Congratulations to Newly Elected President and Vice President of ICAN

Vice President CA. Krishna Prasad Acharya and Council Member CA. Madan Krishna Sharma have been unanimously elected respectively as the President and the Vice President of the Institute for the second term (2076 - 77) of 8th Council. The election office of the Institute has published result of election in this regard.

President CA. Jagannath Upadhyay (Niraula) and the Institute family offer congratulations to CA. Krishna Prasad Acharya and CA. Madan Krishna Sharma with best wishes for their successful tenure ahead.

Newly elected President and Vice – President were presented with certificates by election office of the Institute on 15 July, 2019 at ICAN Building, ICAN Marg, Satdobato in attendance of President CA. Jagannath Upadhyay (Niraula), Council Members, Past Presidents, Executive Director, ICAN Officials and Students.

Notice Regarding Membership Renewal

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

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

For additional details, please refer the notice of the Institute.

Notice Regarding Listing of ICAN Members

The Institute has reissued notice regarding Ministry of Federal Affairs and General Administration’s circular to all Local Bodies informing them not to publish any advertisement by whatsoever means to invite auditors to get listed with them for audit. The Ministry of Federal Affairs and General Administration had also suggested local bodies to use the website of the ICAN to get list of eligible auditors.
Through this notice, the Institute has also reissued the directive to its members for not getting listed for such purpose in any of Local Bodies and non-compliance to this directive will result in legal actions against such members as per the provision of Nepal Chartered Accountants Act, 1997 and Nepal Chartered Accountants Regulation framed under this Act. For more details, please refer the notice issued by the Institute.

**Launching of UDIN Application**

The Institute has launched UDIN application that allows generation of 18 digits Unique Document Identification Number (UDIN) for every certification / audit service provided by ICAN members having a valid Certificate of Practice (CoP). This UDIN application was inaugurated by President CA. Jagannath Upadhyay (Niraula). While inaugurating the UDIN system, President CA. Jagannath Upadhyay (Niraula) mentioned that this initiative of ICAN will create an environment of healthy professional practices.

UDIN is launched with voluntary compliance until 01 Kartik, 2076 and mandatory compliance by ICAN members thereafter.

The Institute has long been adapting technological avenues to provide more efficient services to its members and students, to strengthen its regulatory function and to support other regulatory agencies. Know Your Member (KYM) portal, online Continued Professional Education (CPE) examination, online payment of membership renewal fees, launching of ICAN mobile application and updated website are examples of such initiatives of the Institute.

UDIN application has been designed to allow ICAN members having duly renewed and valid CoP to register themselves in UDIN portal available in ICAN website. Following registration, members can generate UDIN for every audit/certification. Members are required to generate a certification/audit specific UDIN 15 days before or after issuance of audit report/ certification.

While proceeding for generation of UDIN, members will also be required to provide specific details of the certification report / audit report before generating UDIN that can be cross verified against the original/copy of original certification report / audit report accompanying audited financial statements by stakeholders by using assignment specific UDIN.

The concept of designing UDIN application is also to track activities of its members besides creating a control point to curve out unethical practices by non-members.

Unique Document Identification Number (UDIN) will be generated for every audit / certification performed by ICAN members to the extent of limit allowed as per the directives issued by the Institute. As such, members are automatically checked before providing audit/certifications service beyond the prescribed limit.
ICAN Pronounced NAS for MEs and NAS for NPOs
The 236th Council Meeting of the Institute have pronounced Nepal Accounting Standards for Micro Entities, 2018 (NAS for MEs, 2018), and Nepal Accounting Standards for Non for Profit Organizations, 2018 (NAS for NPOs, 2018) as per the recommendation of Accounting Standards Board (ASB) with voluntary compliance from 01 Shrawan, 2076 and mandatory compliance from 01 Shrawan, 2077. For more details, please click here.

Result of CA Membership Examination Published
The Institute has published result of the June 2019 Chartered Accountancy Membership Examination. Altogether 15 candidates qualifying Chartered Accountancy from foreign Professional Accountancy Organizations (PAOs) have successfully passed membership examination. For more details, please click here.

Institute Invites Application for AT Examination
The Institute has published notice inviting application for Accounting Technician Examination to be held in September, 2019. Application for examination can be submitted until 15 July, 2019 by paying normal fees and until 29 July, 2019 with payment of late fees. Examination schedule has also been published. For additional information, please click here.

Workshop on Audit Documentation
The Institute organized a three-days “Capacity Development Workshop on Audit Documentation” from 2 - 4 July, 2019 at ICAN Building, ICAN Marg, Satdobato, Lalitpur exclusively for practicing B Class Registered Auditor Members of the Institute.

Various aspects of audit such as appointment of auditor, correspondence with previous year auditor, audit planning, evaluation of threat, mobilization of audit team, review of audit documentation, reporting etc. were covered during this workshop.

Closing ceremony of the workshop was addressed by President CA. Jagannath Upadhyay (Niraula) with Executive Director CA. Sanjay Kumar Sinha and ICAN Officials in attendance. President in his address stressed that Institute is always committed to equip its members with new development in the profession. Workshop was participated by 21 practicing B class Registered Auditor members of the Institute. The workshop concluded with the distribution of certificates to the participating members.

CPE Training Organized
The Institute organized a two days Continuing Professional Education (CPE) training at ICAN Building, ICAN Marg, Satdobato, Lalitpur from 5-7 July, 2019.
Various contemporary topics such as data analytics, updates in Income Tax and Value Added Tax, Nepal Financial Reporting Standards (NFRS), NFRS for Small and Medium Sized Entities (NFRS for SMEs), Procurement Laws, Contract Laws, Quality Assurance Review, Nepal Standards on Auditing (NSA) etc. were covered during the training. More than 140 members of the Institute participated this training.

**Training on NFRS for SMEs**


The training was focused on various aspects of NFRS for SMEs that includes its introduction, presentation of financial statements, accounting policies, related party disclosure, inventories, intangible assets, property plant and equipment, impairment of assets, employee benefit, revenue recognition, translation of foreign currency, accounting for income tax etc.

Closing ceremony of the training was addressed by President CA. Jagannath Upadhyay (Niraula) and Vice President CA. Krishna Prasad Acharya. Closing remarks of the program was delivered by Chairman of Registered Auditors Member Capacity Development Committee RA. Kedar Nath Poudel. Altogether, 39 members of ICAN participated in this training.

**Orientation Program for the Upgraded RA Members**

The Institute organized a half day orientation program for the recently upgraded Registered Auditor Members in the presence of Executive Director CA. Sanjay Kumar Sinha on 12 July 2019 at ICAN Building, ICAN Marg, Satdobato, Lalitpur.

This is the first time such formal orientation program has been organized for upgraded Registered Auditor Members of the Institute. Acting Director Mr. Binod Prasad Neupane, in addition to orienting upgraded RA Members, congratulated them and briefed them about the updates in code of ethics, new circulars issued by the Institute, various technical standards and other matters related to profession. The program was participated by 7 upgraded RA members.

**Participation in the Meetings**

President CA. Jagannath Upadhyay (Niraula) participated in the meeting organized by the Department of Revenue Investigation on 9 July, 2019 in Kathmandu. The meeting was related to Vehicle Consignment Tracking System. Speaking on the meeting, President appreciated such initiative of the Government and further said that the Vehicle Consignment Tracking System could be an additional block for economic development of the Nation.
President CA. Jagannath Upadhyay (Niraula) also participated in a joint meeting organized by Department of Revenue Investigation and Nepal Rastra Bank on 9 July, 2019. The meeting was organized to tackle the problems in financial reporting system of private sector and president expressed his views on behalf of the Institute.

**Workshop on NFRS for Governance and Management**

The Institute has organized a “**Workshop on NFRS for Governance and Management**” exclusively focused for state owned enterprises (Companies and Corporations) required present their financial statements as per Nepal Financial Reporting Standards (NFRS). The workshop was organized at Indrendi Foodland, New Baneshwor, Kathmandu on 08 July, 2019. Welcome remarks of the program were delivered by President CA. Jagannath Upadhyay (Niraula) and the Chief Guest of the program was Mr. Bhuwanhari Aryal, Registrar, Office of Company Registrar. Chief Guest, during his address, mentioned that all corporations and companies should comply with the requirements laid down by Company Act, Nepal Chartered Accountants Act and other legislations. He stressed that Companies and Corporations should prepare their financial statements based on NFRS because Company Act, 2063 and Nepal Chartered Accountant Act, 2053 has mandated its compliance. He further mentioned that compliance to NFRS promotes financial discipline and good corporate governance in the organization. He also assured that Office of Company Registrar and ICAN will always cooperate in matter of common interest. The program was also targeted to impart experiences of adoption of NFRS to State Owned Enterprises especially in context of ICAN extending technical support for preparation of financial statement adapting NFRS by Nepal Oil Corporation Limited.

Following the opening ceremony, three different technical sessions related to NFRS were organized. First technical session was the Information Session on NFRS where member of Accounting Standards Board CA. Satish Chandra Lal presented brief information about NFRS, its history, process of formulating accounting standards in Nepal, legal and regulatory requirement to comply with NFRS, consequence of non-compliance to NFRS etc.

In second session CA. Surya Bhakta Pokhrel, CA. Nirjal Shrestha and CA. Sanjeev Shrestha shared experience of NFRS implementation in one of the SOEs i.e. Nepal Doorsanchar Company Limited.

The last technical session was presentation on Model Financial Statement based on NFRS which was facilitated by CA. Arun Raut.

Closing remarks of the workshop was delivered by Vice President CA. Krishna Prasad Acharya and program ended with certificate distribution to participants. The workshop was participated by more than 60 representatives from different state owned enterprises, regulatory agencies and
development partners and was also attended by Executive Director CA. Sanjay Kumar Sinha, Member Secretary of PEFA Secretariat Mr. Mun Kumar K.C. and Senior Financial Management Specialist of World Bank Mr. Yogesh Bom Malla. This workshop was organized in partnership with Public Expenditure and Financial Accountability (PEFA) Secretariat and supported by the World Bank.

**Coordination Workshop on Updates in Financial Reporting Standards and Auditing Standards**

The Institute organized a “Coordination Workshop on Updates in Financial Reporting Standards and Auditing Standards” on 29 July, 2019 at Hotel Radisson, Kathmandu. The program was focused on exploring gap between the Nepal Financial Reporting Standards (NFRS), Nepal Standards on Auditing (NSA), Nepal Public Sector Accounting Standards (NPSAS) and existing curriculum of various Universities and Higher Secondary Level.

The program started with welcome remarks by President CA. Jagannath Upadhyay (Niraula). Chief Guest of the program was Secretary – Education, Ministry of Education, Science and Technology Mr. Khaga Raj Baral. Chief Guest during his address, mentioned that curriculum update is continuous process and all universities should equip their course of study with latest updates in real scenario including financial reporting and auditing.

The workshop was also addressed by Special Guest Mr. Ramesh Prasad Shiwakoti, Coordinator, Public Expenditure and Financial Accountability (PEFA) Secretariat.

Following, opening ceremony, Joint Secretary of Ministry of Education Science and Technology Mr. Ram Saran Sapkota, CA. Arun Raut, CA. Ramesh Dhital and Under Secretary, Financial Comptroller General Office (FCGO) Mr. Baburam Subedi, presented respectively on education policy of Government of Nepal, Nepal Financial Reporting Standards (NFRS), Nepal Standards on Auditing (NSA) and Nepal Public Sector Accounting Standards (NPSAS).

During second technical session, representatives of faculty of management of Tribhuvan University, Pokhara University, Far Western University, Nepal Open University and Purbanchal University presented briefly on their curriculum related to Accounting and Auditing.

The last session was a panel discussion on “Exploring Need for Updating Curriculum” which was moderated by Joint Secretary of Ministry of Education, Science and Technology Mr. Ram Saran Sapkota. Other panelists were ICAN Past President CA. Prakash Lamsal, Mr. Rajesh Kumar Thagurathi -Executive Director, Curriculum Development Center of Pokhara University, Associate Prof. Nawaraj Adhikari, Assistant Dean, Faculty of Management, Tribhuwan University and Mr. Baburam Subedi, Under Secretary, Financial Comptroller General Office (FCGO). The panel discussion concluded that curriculum revision/update requires continuous
coordination between ICAN, Ministry of Education, Science and Technology, Universities, Curriculum Development Center and other stakeholders.

Closing ceremony of the program was addressed by Vice President CA. Krishna Prasad Acharya where he mentioned that ICAN is always committed to help education sector of the Nation to accommodate latest changes in Financial Reporting Standards and Auditing Standards.

More than 60 participants including representatives of faculty of management of various universities, representatives of Ministry of Education, Science and Technology and teachers/lecturers of various colleges. The program was also attended by Council Member and Member of Board of Studies RA. Bahadur Singh Bista, Executive Director CA. Sanjay Kumar Sinha and other officials of the Institute.

The program concluded with presentation of Certificates to University Representatives.

This workshop was organized in coordination with Ministry of Education, Science and Technology, in partnership with Public Expenditure and Financial Accountability (PEFA) Secretariat and was supported by the World Bank.

**Upcoming Events**

**Oath Taking Ceremony of Newly Elected President and Vice President of ICAN**

The Institute is organizing “Oath Taking Ceremony of Newly Elected President and Vice President” on 23 July, 2019 at Hotel Radisson, Lazimpat, Kathmandu. Coinciding with this ceremony, Institute is also organizing a full day conference on “Contemporary Issues of Accounting Profession” that includes three different technical sessions on ethical values and professional accountants, IFRIC 4: determining whether an arrangement contains a lease and IFRIC 12 service concession arrangements. On this day, Best Presented Annual Report Award will also be presented on different categories. Members of the Institute participation the conference on “Contemporary Issues of Accounting Profession” will be awarded 10 Continuing Professional Education (CPE) credit hours.

For more details and registration for conference, please click here.

**National News**

**SEBON Published its Policy and Programs of FY 2076/77**
Securities Exchange Board of Nepal (SEBON) has published its Policy and Programs of Fiscal Year 2076/77. This policy and program has envisioned initiating various reforms related to Securities and Commodity Market such as book building for competitive pricing as per international practice, prescribing reporting format for listed companies to report SEBON, changing existing provision of lock in period for promoter shares, strengthening capacity of the Board etc. For more details, please click here.

SEBON has also envisioned to enforce Nepal Financial Reporting Standards (NFRS) implementation in listed entities and to review their financial reporting in cooperation with the Institute of Chartered Accountants of Nepal (ICAN). Board has also planned to prepare a accounting manual based on NFRS.

**NRB Circular**

Nepal Rastra Bank (NRB) has issued a circular to class A, B and C Bank or Financial Institutions (BFIs) amending various provision of Unified Directives, 2075 and various circulars issued by NRB. These amendments have introduced revised provisions regarding minimum loan disbursement, monitoring and service charges to be levied for various services of banks. For more details, please click here.

**International News**

**Exposure Drafts and Comment Letters - Due Process Handbook Review**

The Trustees of the IFRS Foundation are inviting stakeholder comment on proposed amendments to its *Due Process Handbook*, the procedural requirements followed by the International Accounting Standards Board and the IFRS Interpretations Committee.

Comments are due by 29 July 2019. Login/register to submit a comment letter.

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