

### Idea for the Birth of SAFA

The idea to form an alliance of accounting bodies in the South Asian Region was conceived at the third National Conference of Chartered Accountants of Sri Lanka held in December 1982 convened by Dr. G C B. Wijeyesinghe, the President of the Institute of Chartered Accountants of Sri Lanka (ICASL) together with the Chairman of the Conference Committee and Vice President ICASL Prof. Lakshman R. Watawala, Mr. Ashok Kumbhat, the then President of ICAI and other presidents from the South Asian Region. The officials discussed the formation of a regional body. Thereafter, the agreement was reached at CAPA meeting held in New Delhi in 1983 to officially form the regional body.

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\* Founder Signatory to the Formation of SAFA

Past President SAFA

Past President CA Sri Lanka

Founder President CMA Sri Lanka

Founder President AAT Sri Lanka

Board Member SAFA and Chairman International Relations Committee

## Birth of SAFA

### Signing of SAFA Constitution

At the meeting of the heads of accounting bodies from Bangladesh, India, Pakistan and Sri Lanka held on 22nd August 1984 at New Delhi, the Constitution of the Body was signed and SAFA was born. The meeting was attended by the Heads of Accounting Bodies in the South Asian Region.



### First decision of SAFA Board to assist the setting up of the Accountancy body in Nepal

It was suggested for SAFA to assist Nepal in the setting up of the Professional Accounting body which was proposed by ICA India. All members whole heartedly supported and approved the proposed assistance. It was decided to have the first SAFA conference in Colombo, Sri Lanka from 4th to 7th December 1984 on the theme "Accountancy Profession: Perspectives and Prospects".

The SAFA Office was to be located in the ICA India premises in New Delhi and the first Secretary appointed was Mr. Kamal Gupta, Technical Director of ICA India.

### 1<sup>st</sup> SAFA Assembly Meeting held in Karachi, Pakistan on 13-14 May 1985



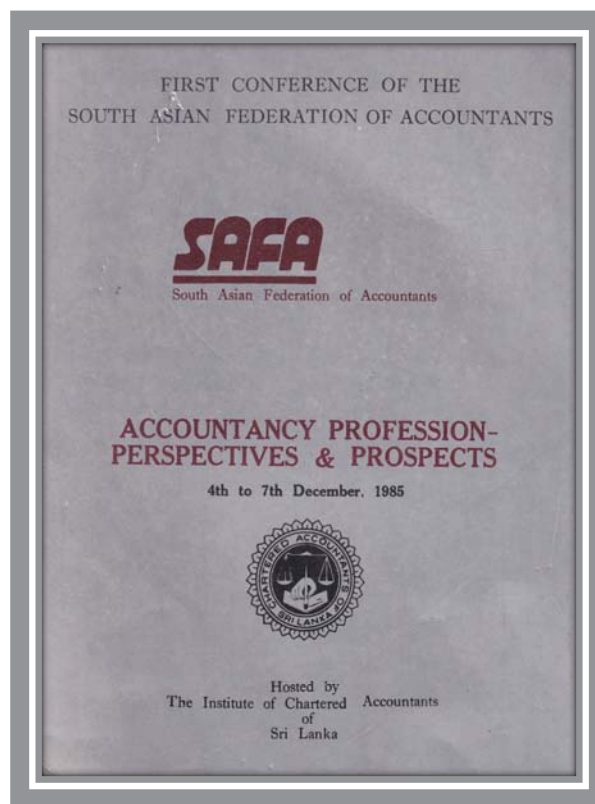
The 1<sup>st</sup> SAFA Assembly Meeting was held in Karachi Pakistan on 13th and 14th May 1985 on the chairmanship of Mr. P N Shah President, and presence of Mr. L R Watawala (Vice President), Mr. A C



Chakrabortti (President, ICA India), Mr. P S Nadkarni (President, ICWA India), Mr. Irtiza Husain (President, ICA Pakistan), Mr. Ainuddin Sididiqui (President, ICMAP), Mr. Komal Bahadur Chitrakar (President, Association of Chartered Accountants of Nepal) and Mr. Kamal Gupta (Secretary, SAFA).

One of the objectives of the Federation was to encourage and assist the development of national accounting organisations within the South Asian Region. A request was received from the Association of Chartered Accountants of Nepal (ACAN) and the Assembly decided to render all possible assistance for the setting up of a professional accounting body in Nepal.

At the first Assembly Meeting in Karachi, it was decided to admit the Association of Chartered Accountants of Nepal (ACAN) as an observer. The Federation also decided to offer to the authorities in Bhutan and Maldives in developing accountancy profession in these countries.



### A two-day Seminar organized in Karachi, Pakistan on May 15-16, under the Continuing Education Programme of SAFA



Front row – Kamal Gupta, Komal Chitrakar, P S Nadkarni, L R Watawala, S M Masood, A C Chakraborti.



## INAUGURAL CONFERENCE 1985

### COMPOSITION OF SAFA

The constitution of SAFA provides for the governing body of the Federation, designated as the 'Assembly', which shall comprise one representative from each member body. It further provides that a member body whose representative is elected as the president of the Federation, may designate another representative.

The present composition of the Assembly, in accordance with the aforesaid provisions of the constitution, is given below.

Mr. P. N. Shah	President of the Federation
Mr. L. R. Watawala	Vice-President of the Federation and Representative of the Institute of Chartered Accountants of Sri Lanka
Mr. Md. Yunus	Representative of the Institute of Chartered Accountants of Bangladesh

Mr. Ruhul Quddus	Representative of the Institute of Cost and Management Accountants of Bangladesh
Mr. A. C. Chakrabortti	Representative of the Institute of Chartered Accountants of India
Mr. P. S. Nadkarni	Representative of the Institute of Cost and Works Accountants of India
Mr. Irtiza Hussain	Representative of the Institute of Chartered Accountants of Pakistan
Mr. Kamal Gupta	Secretary of the Federation, Technical Director, The Institute of Chartered Accountants of India
Mr. Ainuddin Siddiqui	Institute of Cost & Management Accountants of Pakistan





### Significant achievements of Association of Chartered Accountants of Nepal (ACAN)

ACA Nepal was admitted as an Associate Member of SAFA at the first SAFA Assembly Meeting on 13th to 14th May 1985 in Karachi Pakistan. Nepal Chartered Accountants Act was, enacted on 30<sup>th</sup> January, 1997.

Institute of Chartered Accountants of Nepal (ICAN) was admitted as a full member of SAFA in 1997 and the president of ICAN at that time was Late. CA. Komal Bahadur Chitracar.

Late. CA. Komal Bahadur Chitracar was elected President of SAFA in 2010 and the president of ICAN during that time were CA. Suvod Kumar Karn (2009/10) and CA. Sunir Kumar Dhungel (2010/11).

The Late Komal Bahadur Chitracar was instrumental in the establishment of the Institute of Chartered Accountants of Nepal and has been involved with SAFA from the inception in 1985 when the Association of Chartered Accountants of Nepal was admitted as an observer of SAFA. He was honoured by ICAN by appointing him as the SAFA President in 2010 from Nepal honouring him for the great role he had played in the development of the accounting profession in Nepal and getting the Association incorporated by an Act of Parliament. We were rather unfortunate to lose him prior to ICAN celebrating the Silver Jubilee. A great loss to the accounting profession.

We honour our dear friend late Komal Bahadur Chitracar who will be respected as the Father of the Accounting Profession in Nepal. We wish the President, Council and all Members of ICAN a very glorious celebration of the Silver Jubilee and a very bright and prosperous future ahead. ■

## सम्भनामा नेपाल चार्टर्ड एकाउन्टेण्ट संस्थाको स्थापना

✍ रामबाबु नेपाल\*



कुनै पनि मुलुकको समग्र प्रगतिमा प्रभाव पार्ने तत्वहरू मध्ये सवल संस्था अग्रस्थानमा रहेको पाइन्छ। त्यसैले यस्ता संस्थालाई राष्ट्र निर्माणको सवल आधार मानिन्छ। यस्ता संस्था जिम्मेवार, लक्ष उन्मुख साथै समय सापेक्ष परिवर्तन र सुधारका लागि तत्पर रहेमा स्रोत साधनको समुचित उपयोग गर्न, सामाजिक दायित्व निर्वाह गर्न, आर्थिक सामाजिक प्रगति हासिल गर्न र सार्वजनिक जवाफदेही पुरा गर्न सक्षम हुन्छन्। हाम्रो मुलुकको विकासमा पछि पर्नु र आफुले तय गरेको दिशामा अगाडि बढ्न नसक्नुको एक प्रमुख कारण हामीले संगठन स्थापना गर्ने तर तिनीहरूलाई संस्थागत रूप, उपयुक्त किसिमको संगठनात्मक संरचना, उपयुक्त नेतृत्वकर्ताको चयन, सही ढंगबाट लक्ष उद्देश्य तथा कार्यक्रम तय, समयमा नीति, कार्यक्रम तथा आयोजनाको कार्यान्वयन, अनुगमन तथा मुल्याङ्कन साथै अनुभवबाट पाठ सिक्ने आदि जस्ता महत्वपूर्ण कुराहरूमा ध्यान नदिनु हो। यस्को प्रभाव सबैलाई पर्ने जान्छ।

यस संक्षिप्त लेखको उद्देश्य नेपाल चार्टर्ड एकाउन्टेण्ट संस्था (यस पछि 'संस्था' मात्र भनिएको) स्थापनार्थ तत्कालीन श्री ५ को सरकारले स्थापना गरेको तदर्थ समितिको सदस्यको हैसियत आफ्ना अनुभवको चर्चा गर्नु हो। करीब पच्चीस वर्ष पूर्वका कुरालाई सम्भनाको आधारमा चर्चा गर्न लागि रहेको छ।

### तत्कालीन व्यवस्था

स्वतन्त्र उद्देश्यमूलक र स्तरीय लेखापरीक्षण सार्वजनिक जवाफदेहीको निर्वाह र त्यसको माध्यमबाट सुशासनको प्रवर्धनको मुख्य आधार मानिन्छ। यो संगठनात्मक विश्वसनीयताको लागि पनि अत्यावश्यक छ। नेपालको संविधान र ऐन कानूनले संवैधानिक अंगहरू, कार्यकारिणी, न्यायपालिका, व्यवस्थापिका र सरकारको पूर्ण स्वामित्व नियन्त्रणमा रहेका सार्वजनिक संस्थानहरूको लेखापरीक्षण गर्ने र त्यसबारेको प्रतिवेदन तयार गरी राष्ट्र प्रमुख समक्ष पेश गर्ने जिम्मेवारी महालेखा परीक्षकलाई प्रदान गरेको छ। बि सं २०१६ असार १५ मा स्थापना भए यता महालेखा परीक्षकले आफुलाई एक निष्पक्ष र मर्यादित संस्थाको रूपमा समाजमा स्थापित गरेको को छ। सार्वजनिक संस्थान र बिकास समिति ऐन, २०१३ अन्तर्गत समितिहरू र विशेष ऐनद्वारा स्थापित संस्थाहरूको लेखापरीक्षणका लागि आफ्नो जनशक्तिले नभ्याउने अवस्थामा दर्तावाला लेखापरीक्षकहरू मध्येबाट महालेखा परीक्षकले नियुक्त गरेका लेखापरीक्षकबाट हुँदै आइरहेको छ। लेखापरीक्षणका लागि महालेखा परीक्षकबाट नियुक्ति पाउनु दर्तावाल लेखापरीक्षकका लागि गर्वको बिषय मानिन्छ।

नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्थाको स्थापना पूर्व लेखापरीक्षण व्यवसाय गर्न चाहनेका लागि योग्यता निर्धारण, दर्ता गर्ने र लेखापरीक्षणको प्रमाण पत्र दिने र लेखा व्यवसायी संस्था दर्ता गर्ने र नियमन गर्ने कार्य लेखापरीक्षक सम्बन्धी ऐन, २०३१ अनुसार महालेखा परीक्षकको विभागबाट हुँदै आएको थियो। शैक्षिक योग्यता, पद र अनुभवको आधारमा लेखापरीक्षकलाई

\* पूर्व नायव महालेखा परीक्षक, संरक्षक-रामबाबु-ज्ञान सामाजिक सेवा पुरस्कार कोष, अध्यक्ष-संचालक समिति, कोटेश्वर बहुमुखी क्याम्पस

क, ख, ग र घ गरी चार वर्गमा विभाजन गरिएको थियो । त्यसमध्ये क वर्गमा चार्टर्ड एकाउन्टेन्ट मात्र हुने व्यवस्था थियो । केही भारतीय चार्टर्ड एकाउन्टेन्ट र उनीहरूको फर्म पनि महालेखा परीक्षकको विभागमा दर्ता भई नेपालमा काम गरी रहेका थिए । महालेखा परीक्षकको कार्यालयबाट अनुमति दिने कार्य भए पनि लेखा व्यवसायको बिकास र विस्तारका लागि ठोस कार्य हुन सकेको थिएन ।

वैदेशिक लगानी आकर्षित गर्न, व्यावसायिक गतिविधिको क्रमिक विस्तार गर्न, संगठित तथा वित्तीय सुशासन (Corporate and Financial Governance) मा सुधार ल्याउन लेखाप्रणाली र लेखापरीक्षणमा गुणात्मकता ल्याउनु अत्यावश्यक महसुस हुँदै आइरहेको थियो । देशको व्यावसायिक गतिविधिमा विस्तारसँगै बढ्दै जानु पर्ने लेखा व्यवसायीहरूको संख्यामा बृद्धि हुन सकेको थिएन किनभने देशमा यसका लागि समर्पित आफ्नै संस्था थिएन । देशमा लेखा सम्बन्धी व्यावसायिक शिक्षा दिने संस्था नहुनाले नेपाली विद्यार्थी प्राय जसो भारत जानु पर्ने हुँदा कतिपय तेज विद्यार्थीले चाहेर पनि अध्ययन गर्न सकेका थिएनन । मुलुकमा लेखा व्यवसायको बिकास र नियमनको लागि समर्पित एक स्वतन्त्र र अधिकार सम्पन्न संस्था हुनु समयको माग थियो र त्यसको संवोधन हुनु आवश्यक थियो । तर प्रश्न थियो त्यस समयमा देशमा उपलब्ध चार्टर्ड एकाउन्टेन्टहरू त्यस्तो संस्थालाई दिगो रूपमा अगाडि बढाउन सक्षम र तत्पर हुनुहुन्छ ? यो बिषयलाई विचार गरेर तत्कालीन नेपाल चार्टर्ड एकाउन्टेन्ट संघ (Association of Chartered Accountants of Nepal – ACAN) का पदाधिकारीहरूले दायित्व सम्भरेर आफ्नो तर्फबाट पहल थाल्नु भएको रहेछ । त्यसपछि संस्था स्थापना सम्बन्धी आवश्यक कार्य गर्न एक तदर्थ समिति गठन गर्ने निर्णय भएको रहेछ । त्यस तदर्थ समितिमा हामी पाँच जना थियौं ।

१. नेपाल चार्टर्ड एकाउन्टेन्ट संघका प्रतिनिधि	श्री कोमल बहादुर चित्रकार	अध्यक्ष
२. चार्टर्ड एकाउन्टेन्ट	श्री तीर्थराज उपाध्याय	सदस्य
३. अखिल नेपाल लेखा परीक्षक संघका अध्यक्ष	श्री भोलाराज पाण्डे	सदस्य
४. महालेखा परीक्षकको कार्यालयका प्रतिनिधि	नायव महालेखा परीक्षक श्री रामबाबु नेपाल	सदस्य
५. कानून तथा न्याय मन्त्रालयका प्रतिनिधि	सहसचिव श्री मोहन बन्जाडे	सदस्य-सचिव

एक संस्थालाई जन्म दिने अभिभारा पाएको यस समितिको सदस्यको रूपमा काम गर्ने अवसर पाएकोमा मलाई निकै खुशी लागेको थियो । संस्था स्थापनाको कार्यको लागि संघको तर्फबाट दुई जना पछि राखेको एक जना र एक जना महालेखापरीक्षकको विभागबाट गरी चार जना कर्मचारी (अहिलेका प्रशासन विभागका निर्देशक श्री विनोद न्यौपाने, उपनिर्देशक श्री महेश चित्रकार, सवारी चालक श्री भोला घिमिरे तथा अहिले महालेखापरीक्षकको कार्यालयबाट सेवा निवृत्त श्री बिष्णु प्रसाद अर्याल) र सचिवालयको प्रबन्ध गरिएको थियो । बबर महल स्थित कार्यालयबाट हामीले काम थाल्यौं । अब म तदर्थ समितिले गरेका कामबारे आफ्नो अनुभव लेख्दै छु ।

## १) संस्था सम्बन्धी विधेयक पेश गर्ने र पारित गराउने

यो शायद सवैभन्दा महत्वपूर्ण र कठिन कार्य थियो । यसको प्रारम्भिक चरणमा विधेयकका केही दफामा गम्भीर बहस गर्नु पर्ने भयो । चार्टर्ड एकाउन्टेन्टको तर्फबाट पहल गरिएकाले उहाँहरू बाहेक अरुले लेखापरीक्षण प्रतिवेदनमा सही गर्न नपाउने व्यवस्था हुनु पर्ने आशय उहाँहरूको थियो । उहाँहरूले व्यावसायिक (Professional) डिग्री नभएको वाणिज्यशास्त्र वा अर्थशास्त्र पढेको वा कुनै निकायमा लेखा तथा लेखापरीक्षणको काम गरेकै आधारमा लेखापरीक्षण प्रतिवेदनमा हस्ताक्षर गर्नु वाह्य जगतमा मान्य नहुने हुनाले हामीले पनि त्यस्तै गर्नु पर्ने भन्ने तर्क दिनु हुन्थ्यो । तर त्यो समयमा हाम्रो देशको स्थिति बिल्कुलै भिन्न थियो । देशमा चार्टर्ड एकाउन्टेन्टको संख्या १५० को हाराहारीमा थियो होला र त्यसमध्ये केही व्यवस्थापकीय पदमा हुनु हुन्थ्यो । त्यसले गर्दा एकातिर उहाँहरूबाट मात्र देशभरि छरिएर रहेका व्यावसाय, विद्यालय, सहकारी र गैर सरकारी संस्थाहरूको लेखापरीक्षण सम्पन्न गर्न असम्भव प्राय हुन्थ्यो भने अर्कोतिर महालेखा परीक्षकको विभागबाट लेखापरीक्षण गर्ने अनुमति पाइरहेका ख ग र घ वर्गका लेखापरीक्षक साथीहरूको



पेशानै खोसिने अवस्था थियो । चार्टर्ड एकाउन्टेन्टहरूले रजिस्टर्ड लेखापरीक्षकले आफ्नो काम गर्न सक्ने तर प्रमाणित गर्न मात्र नपाउने त हो नि, प्रमाणित गर्ने काम चार्टर्ड एकाउन्टेन्टले गर्छन् भन्ने कुरा आयो । प्रमाणित गर्न नपाउनेलाई काम किन दिने भन्ने प्रश्न ग्राहकको मनमा आउनु स्वाभाविक छ र एकले काम गर्ने तर प्रमाणित अर्कोले गर्ने काम कसरी उपयुक्त र न्यायपूर्ण हुन सक्छ ? यसले रजिस्टर्ड लेखापरीक्षकको शोषण हुने र गरिमा नरहने स्थिति आउनेछ । यस्तो बेलामा उनीहरूलाई पेशागत अनुमति दिने संस्थाको प्रतिनिधिको रूपमा मैले समाधानको लागि बोल्नै पर्ने थियो । त्यो कुरा साँच्चै पेचिलो हुनाले सहमतिमा अगाडि बढाउनु अत्यावश्यक थियो । विधेयक प्रतिनिधि सभाको अर्थ समितिमा पेश भएको थियो र छलफलका लागि उपस्थित हुनु पर्ने भयो । यहाँ आफ्नो कुरा दरिलो गरी नराखे अवसर गुम्न सक्ने अवस्था पनि थियो । चार्टर्ड एकाउन्टेन्ट मित्रहरूले आफ्नो कुरा समितिका केही प्रभावशाली सदस्यहरू कहाँ पहिले पुर्‍याइ सक्नु भएको रहेछ । मैले रजिस्टर्ड लेखापरीक्षकहरूले किन लेखापरीक्षण गर्ने अनुमतिलाई किन निरन्तरता दिनु पर्ने भन्ने बिषयमा आफ्नो भनाइ राख्नु पर्ने थियो । अर्थ समितिका तत्कालीन सभापतिज्यूले मलाई तपाईंका कुरा राख्न २ मिनेट मात्र समय छ भन्नु भयो । त्यो छलफलमा आवश्यक परेमा थप कुरा बताउन उपमहालेखा परीक्षक पनि उपस्थित हुनुहुन्थ्यो । मैले बिषयवस्तुको गम्भीरताले गर्दा २ मिनेट पर्याप्त हुँदैन थप समय पाउँ भने पछि समितिका अरु सदस्यले लौ तपाईंको कुरा भन्नुहोस भने पछि तथ्यांक सहित आफ्नो कुरा राखें । उहाँहरूले यथार्थता महसुस गर्नु भयो । रजिस्टर्ड लेखापरीक्षकको आर्थिक विवरण परीक्षण गरी लेखापरीक्षकको प्रतिवेदनमा हस्ताक्षर गर्न पाउने अधिकार सुनिश्चित भयो । यसलाई मैले जीवनको एक सन्तोष गर्ने बिषयको रूपमा लिएको छु ।

### प्रतीक चिन्ह निर्धारण

एक स्वायत्त संस्थाको आफ्नो छाप बन्नु र त्यसको लागि प्रतीक चिन्ह निर्धारण गर्नु जरूरी थियो । भारतको चार्टर्ड एकाउन्टेन्ट संस्थाको प्रतीक चिन्हमा लेखिए जस्तो संस्कृत शब्द के राख्ने भन्ने कुरा हुँदा तीन शब्दावलीहरू ल्याउने र त्यसमध्येबाट समितिले एक छनौट गर्ने सहमति भयो । अध्यक्ष स्वर्गीय कोमल बहादुर चित्रकारले मलाई संस्कृतका विद्वानसँग सम्पर्क गरी संस्थाको उद्देश्यलाई प्रतिबिम्बित गर्ने तीन शब्दावलीहरू ल्याउने जिम्मेवारी मलाई दिनु भयो । मैले आदरणीय गुरु श्री गोपीकृष्ण शर्माज्यू कहाँ गएर यो कुरा बताएर संस्कृतका तीन उपयुक्त शब्दावली र तिनीहरूको अर्थ लेखेर ल्याएँ । तीन मध्ये पुनन्तु मनसा धिय छनौट भयो । चित्रकारज्यू र म भएर विभिन्न प्रतीक चिन्ह कोर्‍याँ र समितिमा पेश गरी अहिलेको प्रतीक चिन्हमा सहमति भयो ।

### प्रमाणपत्र जारी

महालेखा परीक्षकको विभागबाट लेखापरीक्षकको प्रमाणपत्र पाइ रहेकालाई संस्थाले प्रमाण पत्र दिनु पर्ने व्यवस्था अनुरूप तदर्थ समितिले लेखापरीक्षकको प्रमाण पत्र पेश गर्न आव्हान गर्‍यो र त्यसअनुसार प्रमाणपत्र जारी गर्ने कार्य गरियो । त्यसमा अध्यक्ष र सदस्य सचिवको हस्ताक्षर हुने व्यवस्था गरियो । मैले पनि त्यस अनुसार ख वर्गको लेखापरीक्षकको प्रमाणपत्र परिषदबाट प्राप्त गरेँ । सेवाबाट अवकाश भए पछि त्यो प्रमाण पत्रको उपयोगबाट केही आर्जन गर्न सकिन्थ्यो होला तर अहिले त्यो पेशा गरी रहेको छैन ।

### पहिलो परिषदको गठन

ऐन पारित भए पछि परिषद गठन गठन गर्ने जिम्मेवारी तदर्थ समितिको थियो । पहिलो पटक हुनाले त्यो काम कुनै कठीन भएन भन्ने मेरो अनुभव छ । दर्तावाला लेखापरीक्षकहरू मध्येबाट चुनिने ४ जनाको लागि निर्वाचन भयो भने चार्टर्ड एकाउन्टेन्ट मध्येबाट १० जना पार्षदहरू निर्विरोध चयन हुनुभयो । स्वर्गीय चित्रकारले संस्था गठनमा गर्नु भएको समय, श्रम र बुद्धिको लगानीलाई विचार गरी उहाँ संस्थाको पहिलो अध्यक्ष र श्री तीर्थराज उपाध्यायज्यू उपाध्यक्ष हुनु भयो । यसरी परिषदको गठन भए पछि तदर्थ समिति विघटन भयो ।

## संस्थागत बिकास प्रतिवेदन

संस्था गठन भए पछि यसलाई कसरी अगाडि बढाउने र प्रभावकारी बनाउने भन्ने प्रश्न उठ्नु स्वाभाविक थियो । यसको लागि अध्यक्ष स्वर्गीय चित्रकारज्यूले मलाई संस्थागत बिकास प्रतिवेदन (Institutional Development Report) तयार गरी दिन अनुरोध गर्नु भयो । यो एक चुनौतीपूर्ण कार्य भए पनि स्वीकार गरें । त्यो समयमा अहिले जस्तो इन्टरनेट सुविधा नहुनाले अरु देशका अनुभव र व्यवस्था के रहेछ भनेर अध्ययन गर्न पाउने अवस्था थिएन । त्यसैले छलफल र आफ्नो ज्ञानको आधारमा प्रतिवेदन तयार पारि पेश गरें । चित्रकारज्यूले केही कुरा थप्नु पर्ने पो हो कि भन्नु हुन्थ्यो तर के थप्ने भन्ने कुरा उहाँले कहिल्यै स्पष्ट गर्नु भएन । एक दिन मैले कार्यकारी निर्देशक श्री पुरुषोत्तमलाल श्रेष्ठज्यूलाई लौ उहाँसँग प्रतिवेदनमा के कुरा थप्नुपर्ने हो स्पष्ट भएन अध्यक्षज्यूसँग बुझि दिन अनुरोध गरें । उहाँले कुरा गर्दा पनि कुनै स्पष्ट जवाफ प्राप्त हुन नसकेको त्यस्तो केही नभएको भन्नु भयो र सो कामको पारिश्रमिक प्राप्त गरें । पारिश्रमिकको कुनै आशा राखेर त्यो काम गरेको थिइन । नेपालमा स्थापना भएको एक संस्थाको दिगो विकासका लागि काम गर्ने अवसर पाएकोमा त्यसै खुशी थिएँ । पारिश्रमिक समेत पाइयो थप खुशी लाग्यो ।

## छात्रवृत्ति कोषको लागि सहयोग

सन् १९९९ को सेप्टेम्बरको तेस्रो हप्तामा म संयुक्त राष्ट्र संघको कोसोभो स्थित अन्तरिम प्रशासन नियोग (United Nations Interim Administration Mission in Kosovo – UNMIK) मा सेवा गर्न गएँ । त्यहाँ हुँदा मित्र लेखा उपसचिव स्व. दिवाकर रिमालज्यूले संस्थाले गरीब तथा जेहन्दार विद्यार्थीका लागि चार्टर्ड एकाउन्टेन्सी अध्ययनमा सहयोग पुऱ्याउन रु १० लाखको अक्षय कोष स्थापना गर्ने योजना ल्याएको छ लौ सहयोग गर्नुस भनेर भन्नु भयो । मलाई यो पवित्र कार्य हो भन्ने लाग्यो र तत्काल नेपालमा रहेकी श्रीमतीलाई फोन गरेर रु ५०,०००/- (अक्षरेपी पचास हजार) रिमालज्यूलाई दिनु भनेको थिएँ र उहाँले संस्थामा दिनु भएको थियो । मैले यसको कुनै लिखित जानकारी पाउन सकिन । अहिले मलाई सो रकम ४ भाद्र २०६४ मा प्राप्त भएको नगदी रसीद नम्बर ९०५५४ बाट देखिएको र छात्रवृत्तिको लागि खोलिएको बैंक खातामा सोजम्मा गरिएको जानकारी प्राप्त भएको छ । संस्थाको वेबसाइट छात्रवृत्तिको व्यवस्था रहेको जानकारी पाइयो तर कतिले त्यसको उपयोग गरी रहेका छन र सो कोषमा कति रकम छ भन्ने कुरा पनि खुल्न सके पारदर्शीतामा बृद्धि हुने थियो भन्ने लागेको छ ।

## निर्देशिकाको तयार गर्ने जिम्मेवारी

बि स २०५५ तिर हुनु पर्छ एक दिन मलाई संस्थामा बोलाई तीन निर्देशिका (विद्यालयको लेखापरीक्षण, गाउँ बिकास समितिको लेखापरीक्षण र गैरसरकारी संस्थाको लेखापरीक्षण) तयार गर्नु पर्ने र त्यसको संयोजन मैले गरी दिन अनुरोध गर्नु भयो । त्यसमध्ये मैले विद्यालय, गाउँ बिकास समितिको श्री चन्द्र बहादुर श्रेष्ठ नेमकुलज्यू र गैरसरकारी संस्थाको निर्देशिका चार्टर्ड एकाउन्टेन्ट श्री प्रदीप कुमार श्रेष्ठज्यूले तयार गर्ने सहमति भयो । दुई जना साथीहरू अनुभव र जिम्मेवार हुनाले संयोजक भए पनि मेरो भूमिका त्यति जरुरी भएन । त्यस निर्देशिकाको उपयोग संस्थाले के कसरी गर्‍यो म नेपाल बाहिर सेवा गर्न गएकाले थाहा पाउन सकिन ।

## पहिलो कार्यकारी निर्देशकको खोजी

संस्थाको ऐनले कार्यकारी निर्देशकलाई महत्वपूर्ण काम कर्तव्य तोकेको छ । संस्था को प्रगतिमा यो पदको गहन भूमिका रहने स्वतः सिद्ध छ । संस्था गठन भए पछि कार्यकारी निर्देशकको नियुक्त गर्नु पर्ने भयो । पहिले महालेखा परीक्षकको विभागमा निर्देशक, पछि सेवा परिवर्तन गरी महालेखा नियन्त्रकको कार्यालयमा काम गरी निजामती सेवाबाट नेपाल प्रशासनिक प्रशिक्षण प्रतिष्ठानमा जानु भएका हाम्रा अग्रज श्री पुरुषोत्तमलाल श्रेष्ठज्यू उपयुक्त अवसर मिले सेवा छाड्ने

विचारमा हुनु भएको जानकारी थियो । त्यो कुरा मैले अध्यक्ष चित्रकारज्यूलाई बताए । उहाँको अनुभव सुनेर खुशी हुनु भयो । उहाँहरू बीच सम्पर्क भयो र श्री श्रेष्ठज्यू संस्थाको पहिलो कार्यकारी निर्देशकको रूपमा आउनु भयो ।

### अन्त्यमा

आफु प्रत्यक्ष रूपमा संलग्न रहेर स्थापना गरेको संस्था बढ्दै भाँगिदै गएर २५ वर्ष पुरा गरी रजत जयन्ती मनाउन लागेको जानकारी पाउँदा खुशी लाग्नु स्वाभाविक छ । सबैभन्दा महत्वपूर्ण कुरा देशमै चार्टर्ड एकाउन्टेन्ट तयार भई रहेका छन्, अन्तर्राष्ट्रिय मानदण्डलाई नेपालको लागि उपयुक्त हुने गरी बिकास गरिएको छ । उद्देश्य मिल्दो संस्थाहरूसँग सम्झौता गरिएको छ । संस्थाको आफ्नै भवन बनेको छ । यस लेखको माध्यमबाट संस्थाका प्रथम अध्यक्ष स्वर्गीय कोमल बहादुर चित्रकारज्यू प्रति हार्दिक श्रद्धा सुमन अर्पण गर्दै स्थापना कालमा साथै हुनु हुने श्री तीर्थराज उपाध्यायज्यू, श्री भोलाराज पाण्डेज्यू तथा श्री मोहन बन्जाडेज्यू प्रति आदर भाव व्यक्त गर्दछु । हामीलाई सघाउनु हुने कर्मचारी साथीहरूलाई धन्यवाद भन्न चाहन्छु ।

नेपालमा लेखा र लेखापरीक्षण प्रणालीलाई सुदृढ गर्न र सँगठित तथा वित्तीय जवाफदेही प्रवर्धन गर्नमा यो संस्था र यसका सदस्यहरूले गहन भूमिका निर्वाह गर्न सक्छन् । यसको लागि संस्थाले पहिले आफ्नो कार्यप्रणालीलाई व्यवस्थित, मर्यादित, पारदर्शी र जवाफदेहीपूर्ण बनाएर उदाहरण दिन सक्नु पर्छ । यस दिशामा संस्था सफल होस हार्दिक शुभकामना छ । ■

०५३१९११५

वेब नं-९

आज यसको संस्थाको तदर्थ परिषदको बैठकले  
देहायको निर्णय गर्छो -

(१) संस्थाको तदर्थ परिषदको लागि संस्थाको अध्यक्ष  
कोमल बहादुर चित्रकार, सदस्य राधिका मोहन  
प्रसाद बन्जाडे र सदस्य राम वागु नेपालको नाम  
बाट राष्ट्रिय वाणिज्य बैंक प्राथमिकीमा चल्ती  
रवाता खोल्ने र त्यो रवाता तीन जना मध्ये कुनै  
दुई जनाबाट सञ्चालन हुने गरी खोल्ने ।

(२) ~~संस्थाको~~ नेपाल चार्टर्ड एकाउन्टेन्ट संस्थाको  
सदस्यता दत्त रजिस्ट्री निपनावली २०५३ पास गरे-  
कोले कार्य सञ्चालनमा पठाउने ।

उपस्थिति

कोमल बहादुर चित्रकार *(Signature)*  
लेख राज उपाध्याय  
*(Signature)* राम वागु नेपाल  
*(Signature)* राधिका मोहन प्रसाद बन्जाडे

## Challenges during the initial development phase of the Institute and Overall Experience

CA. Ratna Raj Bajracharya  
Past President, ICAN



### The beginning

Chartered Accountancy education has always been considered highly coveted. Prior to establishment of The Institute of Chartered Accountants of Nepal (ICAN), students studied CA course primarily from the Institute of Chartered Accountants of India (ICAI) and some from the Institute of Chartered Accountants in England and Wales (ICAEW, UK) and there were few professionals who had obtained Certified Public Accountant (CPA) degree. Obviously, owing to the requirement of abroad study, many were not well informed about the process and also the expenses required. Perhaps due to low success rates in those days, the course has been considered highly competitive and privileged. Naturally, due to less number of students pursuing the course and few number being qualified, Nepal was literally having very few number of qualified chartered accountants then. It was also not surprising that almost all of them were in practice. Hence, the need for increasing the number was obvious to ensure availability of their coveted services in industry and in practice.

Since early 1990s the Association of Chartered Accountants of Nepal (ACAN) was propagating for setting up an accounting institute in the country. Continuous discussions were initiated by the earlier ACAN office bearers with the Office of the Auditor General (OAG) and Ministry of Finance (MOF), the related governmental agencies for regulation of accounting profession in Nepal. I feel myself fortunate in that some positive developments has taken place in 1996, when I was leading ACAN as its President.

One fine day, I received an invitation call from Ministry of Finance to attend a meeting to discuss on the draft Act of ICAN. I communicated the matter to General Secretary Mr. Binod Bahadur Rajbhandari (late). Both were excited that something good is going to happen in the accounting profession. We even shared the news to other members of the executive committee and tried to chalk our own possible propositions.

Both of us went to attend the meeting on the specified date. The meeting was chaired by the Secretary of MOF and attended by Joint Secretary MOF, Deputy Auditor General, and ourselves.

### The Proposition

We were shared with the draft Act for quick review, with a request to endorse the same then and there. A detail study was missing yet we decided to go through the same. Though the exact wording of the provision of the proposed Act could be recalled at this moment, yet it has contained the following two clauses regarding membership qualification:





1. “B” class auditor license holders with 10 years of experience in accounting field in any government/semi government offices shall be qualified to be granted with CA membership.
2. Any person with 15 years of experience in accounting field in position in any government/semi government offices shall be qualified to be granted with CA membership.

The proposed clauses were to our utmost surprise and wondering as well why the same has surfaced. We have clearly expressed our unacceptability of the clauses since the Act has been propagated for the purpose of providing CA education facility in Nepal to provide comfort to Nepalese students for pursuing the study in Nepal rather than “increasing” the number of CAs by providing opportunity for gross upgrading of people on the basis of “experience” in accounting !.

No resolution and/or consent could be developed among the participants in the meeting. There was sort of a pressure to conclude the meeting with us accepting the draft as they stand. We disagreed and went ahead with mentioning our “note of dissent” in the minute.

The copy of the proposed draft Act was not shared with us.

### **The modifications and approval**

Within a week of such meeting we received summon from the secretariat of Minister of Finance (Sri Ram Saran Mahat). Both Binod and I went to see him in his office. At the outset, he virtually outburst with the allegation that ACAN has been trying to prevent the entire initiations taken up for setting up the accounting institution in Nepal, which was also considered very much a part of the long awaited agenda of the profession itself. We could clearly see the copy of the proposed draft Act on his table and hence requested him to refer to the particular provisions that provides for accommodating “eligible” government employees as CA members by the Institute, upon incorporation.

We reiterated our point of view that the Institute should be considered for providing scope for producing fresh qualified accountant domestically by providing facilities to study within Nepal to aspiring students who otherwise could not afford to go abroad. The intention of setting up the Institution could not definitely be assumed as guided by the possibility of providing an opportunity to “convert” all “experienced” government accountants into “qualified accountants” by default. Further, we enforced our submission that we would stand by with our note of dissent. To our belief, this could be in the best interest of the nation. We assumed that we have been successful in making our point convincingly. The Minister reacted plainly and asked us to leave.

Subsequent to the meeting with the Minister, most probably after a month or so, we again received a call, this time from the Ministry of Law and Justice, requesting us to visit the ministry. As usual, both Binod ji and I went in. To our yet another surprise, the Under Secretary at the Ministry shared with us the draft Act with a request to give our “note” or proposed changes on any clauses we discontented with. The situation was unprecedented and provided the biggest opportunity for ACAN to contribute positively in the making of the Institute.

Needless to say, we both went through a vigorous exercise of reading and correcting the provisions of the draft Act, fully energized. As far as we could recall, we have made some changes in the provisions relating to qualification for CA membership and RA membership to those existing B (other than the CAs), C and D class registered auditors under the then existing Auditors Act, 1974 on as is where basis. Number of council members were also finalized with adequate representation from the government and from RA members. Many provisions were also suggested for changes based on our reference to the then existing ICAI Act.

A communication to this effect was duly made in the Executive Committee as well as to the then senior members of ACAN.

### Passing of the Act

The events were eventful after that. Ministry of Law and Justice completed the draft Act and quickly moved through the Council of Ministers and to then tabled before the Parliament. Our guess is, it must have been properly discussed with the Hon'ble Auditor General and presented before the Council of Ministers and Parliament for obtaining formal consent. We felt glad that the draft went on without "conceptually" making changes from our proposition.

We also felt obliged to the then Deputy Auditor General who forcefully argued for passage of the legislation before the Parliamentary Committee of Economic Affairs. That was the key point in obtaining concurrence of the parliament to our NCA Act.

### Post Events

The Ad hoc Committee formed to overlook election procedure and all other matters concerning preparing all necessary ground works to make the Institute working were obviously tough.

Office of the Auditor General was seen explicitly not endorsing repealing of Auditors Act, 1974 to support functioning of ICAN relating to membership. They continued admitting more qualified auditors under B, C and D category as per the provisions of the Auditor's Act. Repeated request by ICAN for repealing of the Auditors' Act were disregarded. As a result, our guess is, the number of RA members has increased from initial 2500 to 7000 + during the period of such forceful "staying" of the Act. We at the ICAN largely remained unclear as to the basic reason for such an act of Office of the Auditor General.

### Upgradation of RA members

Upgrading of RA members to CA level has always remained a burning issue. The proposition was since not been incorporated in the NCA Act, a pressure tactic has emerged from the association of RA (AUDAN), which is established in 2006 after the ICAN has come into being and since being playing pivotal role in selection of RA members to the Council. RA members have always remain in high priority of ICAN for capacity building since they represent the larger segment of auditors' reach all over Nepal. It has been an important source for disciplining the accounting practices in small businesses. ICAN has addressed issues of RA members in many ways since inception, including providing an opportunity for upgrading at all level. Even B class RA members are accommodated to be upgraded to CA level through examination systems with exemptions in many subjects.

The AT (Accounting Technicians) concept was also introduced for uplifting the professional capabilities of other RA members. Moreover, AUDAN has also started playing a very vital role in providing CPE to all ICAN members. I am sure the system must be working very well in strengthening ICAN in terms of properly regulating the profession.

The initial period for ICAN was largely smooth except for some minor incidents. Which is why, it could make significant progress in shaping the organization rightfully and fully recognized. The contributions of each council has been exemplary and memorable.



## International Recognition

ACAN has been the only association in SAARC Region to be admitted as member of SAFA. The tireless and persistent efforts of the then ACAN office bearers, and particularly that of Sri Komal Bahadur Chitrakar, needs special mention. Upon formation of ICAN, the membership has been transferred. It was in recognition of his contribution in organizing and making the Nepalese accounting profession known to the outside world that the first council has ventured in making him the first President of ICAN, unanimously. Eventually he went on to become the first Nepalese President of SAFA in 2010. The opening was milestone in many ways for the respectable growth of accounting profession in Nepal in later years. My guess is, it was his relationship with ICAI that they agreed to maintain CA examination center in Kathmandu with ACAN supervising. The same relationship work out to get the much needed technical supports from them in the initial period of ICAN building. The initial course contents as well as course materials were entirely based on ICAI system. They also supported with faculties in examining the answer papers. I have travelled with him in multiple events of SAFA in various countries and proudly found him commanding huge respect within the accounting fraternity.

ICAN continued the efforts of seeking international recognition through obtaining membership of various international accounting bodies. CAPA was the first to admit ICAN as its member body. ICAN was also entrusted to organize its venture/event in Nepal in 2007. A big proud moment for all accountants, then. It was during this international conference that IFAC has also expressed its interest in accommodating ICAN into its membership. The IFAC delegate representing in the then CAPA Conference in Kathmandu visited ICAN facilities, which help build up the case for membership favorably and ultimately granted in 2008 !

During those days, a primary discussions were also materialized with ACCA, UK for mutual recognition. If my memory is correct, such a discussion has also based on ICAN taking a stand that its member firms are not to be used for providing the “practice” to their students in Nepal.

ICAN has come a long way in terms of gaining international recognitions. A sincere thanks to all the leaderships involved in this process.

## Missing Point

Coming to this stage, I personally feel that the Single Transferrable Vote System rules relating to election to ICAN Council, has probably been a mistake. The system would dislodge a candidate who is successful in getting largest number of total votes but placed in “non-priority” of first or second in choice. My feeling is that this has encouraged members to forming their own group rather than acting in the best interest of equitable/ justifiable representations.

I would still plead the ICAN council to consider positively in changing the election rules should they feel that most senior members also get a fair chance of getting elected and lead the Institute. Their presence in the Council leadership position would definitely make positive difference.

## Apology

Lastly, in this piece of note, I have made an attempt to recall the early developments that has been instrumental in the setting up of ICAN and its initial period of development. There is no any intention of downplaying any person or institution or agency. Everybody would have made their contributions in the making of the Institute to be the best contributing institution to national development ensuring through the best accounting practices/services. I apologize for having made an unintentional mistake in recalling the past events, if any, including citing anybody. ■

# Establishment of Institute of Chartered Accountants of Nepal (ICAN)

## *A Memorable History in Perspective*

CA. Narendra Bhattarai  
Past President, ICAN



### Twenty-five years of glorious existence of ICAN

On January 30, 2022, ICAN is completing its twenty-five years of glorious existence. This is the time to congratulate all the members and stakeholders of ICAN for its unfaltering journey of professional excellence. At the same time it is also a time to remember, appreciate and to put in record the contribution made by different persons and institutions to establish this Institute. This article highlights some of my sweet and sour memory relating to CA profession and also in the process of drafting Nepal Chartered Accountants Act, 2053 and Regulations, 2061.

### Child-hood Dream

I was admitted at Class VI in Padma Public Multipurpose High School, Tansen, Palpa. This was the school with vocational subjects. I opted Secretarial Science as vocational subject. As a motivation for the students to take vocational subjects, the school distributed free books. One of the books was Fundamental of Accountancy written by S R Batliboi. Our accounts teacher was Shree Udaya Raj Pandey, M.Com. I went through the book, in the exercise section I found written 'CA Final'. Innocently, I asked him what it means. Then, he explained about CA. From that time I started cultivating my dream to be a Chartered Accountants. When any one asked in school or in college about my aim in my life, I started to mention 'I want to be a Chartered Accountant'.

### Dream Came True

Once I graduated, my child hood dream was chasing me. At that time I had little knowledge about this profession and had no clue about its admission, cost to be incurred etc. When I was doing my MBA also I was always eager to fulfil my child hood dream. Once I completed MBA with distinction and started to teach in Central Department of Management, Tribhuvan University as Lecturer, I got an opportunity for further study. I had 2 options – MBA in US under Fulbright Scholarship and CA in India under Colombo Plan Scholarship. Incidentally, Dr. Govind Ram Agrawal was in both the interviews. He asked me if I am selected in both, what I will do. I said him, CA is my childhood dream I will go for CA. Luckily, I was selected for CA first and I opted it and went to Calcutta to pursue CA course in December 1981.

### Germination of thought for the Establishment of CA Institute in Nepal

In August 1983, after publication of the result of my CA Intermediate Examination, I happened to be the only student in the Firm to pass the examination that time and also in the first attempt. My principal and other partner of G. Basu & Co called me in their chamber and congratulated me and talked to me





about Nepal and Nepalese economy. They suggested to establish CA Institute in Nepal and Institute of Chartered Accountants of India may help to do so. I did not take their suggestion so seriously that time but incidentally when I returned to Nepal after completing CA Final in May 1985, I started to think in that line.

### **Revival of Association of Chartered Accountants of Nepal (ACAN)**

ACAN was established in 1978. It was active at the initial stage under the tenure of 5 Presidents – Kuber Prasad Sharma, Dakur Nath Sharma, Komal Bahadur Chitracar and Hiranya Lal Bajracharya. All these past presidents of ACAN have already been passed away and this is the time to pay a tribute to them for their contribution to the accounting profession in Nepal and taking initiative to establish and run ACAN.

From the year 1983-84, annual general meeting was not called and the election of the executive committee was not held and ACAN was almost dysfunctional. Towards the end of 1987, the number of chartered accountants had reached around 35 and there were few students who were expecting to qualify. Few newly qualified chartered accountants took the initiatives to revive ACAN and had the meeting at my residence, at the pre-primary school premises in Gyaneshwor and at the Jaycees Bhawan, Thapathali. Initially, the chartered accountants who were qualified before 1980 did not recognise our initiative. But after various meeting with the sitting president of ACAN Mr. Hiranya Lal Bajracharya, he endorsed our initiative and agreed to call the AGM and to hold the election of the Executive Committee of ACAN. In 1989, new executive committee of ACAN was elected as below:

Mr. K. K. Singh	President
Mr. Narendra Bhattarai	General Secretary
Mr. Anup K. Shrestha	Treasurer
Mr. K. B. Chitracar	Member
Mr. R. R. Bajracharya	Member
Mr. H. L. Bajracharya, IPP	Member

### **Establishment of ACAN Office**

ACAN did not have its own office. The documents were in the office/residence of the President and meeting used to be held at the President's office or in other agreed places. After the constitution of the new executive committee in 1989, a small one-room office was set up in Putalisadak (Nepal Investment Bank's Building now) and Binod Neupane (Director of ICAN now) was appointed as part-time office assistant.

### **Participation in 11<sup>th</sup> SAFA Assembly**

South Asian Federation of Accountants (SAFA) was established in 1984. Past president of ACAN Mr. K. B. Chitracar was establishing contact with SAFA. In the year 1989, ACAN was invited to participate in the 11<sup>th</sup> Assembly Meeting held in Mumbai, India. Shree K. B. Chitracar, myself (General Secretary) and Anup K. Shrestha (Treasurer) participated representing ACAN in the Assembly Meeting. Three main decisions were taken by SAFA in that Assembly Meeting. Firstly, ACAN was formally recognised as the Associate Member of SAFA; secondly, Institute of Chartered Accountants of India volunteered to sponsor to establish Institute of Chartered Accountants in Nepal; and thirdly, the 12<sup>th</sup> Assembly Meeting

of SAFA shall be held in Kathmandu, Nepal. Since then, ACAN had participated almost in all the events of SAFA till ICAN was established.

### SAFA Assembly in Kathmandu in 1990

Saying YES sitting in the conference room of Taj Hotel, Mumbai, India to host 12<sup>th</sup> SAFA Assembly Meeting and an International Seminar was not that easy given the organizational set up, experience and exposure and financial resources of ACAN. But we ventured it in the expectation that dignitaries of SAFA shall meet the government dignitaries in Nepal and persuade them to establish the Institute of Chartered Accountants in Nepal.

After few months we returned with commitment to host 12<sup>th</sup> SAFA Assembly Meeting, the great historic people's movement for the restoration of multiparty democracy began to show its might. At the same time Nepal's political relation with India was worsened and India clamped economic blockade to Nepal. Daily life was adversely affected. Hundreds went down to martyrdom, curfew was clamped. In such circumstance it was but natural to have thought of postponing the event that we were planning to host. But the whole scenario changed once the then King conceded to the popular will on April 8, 1990. After the political transformation and restoration of multi-party democracy, new interim government was formed under the Prime Ministership of Congress President Shree Krishna Prasad Bhattarai. Hence, there was no need to rethink about the postponing conducting the event.

The 12<sup>th</sup> SAFA Assembly Meeting and Seminar on Corporate Law and Economic Development in SAARC Countries was held on June 1 – 3, 1990 as scheduled. The program was inaugurated by Rt. Hon. Prime Minister Krishna Prasad Bhattarai. Before the inauguration of the Assembly Meeting in Hotel Blue Star, Thapathali, we had a side-line meeting with the Prime Minister where Finance Minister Dr. Devendra Raj Pandey, Shree. Kuber Prasad Sharma and I were present. Shree Kuber Prasad Sharma was very close to the Prime Minister and he mentioned about the need of establishing the Institute of Chartered Accountants in Nepal. The Prime Minister was also familiar with this profession and instructed the Finance Minister to initiate necessary action.

In the formal inauguration meeting also ACAN President, Past President, dignitaries of SAFA member bodies gave emphasis on the need to establish Institute of Chartered Accountants in Nepal. At that time dignitaries of SAFA member bodies had the courtesy call to Hon. Auditor General Shree Nara Kant Adhikari and Finance Minister in their office and they also reiterated the importance of establishing the Institute of Chartered Accountants. The Assembly Meeting and Seminar was successfully concluded and our main moto of conceptualizing and initiating process to establish the Institute was also largely achieved.

### Constitution of the Committee for Drafting the Act

After the conclusion of the SAFA Assembly Meeting, the tenure of the Executive Committee of ACAN was expiring and new Committee had to be formed. As of April 30, 1990, the number of members of ACAN had reached 67. The AGM was called and I was elected as the President of ACAN for 1990-91. The Executive Committee of ACAN constituted the Drafting Committee under the Chairmanship of Mr. K. B. Chitracar. Institute of Chartered Accountants of India had committed to provide technical support to draft the Act and they also provided guidelines for the preparation of the appropriate Act. The Act was drafted but few contagious issues emerged and it took about 6-7 years to promulgate the Act.



## Some Contagious Issues

1. One Member Type: Before ICAN was established Audit License used to be given by the Office of the Auditor General (OAGN) and OAGN had categorised auditor in 4 Level – A, B, C and D. The technical advice from the SAFA member countries especially from ICASL and ICAI was that there should be only one type of members. The existing auditors who are not qualified should be given 3 to 5 years' time to qualify to become the full member of the Institute. If they do not qualify, OAGN may continue to renew their license or that authority may be entrusted to ICAN but they will not be the member of ICAN. If the provision of more than one type or category of member is made, it will have far reaching implication in the development of the Institute and management of members.
2. Disagreement of Government on One Member Type: The government (OAGN) did not agree on this proposition. ACAN conceded to integrate all types of licensee of OAGN in the new ICAN system.
3. Non-negotiable Point of ACAN: At some point the Government had also proposed that (a) B Class RA with 10 years' experience (b) accountants with 15 years' experience in Government or Government Corporations should be recognised as Chartered Accountants and be given CA Membership. This proposition was rejected by ACAN and put it as non-negotiable point.
4. Composition of the Council: Initial view and the technical advice was that there should be representation only of the Chartered Accountants Member and the Government in the Council. Since ACAN had already conceded in 1 and 2 above, ACAN agreed to include Registered Auditor (RA) in the Council;
5. President from CA Members only: ACAN representation was that President of the Institute shall be from the CA Members only and CA Council Members only shall elect the President among themselves. The RA Council Members and Government Nominees shall not cast vote to elect the President. Government agreed to have the President from CA Members only but they did not agree on right to cast vote for the election of the President from the Council. Ultimately, ACAN agreed to the stand of the Government.
6. Number of Members in the Council: Initially the proposed member of the Council was 13 (10 from CA and 3 from Government). When ACAN conceded to include RA in the Council, the proposed number was 15 (10 from CA, 3 from Government and 2 from RA). After long discussion, it was ultimately agreed on 17 (10 from CA, 3 from Government and 4 from RA).
7. ACAN on Receiving End: ACAN was very eager to bring the Institute in existence, it was already a long period of 6 to 7 years since the conceptualization of the Institute, therefore ACAN conceded on some of the contagious issues to bring the ICAN Act in 1997. Ultimately on January 30, 1997 the Nepal Chartered Accountants Act 1997 was passed by the Parliament.
8. OAGN continued to Issue License after Promulgation of ICAN Act  
Nepal Chartered Accountants Act, 1997 was promulgated on January 30, 1997. The Act has authorised Institute of Chartered Accountants of Nepal (ICAN) to issue audit license and therefore ICAN started to issue audit license to its members. At that time the number of Chartered Accountants Members and Registered Auditors (B, C and D) who had received license from OAGN was 88 and 2,862 respectively. Since the provision of issuing audit license by OAGN in Audit Act was not repealed the OAGN continued to issue audit license till Ashadh-end, 2059 – till the provision of issuing audit license by OAGN was repealed from Audit Act. During this period the number of Registered Auditors dramatically jumped from 2862 to 7,200+.

#### 9. Nepal Chartered Accountants Regulations

The Nepal Chartered Accountants Regulations had come in an existence in 2056 but there were many anomalies and OAGN continued issuing the license to the Registered Auditors. Despite the effort of the ICAN Council to amend it/correct it, it took next 5 years to bring more functional Regulation. Ultimately, Nepal Chartered Regulations, 2061 came into existence only on 2061 repealing the Nepal Chartered Accountants Regulations, 2056.

Concluding Remarks – Every member of ACAN of that generation was committed to establish ICAN and had contributed for this cause on different manners. Similarly, the Office of the Auditor General, Ministry of Finance, Ministry of Law and the Nepali Corporates were also equally committed and helpful to establish ICAN. We should understand that everybody may have own perspective and way of thinking about any subject but main motto in this subject was the same – establishment of ICAN. Because of the common motto of all the stakeholders we have ICAN now. Therefore, we should recognize all of them for their contribution because of which now we are celebrating 25 glorious years of existence of ICAN. ■

**Disclaimer:**

This article has been prepared based on the recall of my personal memory. It is not my intention to downplay or exaggerate any person or institution. I apologize if I have made unintentional mistake in recalling the past events.



## Accounting Profession: Opportunities and Challenges, and the Institute Profession in General

CA. Madan Krishna Sharma  
Immediate Past President, ICAN



A profession is a type of work with a particular skill backed by the knowledge and experience gained through high level of education and specialized training. The Australian Council of Professions defines a profession as a disciplined group of individuals who adhere to ethical standards and who hold themselves out as and are accepted by the public as possessing special knowledge and skills in a widely recognised body of learning derived from research, education, and training at a high level, and who are prepared to apply this knowledge and exercise in the interest of others. It is inherent in the definition of a Profession that a code of ethics governs the activities of each Profession. Such codes require behaviour and practice beyond the personal moral obligations of an individual. They define and demand high standards of behaviour in respect to the services provided to the public and in dealing with professional colleagues. Often these codes are enforced by the Profession and are acknowledged and accepted by the community.

As such, for a work or engagement to be a profession, it needs to meet certain criterion like specialized advanced knowledge with skills developed through practical trainings, autonomy in delivering the services with greater degree of responsibility, obligation and accountability guarded by the ethical boundaries and morality of the human values. Professionalism promotes and requires the conduct of a professional in an ethical manner and in such a way as to engender trust and confidence in every aspect of the work.

### The Accounting Profession

Traditionally, the accounting profession refers to the work of an accountant in multiple facets of roles and responsibilities that relates with conveying the information of an organization to its stakeholders. In the modern-day business world, the accounting profession does not limit within the accounting and reporting of the information and extends to a wider range of areas on which the ever-advancing business opportunities and practices are based on, like, strategic advisory, information technology, cloud computing, artificial intelligence, business modelling, data analytics, climate change, integrated and environmental reporting, etc. The accounting profession has grown over the period due to the increased complexity, size, and number of businesses and the changes in the tax and other laws surrounding the business environment.

Independent accountants who serve organizations and individuals on a fee basis are called practicing accounts or public accountants. Public accountants offer a wide range of services, including support in bookkeeping, pay roll management, business process outsourcing, preparation of financial statements and tax returns, independent auditing of financial statements, and management consulting, business and tax advisory, and so forth.



Entry to the accounting profession requires gaining internationally recognized advanced level knowledge on accounting, auditing, taxation, business laws and the other areas of business management and practical training under the close supervision of the professional accountants. The degree is certified by the professional accounting body of the country established under the statute and recognized as a member by the global accounting body IFAC. Their knowledge and skills are continuously updated to cater to the advancements in the technology and business complexities in the global and domestic market. The Institute of Chartered Accountants of Nepal (ICAN) is the body mandated in Nepal to prescribe the standards for education, accounting and auditing, trainings and code of ethics. ICAN is the full member of IFAC since 2008.

### Accounting Profession in Nepal

Accounting being an international subject, its development follows the development in the global scenario. In Nepal, its evolution as a profession can be looked at into three different phases - before Auditor's Act 2031, during the period the Audit Act (2031 to 2053) and after establishment of the Institute of Chartered Accountants of Nepal (ICAN) under the Institute of Chartered Accountants Act 2053. Auditor's Act made provisions for licencing of the auditors by the Office of the Auditor General of Nepal (OAGN) based on educational and professional qualifications and experience in accounting and financial management. Also, the Act and the Rules framed under it detailed the provisions on code of ethics for the auditors and disciplinary committee proceedings to regulate the auditing profession under the auspices of OAGN. The OAGN formulates the guidelines for the auditors appointed to assist the OAGN in auditing the government owned enterprises. These were the authoritative standards governing the audit profession during 2031 (1974) until the ICAN Act became fully effective in 2002. The auditors licenced by the OAGN under the Auditor's Act including the accountants qualified from the professional accounting bodies outside Nepal were the accounting professionals during that period. Those accountants used their knowledge and skills acquired through academic and professional courses and job experiences to complement the provisions made by the Audit Act and the Rules thereunder. To meet the demand of more experienced qualified chartered accountant auditors, some chartered accountants from India were also licenced by OAGN to provide auditing services in Nepal under the Auditor's Act. Before the era of Auditor's Act 2031, there was no specific law governing the audit by the private sector auditors and the professional accountants except that the Company Act 2021 (1964) had made provisions for audit of the companies registered under the Act and the qualifications and responsibilities of the auditors for such audit.

The professionals with chartered accountancy degree abroad, mostly from India, formed Association of Chartered Accountants of Nepal (ACAN) in 1982 that paved the way for liaising with the government, and interaction and coordination with the South Asian Federation of Accountants (SAFA), a regional forum of professional accounting bodies in South Asia. With the untiring efforts of the senior chartered accountants having exposure and contacts regionally and support from SAFA, the limited number of chartered accountants practicing under the Auditors Act were successful in advocating and convincing the government to frame a Separate Act, The Institute of Chartered Accountants of Nepal (ICAN) Act, and parliamentarians to pass it in early 1997. Transition from the Auditors Act to the ICAN Act to take full reign on accounting profession in Nepal took about 5 years after the Auditors Act was repealed in 2002. The professional development aspects continued during this transition period too, including amendment of the ICAN Act to incorporate the provisions of Accounting Standards Board and Auditing Standards Board, issuance of ICAN Regulations, commencement of Chartered Accountancy education and holding of the first CA examination in the year 2000.

Establishment of ICAN, its membership in SAFA (1997) and Confederation of Asia Pacific Accountants (CAPA) in 1998 and associate membership of International Federation of Accountants (IFAC) in 2003 and full member in 2008 exhibit the momentum ICAN took for accounting profession's development in Nepal. The establishment of Accounting Standards Board and the Auditing Standards Board ensured development of Nepal Financial Reporting Standards (NFRS) and Nepal Standards on Auditing (NSA) along with Nepal Standards on Quality Control (NSQC1) in line with the respective international standards. Code of Ethics applicable for professional accountants in business and those in professional practice were issued by ICAN emulating the Code of Ethics prescribed by IFAC. The latest updates on these standards are being regularly adopted in the Nepalese context to keep up with the developments at the global level. These standards and their implementation through the institutional set up of ICAN has helped shape the accounting profession in Nepal to that of the international level.

Government accounting and auditing has relatively longer history in Nepal compared to the accounting profession embracing business sector. Development in the government accounting system has also taken rapid strides globally adopting accrual basis of public sector accounting and also IFRS in some countries. In case of Nepal, the government accounting has already adopted the cash basis of public sector accounting standards (Cash Basis NPSAS) converging with the IPSAS, which will serve as foundation for migrating to the accrual basis.

With the establishment of ICAN, the professional accounting field in Nepal has been able to catch up and keep pace with the international standards in the accounting profession despite some constraints caused by the level of corporate sector development and the maturity level in transparency and accountability in general.

### Early Day Challenges

The overall development in accounting profession took rapid strides after ICAN's establishment for which ICAN and its each of the Councils starting the first one on 1<sup>st</sup> August 1997 put their all-out efforts to transform the humongous challenges, that a professional set up like ICAN faces with, into opportunities in developing accounting profession from the scratch. Some of those challenges were:

- Long transitioning period to repeal the Auditors Act 1974 causing confusion and uncertainty on sole authoritative status of ICAN as the regulation of the accounting profession. ICAN Act came into effect in 1997 but it became ultimate licencing authority for professional accountants in 2002 when the Auditors Act was abrogated.
- ICAN inherited a large number of auditors licenced under Auditors Act 1974 possessing academic qualifications and working experience but not the professional qualification as accountant. Streamlining these professionals into the mainstream of accounting profession imbibing the level of knowledge and skills required for the services expected by the society and ensuring their services within the regulatory ambit of the profession.
- Lack of adequate awareness about ICAN and accounting profession required lots of efforts to exert ICAN's regulatory authority and advocate its services to the government and society at large.
- Resources limitation:
  - Availability of adequate professional resources for course development, examination question paper settings and evaluation were the challenge initially as there was dearth of qualified accountants with academic inclination and the design, complexity, and

advanced level of the courses to be offered to meet the international standards for the Chartered Accountancy course.

- Limitations in financial and infrastructural resources constrained the Institute's plans and activities for professional development, capacitating its members and provisioning of services at the expected level.
- Enforcement of standards and code of ethics of the international level to a professional society with most of the members not having professional qualifications and operating in the local legal and business environment and the corporate culture yet to mature required lots of advocacies and educating.

### Current Challenges and Opportunities

The accounting profession is bestowed with the challenges and the opportunities that any other modern-day profession, business, and the society as a whole are coping with. The unfaltering developments in the business and economic activities at the national and global level induced by the incessant human aspirations for prosperity, better living and happiness through accumulation of wealth and power and exploitation of resources have presented manifold opportunities for the accounting profession. The opportunities do not come in isolation and most of the time it is paired with the challenges. Of the several ones, the major challenges and opportunities surrounding the accounting profession currently, and in the foreseeable future are briefly discussed below.

### The Growth and Climate Change

The expanding economy world over and globalization of business activities have made the accounting profession more relevant and important in today's business environment and it will keep on gaining more heights in the periods to come. At the same time the effect of increasing population, depletion of natural resources and ever-growing industrialization and anthropogenic or man-made greenhouse gas emissions have already caused and will continue presenting unprecedented challenges and requirements like the environmental accounting and reporting, climate change impact and carbon accounting, etc.

### Technological Advancements

The advancement in the communication and computing technologies is another area directly challenging the accounting profession and there are always apprehensions that the accountants' jobs will be taken over or substantially replaced by the computer software. On the other hand, developments in information and communication technologies have offered tremendous opportunities for the business to grow horizontally, vertically, and all around in a most effective and efficient manner ultimately ensuing more prospects to the accounting profession. Whatever be the use of technologies even with the artificial intelligence, the human interventions will always be needed to make use of the system and do analysis, interpretation, strategizing, and decision makings based on the data and information produced by the systems. The professional accountant's role is becoming of more higher-level value-added inputs in such areas than bookkeeping, routine checking, verifying, etc.

### Corporate Frauds

The accounting profession stands with the public reputation as it revolves around handling of the financial and business aspects of the market players, i.e., the employers or the clients of the accounting professionals. Corporate frauds in the form of assets misappropriation or theft, corruption or misuse of



authority, and financial misstatements in the last two decades in the continents like - America, Europe and South Asia have shattered the reputation and trustworthiness of the accounting profession in the modern-day businesses. New standards on financial reporting, auditing and regulatory compliances have been brought into effect emanating out from the large-scale corporate frauds. The international and national professional accountancy bodies have taken this as an opportunity to look into within, learn from the mistakes and weaknesses and work towards invigorating the profession to make it more resilient and reliable in serving the public interest.

### **Tightening Regulatory Regimes**

The new regulatory regimes enforced by the governments and the regulators to safeguard the public interest in the context of expanding and diversifying and risk-taking business activities have further put the accounting profession under pressure. The accountants must continuously excel their competency with up-to-date knowledge, innovative problem-solving skills, and resolute commitment to maintain and promote ethical behaviour to prevail over the fresh expectations of the market, the regulators, and the stakeholders in the society. The role of the accounting body regulating the profession has become very prominent in such scenario.

### **Challenges to ICAN and the way it is coping with**

The Institute of Chartered Accountants of Nepal, being an autonomous body established by a Separate Act of Parliament to promote and regulate accounting profession, is the primary agency to get the knock from the challenges. Also it is the responsible body to transform the challenges into opportunities and enhance the value of the accounting profession and continue serving public interest garnering improved trust and confidence of the society. The challenges and the opportunities discussed in the foregoing paragraphs are equally relevant to the Nepalese context and the ICAN in a broader sense. Specifically, in the current socio-political, economic, and corporate development context of Nepal, ICAN's challenges and opportunities are uniquely deep rooted to the local context as well as rapidly happening exogenous developments. Some of the early-stage challenges mentioned above remain valid today also. Out of the current challenges, the most relevant ones that need attention from ICAN, its members and all concerned are as follows.

### **Enhancement of Competency and Quality**

Competency is the best remedy to beat the challenges of innovation in business models and growth, technological developments, regulatory requirements and so on. Continuous updating of the syllabus for students and continuing education materials for members as well as their effective delivery and evaluation help enhance the competency. In addition to core professional qualifications, post qualification education on the specialized subjects is must to cater to the market need, like information technology and communication, internal audits, forensic accounting and fraud detection, strategic management and planning etc. Adoption and sincere implementation of international education standards for students and standards for accounting profession is highly important in this respect. The quality aspect requires both competency and the integrity. The later part demands a culture of high-level integrity and morale that the accounting profession is supposed to imbibe. Monitoring of the quality of the services rendered by the accounting professionals and taking timely action will encourage the members to sincerely follow the professional boundaries.

## Increased coordination with the Government and the Regulators

The importance of accounting profession and the role of professional accountants in nation building is still to be adequately advocated to the government and regulators. Fairness, transparency, and accountability are the foundations for responsible private sector development, accountable public finance, and social development initiatives to raise the living standards of the citizens. Accounting profession is the key to ensuring that these foundations are laid upon the solid footings of the trust for the benefit of the public. Accounting professionals are better prepared to understand, foresee, and implement the changes required to sustain and progress in the ever evolving technological and business environment. Working closely with the government, regulators, private sector and key stakeholders not only ensure that the benefit of the profession is utilized rightly and fully, it also allows to create new avenues for the accounting professionals to serve in the form of new professional services or in newer job vacancies for employment. Coordination and interaction with the provincial and local governments are equally important as these newly established set ups need more supports in the accounting and financial management areas including transparency, accountability, and good governance.

## Improve International Relations and Recognition

The accounting profession will lose its value if it remains aloof from the developments taking place around the world. In response to the new developments and innovations, the standards and policies governing the accounting profession as well as the ethical requirements keep on improving. The national accounting professionals' body is obligated to keep pace with such changes in the benefit of its members as well as the stakeholders like governments and regulators. Also, it is important that the professional qualifications awarded locally are recognized globally. This will not only enhance the reputation of the local accounting body but also open global geographical territories for its members as well as garner trust of the foreign investors on the accounting system of the country.

## Effectiveness in Regulatory Functioning

The dignity and trust of the accounting profession lay on the solid bedrock of the regulation this profession is bound with. This is the profession that originated with the theme of self-regulation and is continuing that way over the centuries. After the series of large-scale corporate frauds over the past two decades and inability of the professional accountants related with those organizations to prevent and or report them, the regulatory aspects have received never before prominence in the profession. In the context of Nepal, regulatory regimes in the profession though exists in the laws, regulation and code of conduct, its implementation lacks the expected level of effectiveness for various reasons. Hence, it is high time for Nepal to address this matter in time if retain the full regulatory regime within the ambit of ICAN Act.

It is believed that the Council of the ICAN and its management are aware of the challenges the accounting profession and the ICAN has been experiencing in Nepal together with the opportunities that lie ahead. The Institute has been developing strategic plans to address the challenges and cultivate the opportunities, with the third strategic plan covering the FY 2021/22-2023/24 recently finalized. It is important that the Council and the management evaluate the progress made over the last 25 years and develop annual plans to address the challenges with its impact to the profession and make use of the abundant opportunities for the development of profession to serve the nation more prominently in the days ahead. ■

## Challenges in ICAN's Early Days

 **Purushottam Lal Shrestha**

Former Executive Director, ICAN



It is indeed a matter of great pleasure to all of us, accounting professionals, stakeholders, and the general public that ICAN is celebrating its 25th year of establishment. The time when ICAN came into being, a sort of chaotic environment was prevalent in the accounting and auditing profession. Acquiring an audit license was very easy because any sort of professional qualification was not required. Except for a few, most of the auditors had minimal or little professional training and experience. Financial reports submitted used to be vague or false and did not reflect the true financial position of entities, hence, they were not recognized for tax purposes. The remuneration for auditing service was too insignificant. In short, auditing was not treated as a profession but a side job of accountants, teachers, lawyers, shopkeepers, bankers etc etc.

But now, the scenario has changed dramatically. ICAN is successfully serving the society by ensuring fairness in financial reports provided through its competent and well-regulated members. Society is confident that their hard-earned money invested in securities, loans to business entities or savings deposited in banks, finance companies, or cooperative societies are safe. Reports attested by ICAN members are recognized for taxation purposes as well. Government agencies are relying on accounting reports produced. Once auditors were notoriously named as “tax evaders”.

Again, there was the time, when students, willing to pursue chartered accountancy courses had to go to India and abroad which was a very difficult thing and was out of reach to general people. Today, to our satisfaction, ICAN is providing chartered accountancy courses without hassle and at a minimum cost within the country. Thus, ICAN has been able to create required manpower, from highly trained high-level professionals to lower-level hands. These days, there is a sustained demand for qualified, trained and experienced CAs in the private sector and many CAs are holding key posts in the Government sector as well. This way ICAN has proved that this career where hundred percent employment is anticipated.

Though not having a less significant role than other regulating agencies, ICAN came into being very late. But most of the regulating agencies are still in their rented building and facing problems to impart service to the nation whereas within 20 years ICAN has, with great pride, erected its own building with full facilities. It has proved that we don't need outer assistance to achieve our aim if enthusiasts gather for some social cause.

Another commendable but arduous job that ICAN accomplished in past years is developing professional skill and competency of members through continuing education, international exposures and independently reviewing their professional works. The Disciplinary Committee, the semi-judiciary hand, is always vigilant against the members engaged in fraudulent activities. This has enhanced the faith of society upon members and their service. In my opinion this was the toughest problem to tackle.

ICAN's miraculous achievement was not made in a year or two. It has gone over a long odyssey with very limited resources, facing inside and outside challenges.

### Question of Compatibility with TU and Public Service Commission

In the initial days when ICAN decided to offer a three-year professional course on chartered accountancy there were questions and doubts raised about the recognition by the government and Tribhuvan University. It was customary that any new qualification acquired from anywhere must be submitted to the University for equivalency to some degree of its own. Then only the Public Service Commission, which provided the highest number of employments in those days, allowed candidates to be enrolled for examination for related vacant posts. These confusions created some hesitations among career seekers to pursue the ICAN course. In order to eliminate this confusion dialogues were made with appropriate authorities. The fact that ICAN is an autonomous entity fully empowered by law regarding professional accountancy was conveyed successfully to concerned agencies and in course of time, this misunderstanding was corrected.

### Constraint of Budget

The biggest constraint in early days was the money crunch. The main source of income at that time was supposed to be government support. But very little government funds were made available to ICAN. The Institute has pleaded to insert its name in the Red Book so that the budget is allocated by the government regularly. Every time when approached for grant requests, odd but interesting questions like "Institute? What type of institute? which university governs it? Is it different from the Chartered Accountants Association? Chartered accountants are supposed to be very rich, then why do the Institute need government funds? Where is the business plan with an exact timeline that the Institute becomes self-reliant" etc were raised by authorities. A misnomer that "this Institute belongs to chartered accountants and they are rich" was common among authorities. We found it very difficult to convince the fact that the Institute is established for common Nepali and its activities shed a big reflection on the whole economy.

The second major source of income was members' contributions. Though the First Council Meeting called all auditors holding an audit license from the Auditor General's Office to join ICAN as its professional members of their respective category, a large number refrained from joining in. The existing law provides that they could engage in auditing jobs on the basis of the license. But the good point was most of the Chartered Accountants took it as a pride to be the CA members of the Institute of its own nation and they joined instantly. Thus, members' contribution remained major financial for some time to come.

The Institute had to cautiously use the constraint resources by prioritizing the works to be done. The CA members voluntarily participate in SAFA conferences and seminars and official visits abroad. Rent was the biggest item in the list. Meeting fees provided in all business meetings were kept low. To minimize stationary expenses, each form to be used by members was marked minimal fee. The intention was not to earn income but to curb the wastage made by haphazard use of forms; and it worked. ICAI provided all sorts of its publications free of cost whereas students related materials were received at a discounted rate.

At ICAN's request, ICAI, on its own behalf, deputed Mr. Dipak Kapoor, a very senior and experienced staff member. He arrived in Kathmandu to assist in drawing a preliminary layout of the Institute.

### Challenge of Manpower

"Everything beautiful starts from small" perfectly fits in ICAN's case. Three staff, a Secretary (Executive Director), an officer and an office assistant, began the journey towards building a strong, full-fledged





purely professional Institute in years to come. There were very few files containing letters in the office. Prior to establishment, many office works were commenced voluntarily by the members of ICAN AD-hoc Council, mainly Mr. KB Chitracar who pioneered the establishment of the Institute. Gradually, office business files and office machines were gathered. It included one computer and some office supplies. A motorbike was procured for office purposes. For some months, Office of KB Chitracar and Co staff continued to help with typing letters, reports, email works and fax services.

When the office acquired more space in a new rented building, ICAN started the professional education, training, and examination works. Orientation programmes were extensively organized in colleges. Senior professional members took part as speakers honorarily. After a few months of operation, in order to strengthen internal capabilities, two chartered accounts were hired for a short period. Later, an experienced chartered accountant was appointed to take up technical work. It was very early to properly assess the need of human resources for the whole organization; few posts, identified as most needed, were created and excellent were staff hired through proper tests and interviews.

In the beginning, due to unavailability of resources, ICAN was not in position to procure the services of high-level technical manpower required to design course structure, to develop course materials and question papers and their suggested answers. It was the need of the day that student related affairs had to be initiated instantly. Therefore, for the time being it was decided to adopt ICAI course modules and materials and to be replaced gradually by own materials. A petty agreement was made with ICAI to provide all student related material at discounted rates. A transport company having offices in Delhi and Kathmandu was identified and it started transporting material regularly.

### **Challenge of Amendment in Law and the Case of Registered Auditor**

Although the Institute has already started to take up the duties destined by law, one of the major responsibilities yet to be done was bringing all the chartered accountant auditors and registered auditors under its aegis. The law empowering the AG office to issue audit licenses remained active. New and new audit licenses were being issued. Series of discussions in various levels were made to repeal this provision.

The main apprehension was from Registered Auditors. There was a gross misunderstanding everywhere that repealing the law means putting full stop in issuing an audit license further and it is against the fundamental right to undertake any occupation that he or she is able to do. It was very hard to convince lawmakers and other stakeholders that the perennial flow of professionally untrained auditors in the market ultimately declines society's trust in financial reports which is detrimental to the nation. Even during SAFA meetings questions were raised on ICAN's credibility and raised their concern about the practice of members entering in business en masse without any examination and professional training. Discussions were made in many stages, in MOF, in AG office and Members of Parliament. In the end, ICAN became successful in convincing people that repealing the law does not mean debarring the new entry into the profession but broadening the opportunity and creating more jobs by enhancing their capacity, skill and credibility. Also, the provisions of upgrading of auditors through some kind of examination was slated. The problem of new entrants was to be resolved with the plans of an Accounting Technician in near future.

The trend of acquiring the easy license by international professional accounting firms and doing audit work of big corporations was increasing in those days. Multinational companies and corporations with foreign investment preferred the service of foreign accounting firms. It was a challenge to ICAN to prove the Nepali professionals equally capable to provide accounting services of any sort. Without repealing the law, ICAN was not in position to stand independently.

### Quest for Land and Building

ICAN began its function in a rented house with two rooms. One served as Council Meeting hall as well as staff room and other as Secretary's office (initially Executive Director). As activities grew further, the space constraints were prominently felt and the shifted to adjoining. In those days, rent was the biggest expense item. Having a fully facilitated own building remained the first agenda for every elected Presidents. Possibilities for acquiring land were explored extensively. Municipalities of Lalitpur and Kathmandu, government owned corporations like Nepal Food Corporation, NIDC and Land Reform offices were also contacted for the purpose. In an international seminar the then Finance Minister pledged his full support to build the ICAN building, and the message was clear: 'find the land'. All well-wishers in MOF, Planning Commission, Ministry of Physical Planning and Construction were being requested to find any clue. One evening, Mr. Sushil Sharma, then Financial Comptroller General sent an urgent information to contact MOF as soon as possible as the ministry is planning to allot "certain piece of land out of a big plot currently being used by a semi-government public enterprise" for Securities Board. The information was enough for ICAN and instantly came into action. In this regard, the help of Mr. Vimal Wagle, the then chief of the PE division, was very commendable.

### Seeking External Assistance in Strengthening of ICAN

ICAN was desperate to firmly deliver its multi facade duties decreed by the law. Resources were limited. Hence, approaches to a few foreign donor agencies were made. In this connection, preliminary discussions were made with the World Bank, ADB, and DFID (UK). ICAI provided opportunities to ICAN staff to visit and orient them with the working procedures and practices of different divisions.

### Challenge of Maintaining Ethics in Business

Maintaining ethics in the accounting business was the biggest challenge faced by ICAN in the early days. Unimaginable ethical lapses were found in members of both classes. Providing services in low remuneration, advertising of professional services, bidding in allotting business, least difference between members in business and members in industry, failure to avoid conflict of interest situation, pseudo classified ads, were some of the examples that impede the image of ICAN. Complaints were being registered almost every day, some were with names and most without names. The administrative structure was yet to develop, hence, could not fully assist the Disciplinary Committee, to cope in this matter. Complaints increased in numbers every year. Disciplinary Committee members and dedicated senior members were deliberating to find a way to improve the situation. ICAN believed that unless self-awareness could not be imbibed among members, mere punishment provision cannot stop the outspread unprofessional activities. Hence, in order to persuade the members "Ethics" topics were invariably included in each and every training programmes, CPE programmes and seminars.

### Conclusion

According to need of society, organizations are established, and they take full shape in the course of time. But ICAN's case is a bit different. It came into being very late than anticipated in comparison to other autonomous overseeing agencies. It had to pass through a long odyssey before it turned itself a prominent autonomous body, recognized by international bodies like IFAC. It has been successful to give a respectful status to its members which is one of its most appreciable achievement. I wish its further contribution to nation in days to come. ■

## The Institute of Chartered Accountants of Nepal: Experience of Working in Initial Phase

✍ CA. Parakram Sharma



I feel proud to be a member of the Institute of Chartered Accountants of Nepal (ICAN) where I worked at its initial days of establishment from March 2000 to April 2003 and was responsible for managing technical and education activities. I am a part of ICAN's evolution since then in a different position sometime as an employee and sometime as a member.

At that time, ICAN was in need of considerable support during this critical phase but was also undertaking significant work in the areas of business planning, entrance requirements, ongoing training, professional standards, and disciplinary processes. All of these were critical developments for a professional body that aspires to play a leading part in economic reform in this country.

### Initial phase of design and development of CA Course

The ICAN and The Institute of Chartered Accountants of India (ICAI) entered into a Memorandum of Understanding (MOU) in June 1998 under which a common syllabi was adopted in initial years. The syllabi were further amended by incorporating the Nepali Laws with the support of Nepali academics and expert of related subjects.

### First CA Examination

The first CA Examination was successfully conducted in December 2000. With a small competent team, ICAN was prepared to hold a first CA examination in a history of Nepal with a support of ICAI. I still remember Mr. Jagadamba Prasad, Chief of examination of ICAI visiting Nepal and orienting us on the examination process and explaining us the importance of maintaining the integrity of the examination and public perceptions of the reliability and validity of examinations. We all knew that if something goes wrong, the credibility of the examination will be questioned which is not acceptable at any cost. We all took the challenge and did our best to conduct the examination complying with all the requirements of Standard Operating Procedure and established the same/ improved system in subsequent examinations and gradually started preparing the questions and evaluating the answer sheets using local experts.

ICAN subsequently used local resource person in preparing and moderating the questions as well as evaluating the answer sheets. This had happened with the support of chartered accountants, academics and expert of related subjects. In a short span of time, ICAN established a strong, competent department and set up processes to deal with examinations as a result of which the exams conducted by ICAN is still being considered as one of the best professional examinations and as far as I know, no one has raised a question in its examination system in more than 20 years.

## The Establishment of Accounting and Auditing Standards Committee

One of the most pressing needs at that time was to have relevant and reliable information about the financial position and performance of the companies, especially of those in the financial sector. To achieve this, the need of having appropriate accounting standards and auditing standards was the most. Further, those standards need to be applied properly and to be enforced by ICAN, through proper disciplinary processes, and by those agencies with critical capital markets responsibilities like SEBON, the Company Registrar's Office and NEPSE.

ICAN immediately took an initiative and formed an Accounting Standards Committee and an Auditing Standards Committee as an interim arrangement unless the ICAN Act is amended and both the Board are formally established. The main objectives of formation of these committees were to do the necessary homework and draft the standards, once established, can pronounce the standards to address the immediate need. I was appointed as the secretary to both the committees and involved in drafting the chartered of these committees along with the international experts.

The bases for the standards to be issued by these Committees were the standards of the International Accounting Standards Committee and the International Auditing Practices Committee. This was a challenging task for the committees and for those affected by standards but there was no option. All stakeholders were convinced that unless Nepal's financial reporting and auditing reach a level that will be respected, it is hard to attract foreign investment. Local investors also need less adequate information in line with those in other countries when risking their resources.

## The Establishment of Accounting and Auditing Standard Board

The establishment of these two Boards were proposed in first amendment of the Chartered Accountants Act 1997 which was approved by the Parliament in 2002. All the exposure drafts prepared by both the committees were handed over to the respective boards. The boards approved the standards which were prepared by then committees. As the composition of the committees and Boards were same, which was actually planned at the time of formation of committees, it did not take long time for such approval.

## My Overall Experience

I was clear about my roles and responsibilities before joining my position as the President, Vice- President and Executive Director had clearly spelled out what they are expecting from me and what I am supposed to do. As mentioned earlier, we had a small team, doing everything required to continue the pace of development of ICAN. We used to work forgetting the hierarchy as our target was to establish ICAN as a "Credible Professional Accounting Body" as stated in its mission statement.

Finally, the passion for work and achieving positive results I have seen in ICAN team at the time still energizes me. Today, ICAN is an established professional body having membership of IFAC and have successfully achieved all of its objectives. I feel proud when I recall my earlier days in ICAN where I also contributed little in developing accounting and auditing profession in Nepal. I still feel indebted to our past presidents whom I work with at ICAN for their guidance and support and other team members who supported me in completing our work in difficult and challenging scenario. ■



## A Flashback of Development of Education System of ICAN

✍ CA. Paramananda Adhikari



### Introduction

These days accounting is beyond crunching the numbers and presenting them into the framed templates. The modern-day accounting concept has been passed through many phases of development dates back to the ancient Mesopotamia to double entry recording system. However, the accounting concept has been professionalized only in the early nineteenth century in Scotland with the establishment of professional institutions of accountancy. The history of accountancy in Nepal has also been undergone through different stages and it has been solidified after setting-up the professional accounting institute, the Institute of Chartered Accountants of Nepal (ICAN), under the *Nepal Chartered Accountant Act* in 1997 only a two and half decade ago with a major objective of enhancing social recognition in accounting profession through the public awareness.

### Recognition of Profession

ICAN was created in the year 1997 by the Nepal Chartered Accountants Act 1997 with an initiation of national, regional and international professional accounting and other financial institutions. *The mission of ICAN to be recognized as a respected professional accounting body, providing leadership on standards, education and self-regulation in Nepal. In line with the mission, ICAN plays an important role to support the economic development process by increasing the confidence of investors and public towards the capital market through setting standards.* Moreover, this function helps to present the financial information in transparent, trustworthy and meaningful manner to the various stakeholders. Soon after the establishment, ICAN became member of SAFA in 1997, CAPA in 1998 and IFAC in 2003. Gradually, it also entered into bilateral agreement with other accounting institutions across the globe to recognize each other's professional qualification. This noble initiation of ICAN continuously gaining momentum with its qualitative education, training, and oversight process of the profession. This helps to recognize the accounting education and practical experience of ICAN are at par with other accounting institutions around the globe. Today, professional accountants are widely recognized for their financial expertise, technical competence, high standards, and integrity that ultimately contributes value addition to the business.

### CA Education & Examination

Accounting considered both science and art. Science in the context that it is based on certain principles while art is a beautiful presentation of the data and information per the user's requirements. However, this might be a subject of discussion, and anyone can paint the picture in their own way. Further, accounting is more subjective, giving insights into business's financial picture and financial cycle based on the

vivid types of information. One of the major objectives of ICAN is to produce competent professional accountants to make constructive contribution in the profession and towards the society in which they work. To be a professional, one should go through the prescribed level of education, practical training and integrity in the designated field. However, these days the pattern of the traditional examination system has been slightly modified and the assessments are based on more objectives like case-based studies, critical analysis of the situation/circumstances and multiple-choice questions. Furthermore, many professional accounting institutions' examination systems has been changed and students are allowed to bring textbooks and/ or other prescribed materials for reference during the examination which is a big paradigm shift in traditional examination system.

Soon after the set-up of ICAN, an MOU on technical support was signed with the Institute of Chartered Accountants of India (ICAI) in the year 1998 and ICAN started education system with the support of ICAI. At the initial stage of development process, ICAN adopted the ICAI syllabus except the local papers like Corporate Laws and Tax Laws. Student registration was started in ICAN from 1999 onwards and the first CA examination was held in November 2000. At the starting phase, there were three different levels in CA education namely Foundation, Intermediate and Final. However, it was not so easy to get the reading materials, prescribed textbooks and other reference materials to the students. Further, there were not enough materials and reference books at the ICAN's own library since it was just a beginning of the education system. The same education and examination system was in force until ICAN adopted its own syllabus in July 2007. The first CA examination under the new syllabus was held in June 2009. Normally, the duration of the CA course along with the practical training is roughly 4 to 5 years, albeit some students take little longer than normal time to qualify due to their preparedness for the examinations. Apart from three years practical training, which is mandatory during the study period, 100 hours IT training and 15 days skill assessment program (aka GMCS) as per IES is also required before granting the CA qualification. Therefore, students can't simply judge it's a piece of cake as it sounds that the CA exam is like other academic course, but need advanced knowledge on the subject, critical analysis of the scenario and practical application of the knowledge.

### Curriculum/ Syllabus

A well-designed syllabus with conceptual framework (as per IES) is a solid beginning of the professional education. Based on this framework, ICAN developed its own education syllabus in 2007, for the first time, with the help of technical expert team and its own resources based on the then IEG-9 Guidelines of IFAC (now Education Standards) and approved by the Council. The Guidelines (framework) prescribed certain benchmark requirements like, knowledge (core and practical), Skills (including soft skills) and professional values (conduct and ethics) for the professional accountants. Under the new syllabus too, Chartered Accountancy Professional (CAP) education was categorized in three different levels namely CAP-I, CAP-II & CAP-III. The CAP-I was designed to have basic knowledge to those who completed their high school education and yet to enroll the university program as well as those who did not meet the minimum entry requirements in CAP-II level. The CAP-I level consists of 3 papers without any group, while the CAP-II was designed to have working knowledge and consists of 7 papers divided into two groups. Likewise, CAP-III was designed to have an expert knowledge and consists of 8 papers divided into two groups. The contents and subjects of the new syllabus were at par with minimum common syllabus of SAFA region accounting institutions and other international professional accounting institutions so that the qualified accountants from ICAN have multiple opportunities to work anywhere in the world.



## Reading Materials/Study Pack

At an early stage of student registration, students of ICAN were supposed to receive bundle of 'study pack' that were developed and distributed to students registered under ICAI since ICAN was adopted the ICAI syllabus except the local laws. Gradually, students were getting trouble to have those study pack on time and, in many cases were not updated the subjects like Accounting, Audit & Assurance. This process was continued until the reading materials were developed by ICAN based on its own syllabus. Realizing that situation, ICAN education committee instantly initiated a project in 2008 to develop complete sets of study materials as soon as possible. Within a period of 3-4 years, ICAN has successfully developed the full set of study materials in all levels with its own technical resources and technical experts on the subject. Likewise, ICAN had strengthened its library facility with accessible study spaces, collected/purchased textbooks, reference materials and professional publications and offered borrowing facilities to its students and members. Furthermore, ICAN has also started publishing suggested answers of the past examinations and revision papers for the preparation of forthcoming examinations in all levels. This was a proud moment for current and prospective students who had interest to make their career in accountancy. However, updating study materials is a continuous process and no one can expect one hundred percent perfection at the first place. Materials are to be updated along with the changes in the syllabus like contents, chapters and subjects. Moreover, ICAN has been carrying out the continuous review of the materials from the experts so that no stone unturned to make materials much better and qualitative than the existing ones.

## Enticement towards CA

It's all about trust. At the initial stage there was not much confidence and faith towards the CA education offered by ICAN and many perspective students opted in foreign professional institutes. It was really a great challenge to ICAN to build the trust and faith to the students and public at large. However, the Council, Committees, Management and members of ICAN did a great job of counseling of CA education almost all parts of the country. Within a short period of time, a very satisfactory result has seen that many students were divorced their choice shifted from other professional institutes to ICAN. As such ICAN had launched many trusts initiative programs to convince students what ICAN is and what ICAN does. Those Initiatives were targeted to support the students to build trust and relationship through financial support/scholarships, exchange programs with other professional institutes and so on. Those initiatives also helped to enhance transparency, honesty and integrity of the profession. These days accountancy has been considered one of the widely recognized professions along with other professions like medical, legal, engineering and IT. Accounting professional are required everywhere and different sector of industries. Thus, they have several career options to make a right choice among others at hand. Even in ICAN, the last decade has seen an increasingly large number of youngsters have chosen to pursue chartered accountancy as a career path, along with their other academic degrees in different fields. The reasons for this are multifarious from the paycheck to the recognition and integrity of the profession. Chartered Accountancy is a prestigious and rewarding profession, however an equally challenging career objective too.

## Partner in Education

CA Education may be imparted through the accredited learning process with different public or private educational institutions/partners. Accreditation is a process that are subject to review, assess and approve the pre-requisite requirements for conducting the classes. In August 2008, ICAN developed the accreditation guidelines under the Rule 22(1) and (2) of the Nepal Chartered Accountants Rules



2004 (Amendment) for granting accreditation to the educational academies/training centers to conduct CA Classes under ICAN. The accredited learning process/partner support to achieve ICAN's principal objective by strengthening the knowledge delivery process as well as improve the education standards in line with Statement of Membership Obligation-2 (SMO-2) issued by the International Federation of Accountants (IFAC). Moreover, the number of partner institutions conducting CA classes have been increasing so the numbers of students too.

### Accounting Technician

The Nepal Chartered Accountants Act came into effect in 1997 and repealed the Auditor's Act 1974. While repealing the Auditor's Act through the Official Gazette there was a provision to produce middle-level accountants to fill the vacuum that could arise due to repealing the auditor's Act until enough number of professional accountants qualified from ICAN. To address this issue ICAN approved the '*Accounting Technician By-Law 2011*' and started to enroll students in accounting technician course. The Accounting Technician course was designed to meet the need of middle level accountants in the economy especially for the accounting in government agencies and other public and private corporations. AT Course was designed and included the subjects like accounting, auditing, corporate laws and taxation with necessary core knowledge and skills required to work in accounting. The course was a combination of study (knowledge) along with training to build a better understanding in accounting principles, practices and local laws. Additionally, this course has also included 100 hours of IT training and one and half year's practical training in accounting & auditing. Apart from this, 10 days professional skill development training is also required for the qualification. Therefore, accounting technician qualification should have relevant knowledge, skills and experience in book-keeping and preparation of financial statements. However, under the *By-Law 2011*, the AT qualified persons can also have limited privilege to certify financial statement for certain type of organizations. Ultimately, AT qualification has an opportunity to progress to study-chartered accountant course as well as a Licensed Accounting Technician.

### To conclude

Progress takes time, but it's never too late to start. Look at the past, how Nepalese accounting profession has been undergone a paradigm shift. Today ICAN is celebrating its Silver Jubilee and salute to those who tirelessly upheld a tradition and dignity of profession and converted many challenges into solid opportunities. Today we feel proud with our profession and our noble institute. This journey of excellence is marked by many achievements during these 25 years and many more miles still to go. ■



## Evolution of Chartered Accountancy (CA) Education System: *Then & Now*

✍ CA. Surendra Shrestha



31st January, 1997

***Then***

31st January 2022

***Now***

**9130 Days-** *"A lot has happened in this 9130 days and a lot is yet to happen."*

**Chartered Accountant**, One of the most respected and reputed profession around the globe. It is regarded as the ultimate profession for someone in the field of Accounting and Management. Back then, when I just passed my graduation, all I use to hear was how this course offers a great future, good reputation and a handsome earning. How this is one course which is challenging but once you succeed at it, the opportunities were limitless. It has been quiet a journey for me as well. It started as a confused student and then I was a proud member and then a righteous academician and now a responsible council member.

**The Institute of Chartered Accountant of Nepal (ICAN)** is an Institute that has transformed the lives of many students. Total 625 chartered accountants are qualified from ICAN till the exam of June 2021 and these ICAN graduates have been serving within and outside Nepal in remarkable position in their individual capacity. But each of these qualified graduates had their own story of struggle during their student life considering the educational resources.

### ORIGIN: Late 90's & Early 2000

ICAN was a newly established Institute then in late 90's having its registered office located at Babaharmahal, Kathmandu in rented premise. It was operating with limited resources whether it was financial or technical or administrative or human resource. Only few Students were enrolled in initial period as there was very low publicity and promotion of CA education offered by ICAN. Most of the students used to go India to pursue the CA course of Institute of Chartered Accountants of India (ICAI). It was like a tradition and ICAI was the first option among students. ICAN did not have its own origin of syllabus and also not facilitated with the complete set of study materials.

In 1998, ICAN signed the Memorandum of Understanding for the technical cooperation with the ICAI to develop roadmap for syllabus to pursue CA course in Nepal by the students. Consequently, the course of ICAN was designed in line with the syllabus of ICAI. All the course books were provided by the ICAI for foundation, intermediate and final level. Even taxation and corporate laws of ICAI course were in the syllabus of ICAN.

Back then students were required to join articleship training compulsorily to enroll in intermediate level. Students were also required to qualify the hall test and postal exam(optional) to be eligible for appearing in final exam of intermediate level. Although ICAN used to publish the suggested answers and scanner of previous examination questions, it was rarely made available before the examination. So, students had to struggle even to get basic resource materials required for exam preparations at that time.

Students were also not easily accessible to course reference books written by Nepalese authors. As at that time, rarely anyone publishes books for Chartered Accountancy. Large numbers of students were dependent on photocopies of reference books from international publishers, which had never been available easily. Bare act, rules and unofficial English translation whatever the resources available during that time were collected and used for study purpose due to unavailability of appropriate quality course books.

In other hand, CA coaching centers were rarely found, majority of students enrolled with ICAN on that period did self-study depending on limited resource materials. However, couple of coaching centers had started the preparatory classes from early 2000 but limited to only few practical subjects of chartered accountancy course offered by the ICAN. Lack of Books and Lack of coaching centers, times were definitely tough back then.

I personally believe that these above mentioned issues were the real scenario faced by the many students enrolled with ICAN since early establishment date. However, over a period of time, ICAN is making commendable effort in developing educational resources and improving the quality of materials provided to students. Still there is room for the improvement of curriculum and student materials to make it par with quality of International standard. Then we didn't have a lot, now the opportunity of improvement seems limitless and achievable.

### Development of Syllabus: Mid 2000 – Mid 2010

Starting with the initial MOU with ICAI in 1998, ICAN had made gradual revision in syllabus over a period of time. The review process began in 2005 when ICAN had developed an action plan for bilateral cooperation with ICAI for technical assistance to improve the education system of ICAN. ICAI had provided its recommendations and comments on the curriculum developed by the ICAN. Continuing with syllabus revision in 2006, ICAN had formed education sub-committee to develop the study materials for Intermediate Level and Final Level to update the syllabus in line with changes in the national Corporate and Tax Laws. The revised syllabus recommended by the sub-committee was approved by the Council to be effective from December 2007.

Since early 2009 ICAN had started appointing the local resource person in order to develop its own study material of CAP I / Foundation Level, CAP II / Intermediate Level and CAP III / Final Level of Chartered Accountancy Course to discontinue the practice of using study materials being provided by the ICAI. In 2010, syllabus was revised to accommodate few changes in the subjects and modules.

***Eventually, ICAN had provided its students of all levels with study materials developed of its own in 2011 for the first time in the history.*** The process of revision in syllabus being continued every year of which major revision in the syllabus was done in 2013 and 2016 which has been continued till date with required accommodation of country prospect changes.



The Institute is in planning of restructuring the syllabus and revising the content of course books in line with the International Education Standards (IESs) so that more and more students could be privileged with the best quality materials and globally recognized curriculum.

*With the Formation of Board of Studies, lots of new avenues had been introduced and more dynamics are aligned in educational areas of ICAN. Being a council member and also a member of board of studies I have witnessed closely the activities and effort made for improving the quality of educational materials and program by ICAN. Maximizing the financial budget for educational development or seeking international technical collaboration, ICAN is not compromising in providing the best outcome to the thousands of students enrolled with it. It is committed to provide better resource materials in alliance with International Standards.*

### **Current Affairs**

Currently, altogether 9,010 students are actively registered with ICAN that comprises 3,315 students in CAP I, 4,100 students in CAP II and 1,595 students in CAP III. From less than 50 students in late 90's to thousands of students, ICAN has come over long way in these 25 years and its education system has evolved gradually over the period of time.

ICAN has been actively engaged in strengthening the education system and other related program and activities. Some of the major programs and activities recently initiated and introduced by ICAN are;

### **Twinning of Syllabus with ICAEW**

225th meeting of Council dated 17 June 2018 has decided to adopt the twinning of CA syllabus with ICAEW based on the International education standards. The syllabus proposed by ICAEW is comparable with modern standards employed by leading Institutes across the world and reflects important characteristics of, and is designed to meet, specific business and government needs of Nepal. The ICAN management including education department team has been continuously in dialogue with ICAEW team to sort out the gaps and to materialize the decision of council.

### **Faculty Development Program**

ICAN has developed and introduced the online MPEF (Multi-purpose Empanelment form) module recently which accommodates all the eligible members in panel for multi-purpose task as per their areas of interest. It aims in catering the best resource persons and allow the Institute to get best output in preparing quality study materials and other supplementary materials for students. It does not only create a pool of qualified and appropriate resources to deliver high quality study materials but also supports in sustainable development of strong faculty for education.

### **Restructure in GMCS**

General management and Communications Skills Program was introduced by ICAN and made it mandatory for membership for those who had passed CAP III level on December 2011 examination and onwards as per the decision of 135<sup>th</sup> Council Meeting, dated 15<sup>th</sup> June 2010.

GMCS batch/session has been exclusively restructured to make it more practical, vibrant, effective and applicable since 16<sup>th</sup> batch enrolled in August, 2019 focusing mainly on the public speaking and communication skills of newly passed out chartered accountants. Highly qualified and renowned resource persons from respective field are outsourced and hired for making the program more relevant

as well as successful. Participants are provided with the opportunity to handle and manage the event and conference in GMCS to unfold and enhance their managerial skill and leadership qualities and prepare them for upcoming real life challenges. Besides mainstream education, management and communication skills help chartered accountants to develop confidence and professionalism in their early career.

### Online Pre-Test

Lockdown resulted from COVID pandemic has provided Institute with opportunity to explore new platform of conducting eligibility test. As a result, online pre-test has been introduced from 14 September 2020 as an alternative to the physical hall exam. These online test is based on MCQs aiming for assessment of students with a thorough understanding of each subject. The online tests are continuously conducted in the form of eligibility test. Students can appear online exam from their own location resulting the minimization of logistic burden.

### Online Preparation Classes

Previously, ICAN used to conduct the short-term crash courses prior of every examination held on June and December. These classes were aimed for only few selected subjects as per the demand of students. But during lockdown, ICAN was not able to continue and conduct the physical classes like it used to do in earlier period. Then it started the online live preparation classes amidst lockdown in 2020 for every subject of all CAP levels. These classes were conducted extensively up to 40-45 days covering substantially all the major chapters of text book. Students around the nation had the opportunity to participate in this learning class via online medium. Since then ICAN has been continuing the online preparation classes which seems superior and successful compared to previous crash course. The module for online preparation classes will be improvised and timely updated so as to accommodate more and more students from all over the nation including remote areas charging minimal enrollment fee.

### Pre-Articleship Orientation

The Institute has decided to introduce the Pre-Articleship Orientation Program to enhance the personality development and communication skills of CA students pursuing their articleship training. The program shall be attended mandatorily by all the aspiring chartered accountants; it is a prerequisite for the registration of the deed of articleship training. Student are not allowed to commence their articleship training without appearing in orientation program. There are 2 orientation programs organized by ICAN, first program was held on 1st March, 2021 and the second and last on 17th November 2021.

### E-Learning Module

ICAN is in process of launching the e-learning platform so as to accommodate the students from all over the country in one digital room. Concept of e-learning has been already developed and will be implemented soon. This online learning management system will include all the study materials, compilation of suggested answers, RTPs, recorded/live videos of online preparation classes, slides on essential topics, reference materials, conduction of online pretest and other self- assessment tools. I personally, believe this will be a major advancement for ICAN as it will bring all the necessary study materials, Changes in laws, important topics under one platform.





## Conclusion

Until and unless we develop our own syllabus, curriculum and publish complete set of course books par with international standard from our own resources, we could not declare ourselves as a successful educational Institute. Credibility of Institute is preserved only when the students are assured that the course books developed by the Institute is sufficient to understand the basic concepts.

Nonetheless, ICAN is capable of bringing the best from its resources and can be stand exemplary in our region. The only thing is we should not stop is trying, applying and taking bold strategic decisions in reforming the education system.

*Back then, when we had nothing, we still made it to 25 years. 9,130 days full of struggles and determinations to bring out best for our members and students.*

*Now, when we see that the future is infinite, opportunities are growing and the profession is evolving. We will grow together, build together and achieve higher and grander heights.*

Cheers for completion of 9,132 days !!! A lot more to go.

Happy 25<sup>th</sup> Anniversary ! ■

## Construction of ICAN Office Building- Through My Memory Lane

✍ Dev B. Bohara



1. **Introduction-** The office building gives a tangible reflection of every organization. A cogent physical space aids in smoothly work delivery. In the journey of twenty-five years of the Institute, the construction of its own office building is one of the milestone of the Institute which was inaugurated by the first President of Nepal Dr. Ram Baran Yadav on 13<sup>th</sup> July 2014. The office building is five storied with adequate space for office operation and is well-equipped with basic office amenities. The construction of building in urban areas particularly by a public entity is problematic and time taking as it has to comply with the provision of Public Procurement Act and its Rules that applies to ICAN also. After obtaining the land from the government, Institute started doing homework for preparation for construction of office building. It took about 4 years to complete. On the joyous moment of silver Jubilee of our esteemed Institute I have tried to share some experience about the construction of ICAN office building as a member of Building Committee. While writing this article I have consulted six past Presidents who led the Institute starting right from land acquisition to completion of the building and collected their valuable feedback to make the write up further accurate and reliable.
2. **Initial Operational Challenges-** The government of Nepal promulgated the Nepal Chartered Accountants Act by the Parliament in 1997 that recognized Institute of Chartered Accountants of Nepal (ICAN) as autonomous accounting body. The Act helped formation of Ad hoc Council of the Institute that was established on 2053/12/05. It is quite natural that a newly established organization has to start everything from zero. The office operation was started with a limited a space was rented house at Babar Mahal. Likewise, financial resources and manpower were main constraints but the government provided budgetary support and Office of the Auditor General designated staff for office operation. First Council of ICAN formed on 1 August 1997. Being a newly established institution, it faced various difficulties mainly resources and logistics. Basic office requirements like furniture and other office material required for office operation was arranged by the ad hoc Council. The support of Institute of Chartered Accountant of India remained significant in developing structural, governance and educational infrastructures required to ICAN.
3. **Initiation for obtaining land acquisition for office premises –** At the initial stage of its establishment the Institute commenced its operations from a rented building at Babar Mahal. With the increased workload and ramification of activities of the Institute, the need of adequate office space was felt and this issue was internally deliberated formally and informally within the Institute and among senior members. The rented house was not suitable for office purpose and the available rooms and meeting halls were congested to work efficiently. Due to this fact the requirement of land for office building would have emerged during in second or third Council. The actual process for



land acquisition started in fourth Council with joint effort ICAN and SEBON. In the initial stage of establishment, the Institute was not able to purchase land with the limited resources available at its disposal. So, it was decided to request government to provide government owned land for the construction of office building. After a series of meetings and dialogues with government authorities at various level particularly with Ministry of Finance as a liaison Ministry, the government finally agreed on 9<sup>th</sup> November, 2009 to provide land at Lalitpur district. In order to support the Institute, the Government of Nepal (GON) leased land to the Institute for 50 years for the construction of office building with an approximate land area of 6-6-0-0 ropani at Satdobato of Lalitpur district. The lease agreement was signed on Mangsir 2066 between GON and ICAN. Acquisition of land was a turning point for the Institute and it gave impetus to go ahead for carrying out preparatory work for construction of office building at Lalitpur district. We have to recognize that the leasing of land to the Institute signals the government's commitment to support and develop of a professional accounting body in the country. The efforts of erstwhile President of the Institute CA Tanka Paneru, (2008/09) during fourth Council was commendable. The contribution of Mr. Purushottam Lal Shrestha, Secretary of the Institute also remained vital in facilitating the administrative process and coordinating with the concerned Ministries and government officials.

4. **Funding arrangement for construction of building** - During the tenure of third Council a three-member Team was constituted under the chairmanship of CA TR Upadhyay to make arrangement for construction of office building for ICAN. This Team was able to collect Rs. Twenty-five lakhs towards contribution from the members only.

The Institute created a separate Building Fund and contribution received was deposited in the Fund and was used for construction purposes only. The Government of Nepal graciously provided a total amount of Rs. 40 million towards grant in three installments for construction of office building. As per the decision of the Council, the FCA and CA members were requested to contribute Rs. Twenty-five and fifteen thousand whereas RA members (B, C and D class) were required to contribute Rs. 2000, 4000, 8000 respectively. The students pursuing CA courses also contributed Rs. two thousand at the time of admission, the amount looks small but their contribution indicates their regards to the profession. CA members namely CA KB Chitracar, CA Prabburam Bhandari and CA Bharat Rijal and CSC & Co, Chartered Accountants sponsored for the cost of construction of two blocks and contributed Rs. 1 million each. The blocks were named to sponsors. Similarly, the names of sponsors of the block and members who contributed more than Rs. 50 thousand in Building Fund have been encrypted in marble kept in the building. Most of the members generously contributed in the Building Fund. In order to ensure the availability of fund for construction of building a loan agreement was also signed with Nepal Bangladesh Bank for a loan limit of Rs. 100 million although only Rs. 2.5 million was utilized.

5. **Commencement of Civil Works** - In order to initiate the procurement process, the Institute was required to prepare drawing and design as well as cost estimate of office building as per the Public Procurement Act and Rules thereof. The drawing and design task was given to a consultant. The cost estimate of the office building was around Rs. 12.55 crore excluding VAT and thereafter tender notice was published in a national daily inviting proposal from the contractors. However, the proposal received were cancelled due to various technical reasons and re-tender process was initiated in 2066 and contract was awarded by the Council led by President Sunir Kumar Dhungel (2010/11) to a joint venture construction entrepreneur M/S Tundi/Prera/Pratistha JV at contract price of about Rs.12.44 Crore excluding VAT. The contract was signed on 28<sup>th</sup> Magh 2067 with a contract period of 18 months.

In a special function, the construction of building was commenced with the laying down of foundation stone by Rt. Honorable Prime Minister Madhav Kumar Nepal on 6<sup>th</sup> Magh, 2066 (20<sup>th</sup> January 2010) at Satdobato, Lalitpur by offering pooja at the construction site. With the laying of foundation stone, the construction activities were formally commenced. The construction phase of the civil work is very crucial to maintain the quality of work and completion of works within the agreed time frame. Considering this fact Mr. Krishna Singh Basnet was appointed as engineering consultant for supervision of technical aspects of construction activities.



The construction activities at initial stage was carried out as per the work schedule, however, few months later the progress remained slow. While asking about slow progress the contractor gave various reasons like non-availability of construction material, lack of labors, price determination of added items, not getting payment for work done etc. These reasons were of customary nature as claimed by the contractor in public works. Most of the reasons given were not valid and the contractor requested to expedite the work and was given mobilization and material advance. In case of payment of bill, it was not eligible for payment if the bill value found below as specified in the condition of contract and price escalation claim was also not applicable as per the agreement clause. The other major reason for delay was sub-letting of contract to other contractors. Some genuine demands were entertained and the Building Committee used to call the original contractor regularly to obtain briefing on progress and the problems faced during construction. The Committee after recommended the Institute to take appropriate action within the condition of contract. At the initial stage of construction, the local people also raised some problem but the Committee resolved it amicably through holding meeting with their representatives.

There was delay of about one and half year in completing the construction. Regular monitoring of Committee remained very useful to avoid further delay in construction. Despite various obstacle, the building eventually was completed on 2071/11/15 with the total cost of Rs. 15.41 Crore including VAT. During the construction phase CA Sunir Kumar Dhungel, CA Sudarshan Raj Pandey, CA Madhubir Pande were the Presidents of the Institute whose guidance was admirable in completing the construction of office building.

6. **Monitoring of Construction Activities** – In order to monitor and oversee the construction activities, the erstwhile Building Committee was reconstituted in last week of Mangsir 2066 comprising nine members and President Suvod Kumar Karn led the Committee. The members of the Building Committee were:



1. CA (Dr.) Suvod Kumar Karn, Chair person
2. RA Badri Prasad Bhattarai, Member
3. Mr. Jaya Dev Shrestha, Member
4. CA Shubhash Jhunjhunwala, Member
5. CA Mahesh Khanal, Member
6. CA Umesh Prasad Dhakal, Member
7. RA Rajendra Kumar Shrestha, Member
8. RA Dilip Kumar Dhungana, Member
9. RA Ganesh Rai, Member
10. RA Mohan Kumar Regmi, Member
11. RA Dev Bahadur Bohara, Member
12. Binay Prakash Shrestha, Executive Director, Member Secretary



This Committee got continuation until the completion of the building. Usually Committee was convened every month to review the progress and monitoring of construction activities. The Committee members used to make site visits from time to time to see the progress of construction work. Despite facing some allegations/odds situation, the entire Committee did their level best in performing their assigned responsibility. We appreciate the role played by Binay Prakash Shrestha, ED and Member Secretary of the Committee in tackling with the demands of the Contractor and working as the bridge between Council and Committee.

7. **Inauguration of Office Building and shifting of Office** - The building was formally inaugurated by President Dr. Ram Baran Yadav on 13<sup>th</sup> July 2014 in a special function at the new building. During the time of inauguration CA Mahesh Kumar Guragain was the President of the Institute. In the inauguration program the Building Committee members were felicitated by the President with a certificate of appreciation. The Institute shifted office from the rented house at Babar Mahal to its newly constructed building on 4 Falgun 2071 (February 2015) at Satdobato, Lalitpur and started its entire operations from new the premises.



The office building is well furnished and well equipped with modern office facilities such as WIFI facilities, high speed internet connectivity, AC facilities, uninterrupted electricity and water supply facilities that are required for efficient office operation. In case of other facilities there are wash room in every floor (for ladies, gents, and handicapped persons), provision of elevator etc. There is car parking at basement of the building. More importantly office building has also created a conducive work environment for healthy and comfortable work culture and increased productivity of the staff in discharging the activities of the Institute.

Currently, the first floor is being used as reception desk and conference hall and library. The conference hall is equipped with multimedia with screen for presentation, cushioned chairs, sitting capacity of sixty to hundred persons depending on sitting arrangement, conference services provide facilities to hold meeting of staff, students and CPE programs, seminars etc. There is a fully furnished library and a reading room for students and a bank counter has been kept for members and students. Currently, the other stories are being used for office operation.



In my view, other than the achievement of the Institute in academic side, the construction of office building not only provided infrastructure facilities but also reinforced the sustainability of the Institute to some extent. Indeed, this achievement was the outcome of whole hearted support and cooperation of GON and entire membership.

8. **Words of Admiration-** We must appreciate the government officers from Ministry of Finance, Ministry of Industry, Trade and Commerce, OPMCM that included Chief Secretaries Bhoj Raj Ghimire and Lilamani Paudel, Rameshore Khanal, Secretary MOF, Purushottam Ojha, Secretary MIT&C, Lila Mani Paudel, Secretary OPMCM, Mrs Bindra Hada, Joint Secretary, MOF, Upendra Khanal, Under Secretary, MOF, Keshav Bhattarai, Survey Office and other who supported and cooperated with us in the procedural and administrative matters in providing the land for the Institute. Additionally, we express our thanks to each and every person who supported directly or indirectly in the entire process of construction of building of the Institute. ■

## Global Positioning and National Partnering of the Institute

CA. Sanjay Kumar Sinha  
Executive Director, ICAN



### Background

The Institute of Chartered Accountants of Nepal (ICAN) has been established under an Act “The Nepal Chartered Accountants Act 1997” as a sole regulator of accounting profession in the country. The Institute upholds responsibilities of imparting Chartered Accounting Education, Regulating Members and Supporting Government, Regulating Agencies and Developing Partners in the country. During the initial stage of its establishment the Institute has to start its activities from zero without having sufficient physical infrastructure and human resources. Therefore, considering the limitations the Institute decided to avail international cooperation to establish the system and processes within the Institute so as to run it professionally besides developing institutional relationship with the International Professional Bodies. In this backdrop, from very inception of the Institute a thought to uplift its image nationally and internationally by catering professional services adopting International Standards, National Rules and Regulations and timely accommodation of global changes in the profession was on priority of the of the Institute.

In this process the Institute adopted the policy to gain the membership or affiliation of Global and Regional Accounting Organizations to mark its presence globally and be acquainted with latest developments in the accounting profession besides joining hands with International Professional Accounting Bodies for technical collaboration and exploring avenues for its members. Some of the major International Affiliation of the Institute and MoUs signed with national and international organization and their objective are discussed in this article focusing the key stakeholders.

### International Affiliations:

In the journey of 25 years, the Institute has obtained membership of following International and Regional Accounting Bodies:

South Asian Federation of Accountants (SAFA)	1997
The Confederation of Asian and Pacific Accountants (CAPA)	1998
The International Federation of Accountants (IFAC)	Associate Members in 2003 Full Member in 2008

The Institute is actively participating in the activities of these organization as a member and keeping itself abreast of international development in the area of accounting and auditing.



## International Recognition

The main objective of signing of MoUs, MRAs and Collaboration Agreements was to establish relationship, exchange of cooperation and information, exchange of knowledge and expertise and, recognize one another that allows either Institute to achieve specified objectives of the profession.

### Memorandum of Understanding with The Institute of Chartered Accountants of India (ICAI)

The Institute with the objective to obtain support in its institutional development after its establishment on 30<sup>th</sup> January, 1997 signed its first MoU in the history with the ICAI on 26<sup>th</sup> April, 1998 followed by a supplementary agreement of the same signed on 25<sup>th</sup> June, 1998.

The MoU intended to extend the technical and expert manpower resources of ICAI, to facilitate the process by which ICAN may exercise the educational, administrative, developmental and regulatory functions with respect to the Professional Accountancy Organization as charged with by the State of Nepal. Accordingly, as an execution of MoU, ICAI deputed its nominee to ICAN to act in the position of facilitator and consultant backed by its expert team in India and facilitate ICAN in following areas:

- a. Drafting of Syllabi
- b. Setting up the Examination System
- c. Setting up a functioning Disciplinary system
- d. Setting up a Technical cell and taking adequate measures for strengthening the same in order to address issues of Accounting Standards, Standard Auditing Practices, Guidance Notes etc., and thereby to be able to respond adequately to the demands of the profession.
- e. Formulation of a policy for Continuing Professional Education and implementation of the same and,
- f. Design and development of study materials
- g. Design and development of Training Systems for Students
- h. Research

Thereafter, the Institute has a second round of MoU with ICAI on 2004 whereby ICAI committed to support ICAN in the identified areas which range from exhaustive review of ICAN existing education, examination, training, framework, development of study material, establishment of technical cell for implementation of accounting, auditing and assurance standards and preparation of guidance notes, formulation of continuing professional education (CPE) policy, Disciplinary Committee proceedings mechanism and implementation of quality control review mechanism in Nepal. Later on, the Institute signed new MoU with ICAI on 24<sup>th</sup> August, 2017 with a validity period of five years. This MoU was intended to establish mutual co-operation between ICAI and ICAN for the advancement of accounting knowledge, professional and intellectual development, advancing the interests of their respective members and contribute to the development of the accounting profession in Nepal and India. The MoU contains the provision for sharing information, students and members exchange program, linkage to each other's website and technical support from ICAI in regards to conducting various certification courses and strengthening the IT capacity of ICAN.

Later on, the Institute signed Mutual Recognition Agreement (MRA) with ICAI on 22<sup>nd</sup> October, 2020 which is valid for five years. The MRA sets out the basis for admission to membership of an appropriately qualified members of either Institute.





▪ **Memorandum of Understanding with Malaysian Institute of Accountants (MIA)**

The Institute signed MoU with MIA on 10<sup>th</sup> May, 2013 which was valid for three years. This was the second MoU of the Institute after the MoU with the Institute of Chartered Accountants of India (ICAI). The Main objective of this MoU was to work towards the strengthening, promotion and development of the accountancy profession on the basis of equality and mutual benefit. And, specifically the MoU facilitate:

- a. Sharing of information relating to accounting profession along with exchange of Syllabus, Examination Papers and Answer, Continuing Professional Education (CPE) program for the benefit of members and students in both countries.  
and,
- b. Sharing views on the development of the accountancy profession along with extending possible cooperation in respect of professional accountancy, training, education, research and continuing professional development and to provide in insight into the structure and operation, regulatory framework and measures governing the members of both the countries.

▪ **Memorandum of Understanding and Recognition Agreement with the Institute of Chartered Accountants in England and Wales (ICAEW)**

The Institute signed MoU with ICAEW on 03<sup>rd</sup> October, 2016 which was valid for three years. Subsequently, a Recognition Agreement (RA) was signed with ICAEW on 23<sup>rd</sup> March, 2021 with a validity period of three years. Both the MoU and Recognition Agreements were aimed to enhance good relations and fruitful cooperation between the two Institutes and to accelerate the development of the accounting profession in both the countries. More specifically, the MoU/RA contained provision to enable appropriately qualified members of either Institute to join the other Institute by receiving appropriate credit for their existing accountancy qualification.

▪ **Membership Pathways Agreement with CPA AUSTRALIA**

The Institute signed Membership Pathway Agreement (MPA) with CPA AUSTRALIA LTD on 10<sup>th</sup> March, 2016 which was valid for five years and will remain in force if not terminated mutually. The MPA deals with the requirement for membership pathway to CPA AUSTRALIA for members of ICAN.

▪ **Memorandum of Understanding with The Chartered Institute of Public Finance and Accountancy (CIPFA)**

The Institute signed MOU with CIPFA on 31<sup>st</sup> January, 2018 which was valid for three years after which, it shall be automatically renewed if not terminated. The purpose of this MOU was to create a basis for r cooperation and collaboration between CIPFA and ICAN for the advancement of high quality public financial management in Nepal through joint activity in a number of areas including, but not limited to:

- a. Capacity building in the area of Public Financial Management within ICAN and amongst its members;
- b. The development of a "Centre of Excellence" to strengthen the accounting profession and public financial management in Nepal;
- c. Professional development enabling opportunities for membership; and
- d. Consideration of further opportunities in the future.

Hence, the objective of this MoU was to collaborate in the promotion of high-quality financial management in Nepal through joint activity in number of areas. Subsequently, a supplementary agreement was signed on 13<sup>th</sup> May, 2018 stating the requirements of ICAN members to obtain full Chartered Public Finance Accountant (CPFA) membership of CIPFA.

- **Memorandum of Understanding with Chartered Accountants Australia and New Zealand (CA ANZ)**

The Institute signed MoU with CA ANZ on 07<sup>th</sup> March, 2018 which was valid for three years and further extension to 2018 MoU was signed on 06<sup>th</sup> December, 2021 to extend 2018 MoU till 31<sup>st</sup> December, 2022. The purpose of this MoU was to determine a basis upon which admission to membership of appropriately qualified members of the either body may occur. This MOU contained the provision related to professional program and examinations, practical experiences, CA ANZ pilot international pathway program, recognition process, membership, practice and audit rights, home membership and disciplinary arrangements.

- **Mutual Collaboration Agreement with Association of Chartered Certified Accountants (ACCA)**

The Institute signed Mutual Collaboration Agreement (MCA) with the ACCA on 1<sup>st</sup> May, 2019 with a validity period for three years. The MCA was focused to work towards co-operation in respect of recognized pathways to mutual membership, professional training, education and examinations. Also, it outlined the provision related to partnership between ICAN and ACCA to provide mutual exemptions for members of both bodies towards the ICAN and ACCA qualifications and collaboration in several areas.

- **Memorandum of Understanding with Association of International Certified Professional Accountants (AICPA)**

The Institute signed MoU with AICPA on 31<sup>st</sup> May, 2019 and shall remain valid for next five years. This MoU specifies the provision whereby, the AICPA will endeavor to allow Nepalese Chartered Accountants,

who are members in good standing of ICAN, to become eligible to obtain AICPA International Associate membership. Moreover, it contains to explore the administration of the Uniform Certified Public Accountant (CPA) Examination in Nepal.

- **Memorandum of Understanding with The Institute of Internal Auditors, India (IIA, India)**

The Institute signed MoU with IIA, India on 16<sup>th</sup> April, 2021 which is valid for three years. The objective of this MoU is to provide a framework of cooperation and facilitate collaboration between the Parties in areas of common interest including adoption of the 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.

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

Recently, the Institute has signed MoU with CA Sri Lanka on 5<sup>th</sup> January, 2022 with the objective to strengthen, promote and develop the accountancy profession on both the country on the basis of equality and mutual benefit.



## **National Leadership and Partnering**

ICAN has been working in coordination and mutual support with other regulatory bodies in Nepal since its establishment. However, system entering into formal agreement with other regulating bodies has developed only before few years back. Till date, ICAN has entered into agreement with following national regulating bodies and organization:

### **MOU with Pokhara University (PU)**

ICAN signed MoU with Pokhara University on 20<sup>th</sup> July, 2016 with the objective to establish mutually beneficial relationship between PU and ICAN in the areas of education, training and workshops and seminars.

### **Agreement with Inland Revenue Department (IRD)**

ICAN signed agreement with Inland Revenue Department on 28<sup>th</sup> March, 2019 with the objective to promote effective taxation by taxpayers and ensuring independent, responsible and professional practices of the auditors including exchange of information.

### **Agreement with Securities Board of Nepal (SEBON)**

ICAN signed agreement with SEBON on 19<sup>th</sup> April, 2021 for facilitating exchange of information and mutual cooperation in the areas of financial reporting and good governance.

## **Conclusion**

To conclude my remarks, I acknowledge the initiatives the Institute has taken so far for achieving its global standing which has helped to create pathways for members of the Institute to obtain membership of International Accounting Bodies, avail technical support in the areas of education and professional developments and representation of the Institute in various International Forums, but still there is far more to go. And, I am confident that the Vision of our Predecessors and guidance of our future Council will lead us to success in setting Prestigious Mark at International level in days ahead. ■

## Chartered Accountancy Education in Nepal from Zero Ground – An experience

✍ CA. Bhava Nath Dahal

First Chartered Accountant Qualified from ICAN



Can you imagine that registration fee for whole CA course was Rs.8,750 only? It was Rs. 9,000 if paid in two installments. Registration was effective from the date of internship with practicing Chartered Accountant, which is effective for CAP III now. Intermediate course was exactly same as the course and materials from the Institute of Chartered Accountants of India (ICAI). There were a few numbers of students in the CA course. Therefore, there was extreme delay in the availability of study-material or sometimes they were outdated due to insufficiency of course books. For the first three years, the total number of students was below fifty.

### First result experience- One-night failed

After a year from registration to CA Course at Intermediate Level, our batch was the first batch to attempt for both groups. Earlier, the Institute had conducted two batch of examination for Intermediate Level but only for second group and none of the examinees qualified in the previous examination. Later on, our result was published and for the first time in the history of Institute, the result contained name list of students who qualify the examination. However, the Examination Committee mistaken to sum-up aggregate of both group and the result published at the evening was withdrawn at night and an emergency meeting of Examination Committee was held in the next morning. Finally, the updated result was published before 10:00 AM on next day. Fortunately, two examinees qualify the Intermediate Level where, Jeevan Prasad Poudel secure first rank and I stood to second rank in the Intermediate Level.

### First syllabus - No syllabus, No tuition

Once the Intermediate result was published, ICAN had no syllabus for the Final level. It took almost two and half of month for preparing the syllabus. The new syllabus was based on the need of Nepal. There was a list of laws, standards, and chapters of the subject without any study- materials.

Apart from scarceness of study-materials, the tuition system was nil. On the thankful arrangement of Nepali student studying in ICAI, we took tuition classes for two-months in New Delhi, India. First two ICAN students have, therefore, the experience of Laxminagar - Salimabagh tuition route .

### The book shop - Books after months of order

We did not have any library for the accountancy or auditing books. There were few law libraries availing few old books. Finding a book in the market was extremely difficult. In the meanwhile, we convinced





one bookshop in Putalisadak to bring books as per our request. Not to be optimistic, the books were available after months, after number of visits.

Someone, now, may suggest for internet search or digital copy of books. Wait! Only dial-up internet was available, landline application-queue was more than five-years for telephone and, mobile incoming was Rs.5 per minute and outgoing was Rs. 10 per minute with deposit of Rs.100,000. The word 'Selfie' was an extreme-future invention.

### **The supporting hands – everyone supported CA education**

Since the study-materials were nil, ICAN executive encouraged us to collect the required literature and to translate on need, for which they promised to reimburse the cost of materials and translation. It was the time, where the Institute was suggesting for payment for material, not collecting from students.

We had approached to the Chartered Accountants for the potential idea for reading and support for the study materials. All Chartered Accountancy firms we approached had opened their bookcases with incredible support, where only outdated study materials were available. Few of them, having knowledge of the information of availability recommended their clients or corporate institutions. Both Nepali nationals or foreign staff supported openly. We thankfully collected the available materials from those corporate institutions, banks and few finance companies.

Holiday's group study and sharing of new material available to one student to all other student was normal. Few cases of bringing books, we were supported by unknown general public personally travelling India. Therefore, student-to-student or general public were also thankful supportive hands in our CA education.

Availability was difficult, clue for the availability was more difficult. But, once we noticed that something might be available from someone, we collected the reading materials, along with tea/coffee or snacks too. In the next side, many cases of trainings, ICAN officers searched, approached and lobbied training-organizers for discounted, if not free of cost, participation. Some cases, they lobbied with CA firms for payment. Whatever may be the case, they were extra-supportive for the first batch of CA students.

Except in the book-shop, we had not paid to anyone, even for the photocopying them. Furthermore, collecting the study materials became one of the marketing tools for Chartered Accountancy Course in Nepal. All the supporting hands are thankful. The materials were reused latter for other students for ICAN.

### **The result – Institutional achievement**

After two years of registration, we became eligible for the Final examination. The examination center was in Sinamangal and seven students were appearing in the Final exam. After examination, the internship period was still going on. One day noon in 2004 February, I was working in client's premises in Bijulibazar, a call from ICAN received advising to come ICAN immediately. That was pre-cell phone period, searching an intern student was difficult. Reaching ICAN office in Babarmahal, all of the ICAN staff were in the Executive Director's room with bouquet flowers, a big plate of various sweets and photographer. It was result date, it was special day to me and ICAN as on that day, I became the first student to qualify from the CA Course of ICAN. ICAN Executive Director, Officers and staff seemed



happier than me. The Executive Director and Officers welcomed and celebrated me as the first Chartered Accountant from ICAN. I was more than fortunate, to become the first Chartered Accountant from ICAN. I thank all support hands.

### **The stipend – same to same**

Can someone imagine the amount of stipend was one thousand rupees per-month? We six students were experienced audit officers for CA study. The amount was less than one-tenth of our monthly salary and allowance we were receiving at that time. Being the ICAN beginners, the supports from the CA firm, their clients and client's staff were incredibly good, at least comparing nowadays.

### **Campaigning for CA education – not comes from the moon**

After the result of Final level, ICAN asked to support for campaigning CA education in Nepal. Very few people had knowledge about CA education in Nepal. That was the time to spread the name of the 'newly initiated' education system, when I met around four thousand students and college teachers in different cities. After four years of the first pass-out, ICAN had a full batch of new students for each six-month examination cycle.

### **Current comparison – the changed target**

Academic scenario in the current situation seems a giant progress than we have had. At the time of registration, ICAN had its office with four or five rooms. Now, ICAN has its own building. It has conference hall, library having sizable number of study-materials, sizable new student intake etc.

At that time Student-staff relation was friendship at personal level. Official support, was remarkable good.

ICAN was struggling for effective presence in the society and international forum. Now, it is an active member in many international forums as well as an effective contributory for the national economic regime.



It is just a comparison. We have a number of shortfalls to enhance the current educational situation. Though the study materials are available, they need to be kept regular update; enhancement of industrial training. Now, personal contact is not possible due to size of both staff and students. So, an effective monitoring and continuous support mechanism for the student are current requirement.

Being the first CA from ICAN in 2003, I am still indebted to the Faculty Members and Staff of ICAN and other supporting hands for their valuable support in my successful life. The students at my period of CA study have seemed as a successful life contributing to the current society. CA education supported me for continuous contact with policy makers in public and private financial management. I have learned continuous studying habit with working. CA education made me a national expert in the financial management, accounting and auditing especially in the public financial management. ■

## An Anecdote about Nepal Chartered Accountants Act

 **Binod Prasad Neupane**

Director, ICAN



It seems like yesterday I joined the Institute of Chartered Accountants of Nepal (ICAN) but it has already been more than two and a half decades I have been associated with the Institute both as a staff and as a member. Today, as I reminiscence the journey of the Institute, I can vividly recall its trials and tribulations and am proud of the height and recognition the Institute has gained. For these 25 years, we have had a shared memory and here I would like to look back and provide the readers a flashback down my memory lane regarding how the ICAN Act was enacted and how it came to be a full-fledged Act.

### The Starting Point

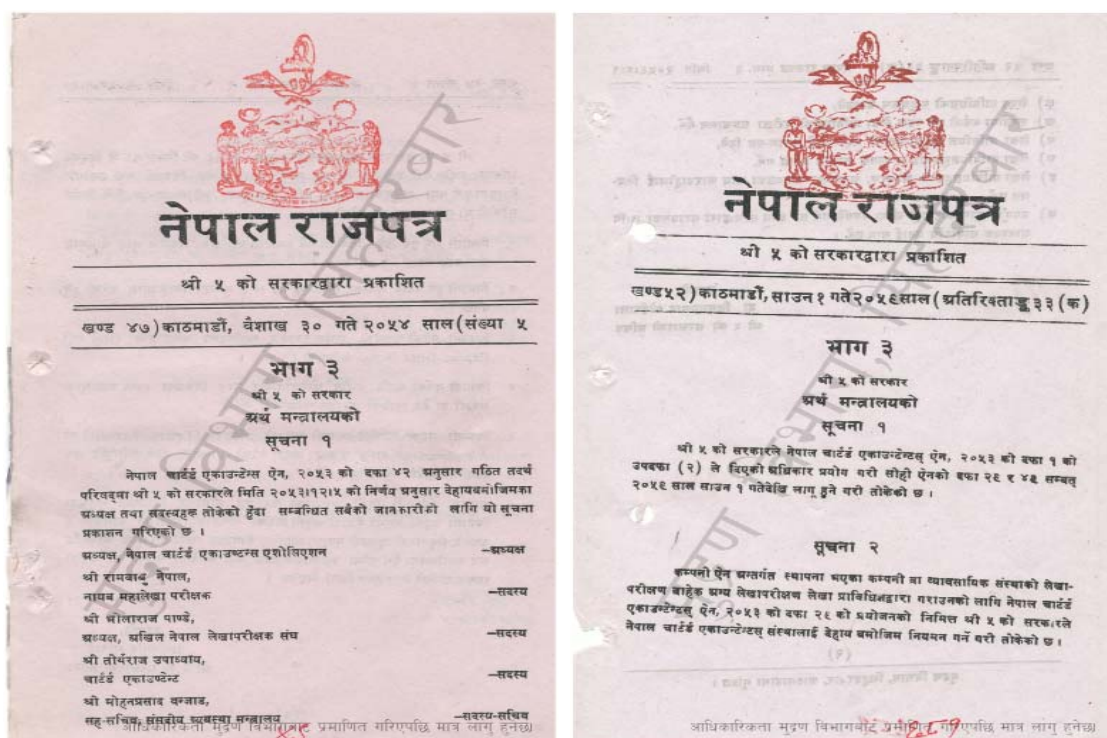
The foundation of my career began when I joined the Association of Chartered Accountants of Nepal (ACAN) in 2046 at the young age of seventeen years. It was the same year, when ACAN hosted the South Asian Federation of Accountants (SAFA) International Seminar as an associate member. Before joining ACAN, I did not have any comprehensible understandings about the nature of operation of ACAN and its objectives. But within a few months of joining ACAN, I had keen interest about accounting profession and that was the reason I pursued my higher studies in management and accountancy.

Back in those days, the primary focus of ACAN was to develop an independent, autonomous and self-regulatory accounting body in Nepal. In this regard, the President, Board Members of ACAN and other stakeholders used to hold various meetings and discussions among themselves and with other authorities for the establishment of ICAN. And, in the capacity of ACAN staff, I got an opportunity to participate in various discussions and meetings including the multiple layer discussion and consultation with the Ministry of Finance (MOF) and Ministry of Law during the drafting process of Nepal Chartered Accountants Act, 2053.

After years of unflinching dedication and untiring efforts of our pioneers and support of government authorities and international bodies, the Government of Nepal enacted The Nepal Chartered Accountants Act, 2053 on 17<sup>th</sup> Magh 2053 and The Institute of Chartered Accountants of Nepal (ICAN) came into being. The Act provisioned the formation of an *ad hoc* Interim Council for the main purpose of registering the persons who had the required qualifications and were desirous to obtain the membership of the Institute and issuing Membership Certificates to them. Moreover, the *ad hoc* Council was mandated to elect the Council Members from amongst the registered members as per the provision of the Act. Both those process and tasks were to be completed within six months from the date of commencement of the Act.

Subsequently, the Government of Nepal formed an Interim Council on 5<sup>th</sup> Chaitra 2053. Thereafter, I was initially deputed as an Office Secretary to ICAN from ACAN and afterwards became a permanent





staff of ICAN. And, there began my tryst with destiny at ICAN. I along with Mr. Bhola Ghimire were the first staffs working for ICAN. Later on, Mr. Bishnu Prasad Aryal was deputed from the Office of the Auditor General till the completion of first council election. On 13th Baisakh, 2054 Mr. Mahesh Chitrakar joined as an Assistant. Mr. Purushottam Lal Shrestha joined as a Secretary (later, Executive Director) in 2054 Bhadra. Finally, on 1<sup>st</sup> Aswin 2054 all the officers were recruited - I was appointed as an Officer, Mr. Mahesh Chitrakar was appointed as an Assistant and Mr. Bhola Ghimire was given the post of Office helper.

## Hiccups for proper implementation of Nepal Chartered Accountants Act

Immediately after the formation of the Interim Council, it issued notice to all the eligible and interested persons to register themselves in ICAN and obtain Membership Certificate as per their qualifications within 17<sup>th</sup> Baisakh, 2054 (as provisioned in Section 17 of the Nepal Chartered Accountants Act, 2053; applications shall be given within three months from the date of commencement of the Act)<sup>1</sup>.

Accordingly, the Interim Council registered the applications received from the eligible persons and on 17<sup>th</sup> Jestha 2054, ICAN issued Membership Certificates to 88 Chartered Accountants and 2,862 Registered Auditors (B, C and D Class). After that, the Interim Council conducted the election of the Council and the first Council of ICAN was formed on 17<sup>th</sup> Shrawan 2054 and the Interim Council was ipso-facto dissolved. CA. Komal Bahadur Chitrakar (Late) was elected the first President of ICAN.

1 The Nepal Chartered Accountants Act had provisioned (and still has the same provision) for issuing two classes of membership:

- Chartered Accountants (CA): For the person who had five year's experience in accounting and auditing on the date of commencement of the Nepal Chartered Accountants Act, obtained the certificate of Registered Auditor of class 'A' pursuant to the Auditors' Act, 2031 or class 'B' on the basis of qualification of Chartered Accountant or, the person had passed Chartered Accountancy or equivalent course from the Institute or other foreign accounting bodies recognized by the Institute and had received practical training relating to accounting profession.
- Registered Auditors (RA): For the persons holding audit licence of class 'B', 'C' or 'D' acquired under the provisions of Auditors' Act, 2031 at the time of commencement of Nepal Chartered Accountant Act, 2053.

Coincidentally, the first, second, third and fourth Chartered Accountant Members of ICAN namely Late CA. Komal Bahadur Chitracar, CA. Tirth Raj Upadhyay, CA. Kaushalendra Kumar Singh and Late. CA. Gopal Prasad Rajbahak, respectively, became the first, second, third and fourth elected President of ICAN.

Everything appeared to sail smoothly until the time when it was realized that there was no intention of the Government of Nepal to repeal the Auditors' Act, 2031. As per The Nepal Chartered Accountants Act, the Auditors' Act 2031 would be repealed after the enactment of ICAN Act but only from the published date of the notice of its repealment in the Nepal Gazette. Pending the decision of Nepal Government for making effective the repealment clause, a situation emerged wherein both the Nepal Chartered Accountants Act and the Auditors' Act were operative and were enforced parallelly. In the meantime, section 3 of the Auditors' Act, 2031 and section 29 of the Nepal Chartered Accountants Act, seemed to overlap in the respective jurisdiction of the Act and were mutually exclusive.

As per section 3 of Auditors' Act, 2031, audit of any entity shall be carried out only by the licensed holder auditor registered as per the Act and audit by a person who is not registered and had not obtained licence from the Office of the Auditor General (OAG) shall be void. Likewise, as per section 29 of Nepal Chartered Accountants Act, 2053, no one shall be allowed to undertake audit business without a Membership Certificate (*after first amendment, Membership Certificate was replaced by Certificate of Practice*).<sup>2</sup>

Due to simultaneous application of both Acts and specially because of above provisions related to registration, the following major complications arose in the implementation of Nepal Chartered accountants Act:

1. The number of registered auditor members were increasing as OAG continued to issue A, B, C, D license to Chartered Accountants and non-Chartered Accountants who fulfilled the criteria as laid down in the Auditor's Act, 2031  
and,

2 Moreover, as per the provision of Auditors' Act 2031 (Section 4), the following classes of Auditors Licence were issued by the Office of the Auditor General (OAG):

Class	Qualification and Experience	Audit Limit of Transactions
Class 'A'	Chartered Accountant or, Equivalent and having five years of experience in accounting or auditing	Unlimited amount.
Class 'B'	Chartered Accountant or Equivalent or, M.Com or MBA and having two years' experience in accounting or auditing or, MA(Economics, Mathematics or Statistics) or B.com having five years' Experience in accounting or auditing.	Up to NPR Five Crores
Class 'C'	M.Com or MBA having one year's Experience or MA (Economics, Mathematics or Statistics and having two years' experience in accounting or auditing. or BA (Economics, Mathematics or Statistics and having five years' experience. Working in <i>Gazetted (Officer)</i> position and having five years of experience in accounting or auditing	Up to NPR One Crore
Class 'D'	Working in <i>Non-gazetted (Non Officer)</i> position in either first or second and having five years of experience in accountancy or auditing or, The person who did not hold qualification for either Class A, B, C and D Class Auditor but had obtained the licence of auditor from OAG prior to commencement of the Act.	Up to NPR Five Lakhs

Where, limit of transaction means the amount of assets/liabilities in case of the entity preparing the balance sheet and incomes/expenses in case of the entity not preparing the balance sheet.



2. Both Chartered Accountants and Registered Auditor members who were registered in ICAN and obtained the Membership of ICAN needed to renew themselves in accordance with Auditor's Act. And Chartered Accountants who were registered at ICAN need to further register at OAG and were required to have dual compliance with regards to registration, renewal and reporting requirement of both Auditor's Act and Nepal Chartered Accountants Act.

ICAN made continuous efforts, requests and follow up with Government of Nepal and authorities to repeal Auditor's Act. However, the major concern of the Office of the Auditor General was that the number of total Chartered Accountants and Registered Auditors who were initially registered with ICAN were not enough to conduct audit of small and micro enterprises in the country.

Consequently, the issue was amicably settled as OAG requested ICAN to issue license to Registered Auditor who had obtained license from OAG and to make separate provision for issuing license to auditors beside the Chartered Accountants and Registered Auditors.

The first amendment to Nepal Chartered Accountants Act, 2053 was passed by the parliament on 24<sup>th</sup> Ashad 2059 after long years of correspondence and follow up with the OAG and Government Authorities and with the support received from the Asian Development Bank, Donor Agencies, Ministry of Finance and our Members, Thereafter, on 1st Shrawan 2059 the Government of Nepal issued the notice in Nepal Gazette regarding the application of Section 49 of the ICAN Act, 2053. Thenafter, the Auditors' Act became ineffective.

Consequently, after five and half year of enactment of Nepal Chartered Accountants Act, 2053 all the provision of the Nepal Chartered Accountants Act was effective. One more interesting thing to consider here is, on 1st Shrawan 2059 which was only few days after the amendment to Nepal Chartered Accountants Act, then Prime Minister Rt. Hon'ble Sher Bahadur Deuba proposed to dissolve the Parliament which was reformed only after election of Constitutional Assembly after long years' political instability. Had the First Amendment not been passed on that day, the ICAN could not have operated smoothly for next few years and still we would not have attained the full autonomy.

Immediately after that announcement, ICAN issued the notice to all the B, C and D class auditors obtaining licence from the OAG pursuant to Auditors' Act, 2031, before 32<sup>nd</sup> Ashad, 2059, but were not registered with and did not obtain membership from ICAN to get themselves registered within 30<sup>th</sup> Poush 2059. By that time, the total number of B, C and D class Registered Auditor Members of ICAN reached to 7,297 from 2,862. And, from 30<sup>th</sup> Poush 2059 onwards, ICAN issued the Membership Certificate to Chartered Accountants Members.

## **The Conclusion**

After overcoming all the challenges and reinventing and remolding itself, ICAN stands tall and the legacy it has created is praiseworthy. Apart from the support extended by the Government, International Bodies and other stakeholders, these twenty-five years of glorious existence of ICAN was possible only because of the selfless contribution and dedication of our pioneer Chartered Accountants. I have regards and admire their contributions towards the development of ICAN and overall accounting profession in Nepal. The Institute will always be indebted to them.

Lastly, I hope that in these last twenty-five years, ICAN has worked as per the vision set by our predecessors. I am confident that in future also, it will work for fulfilling the responsibility entrusted by Nepal Chartered Accountants Act, 2053. ■

## My View Towards Chartered Accountancy Course and Career in Nepal

 **CA. Samjhana KC**

First Femal Chartered Accountant Qualified from ICAN  
Texas, USA



I would like to congratulate The Institute of Chartered Accountants of Nepal (ICAN) for completing its 25 years of anniversary. When I look back 25 years ago, the Chartered Accountancy course was considered a highly challenging and rewarding career. Three decades ago, most of the people used to have an ambition of becoming doctor, engineer, pilot or lawyer but it was hard to find the people who had the ambition of becoming a Chartered Accountant (CA).

My family was the source of inspiration for registering me in the Chartered Accountancy course of ICAN. I grew up in a family where my father being in the finance and accounting profession used to talk about closing, budget and auditing. My sister was the source of inspiration for diverting the transition from a science background to the management background by helping me understand the basics of accounting. During my school and college life, I heard many success stories of Chartered Accountants from my father which motivated me to study Chartered Accountancy. I knew that a CA qualification opens the door to a vast range of career opportunities in every sector of business and finance, but I was also aware of the complexity to pass this course. I also researched that the Chartered Accountants were in constant demand for their technical competence, professional standard and veracity. Based on these facts, I decided to enroll in the Chartered Accountancy Course in ICAN along with my sister with the dream of becoming a CA.

During the earlier days, it was quite an overwhelming feeling to manage the time effectively and efficiently between work and study. There were not adequate books and study materials related to the laws and taxes of Nepal. It was difficult to get any new legal updates in a timely manner regarding Nepalese taxation and laws. The academic and professional help for students was not adequate in earlier days of the ICAN history. I remember the dilemma in many of us regarding the uncertainty of the future for CAs produced by ICAN. The passing rate was very low which added more uncertainty among the students. There were few private coaching centers available at that time helping students to achieve their goal which was also very expensive. The students used to help each other by doing combined study and sharing the available study materials. It was very challenging to pass the exam based on the criteria set forth for the course. Although it was challenging, I was determined to fulfil the strict educational and on-the-job requirements of the Chartered Accountancy course. The articleship training with CA firm helped to gain practical knowledge. I was excited to pass the exam and felt that all the hard work and dedication paid off. It is a great honor to be crowned as the First Female CA of ICAN and was able to inspire friends and family to consider CA as the outstanding career which rises further and faster into more diverse and important roles in organizations.





The technical knowledge gained from the Chartered Accountancy course became the foundation of my professional career and prepared me for any roles both at national and international level. After passing the CA course, I worked as a Chartered Accountant in Rastriya Banijya Bank Limited, a fully government owned largest commercial bank of Nepal. I was able to work for an audit firm in the USA based on sole experience from Nepal. The courses of ICAN were also recognized for meeting credit hours eligible to qualify for enrolling in Certified Public Accountant (CPA) in the USA. With the help of the skills I learned from CA, I was able to complete my CPA from the USA within six months. Currently, I am working as Assistant Director in the financial reporting department in the state job in the USA.

In the initial phase, the scope of qualified CA was immensely high and competitive as the government/ corporate sector had recognized the contribution of CAs in various aspects of the organization. The students considered CAs as their ideal models who held high positions in the corporations. Currently, Chartered Accountants are occupying responsible financial positions in the organizations ranging from start-up ventures to nonprofit organizations to multinational corporations. As the business environment grows in complexity, so does the demand and career opportunities for the CAs.

During the last 25 years, ICAN has undergone several changes and developments that contributed positively to raise the public awareness towards the importance of accounting profession. Chartered Accountants are found at the highest level in every sector from financial services and banking to the public sector. It is a continuous development process to serve the modern digital global economy and maintain its global competitiveness.

I have had a golden opportunity to become the first female Chartered Accountant of ICAN in June 2006. Still, I am obliged to the Faculty Members and Staffs of ICAN for their valuable support in my successful professional career. ■

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.

The Sanskrit word of ICAN Logo was selected by Prof. Gopi Krishna Sharma.



## Acronyms and Abbreviations

GoN	Government of Nepal
MoF	Ministry of Finance
AG	Auditor General
OAG	Office of the Auditor General
FCGO	Financial Comptroller General Office
ASB, Nepal	Accounting Standard Board of Nepal
AuSB, Nepal	Auditing Standard Board of Nepal
NRB	Nepal Rastra Bank
IRD	Inland Revenue Department
OCR	Office of Company Registrar
SEBON	Securities Exchange Board of Nepal
IFAC	International Federation of Accountants
SAFA	South Asian Federation of Accountants
CAPA	Confederation of Asian and Pacific Accountants
ADB	Asian Development Bank
NFRS	Nepal Financial Reporting Standards
NSA	Nepal Standards on Auditing
NPSAS	Nepal Public Sector Accounting Standards
PAOs	Professional Accountancy Organizations
ICAI	Institute of Chartered Accountants of India
CA ANZ	Chartered Accountants Australia and New Zealand
ICAEW	Institute of Chartered Accountants in England and Wales
CPA	Certified Public Accountant
CIPFA	Chartered Institute of Public Finance and Accountancy
AICP	American Institute of Certified Public Accountants
ACCA	Association of Chartered Certified Accountants
IIA, India	Institute of Internal Auditors, India
PFM	Public Finance Management
IT	Information Technology

## GLIMPSE OF INSTITUTIONAL ACTIVITIES SINCE 1998

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1999



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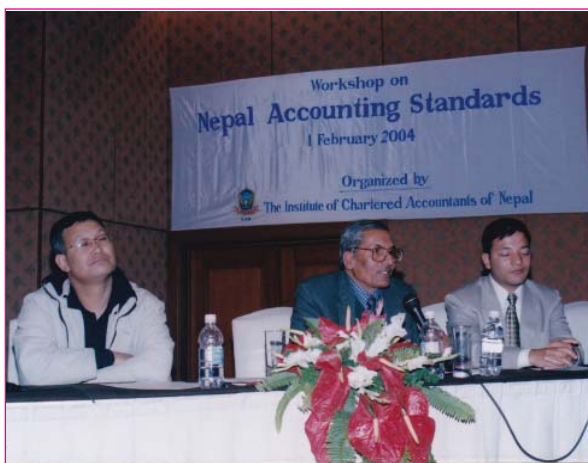


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