

*Flash Alert*  
16 July 2020

**PKF**

*Implementation of NFRS 2018  
Pronounced by ICAN*

ICAN has pronounced the implementation of NFRS 2018, IFRIC & SIC effective 16 July 2020 as decided by the Council's 244<sup>th</sup> meeting held on 2077.03.11 (25 June 2020) under section 11(Da) of the ICAN Act, 2053. However, some Standards shall only be implemented effective 16 July 2021. The details of the pronouncement is given hereunder:

**List of Nepal Financial Reporting Standards 2018 (NFRS) with Conceptual Framework**  
*(implemented wef 16 July 2020)*

**S. Name of Standards**  
**N.**

***The Conceptual Framework for Financial Reporting***

- 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
- 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
- 9 NFRS 10: Consolidated Financial Statements
- 10 NFRS 11: Joint Arrangements
- 11 NFRS 12: Disclosure of Interests in Other Entities
- 12 NFRS 13: Fair Value Measurement

### ***Nepal Accounting Standards***

#### **S.N. Name of Standards**

13	NAS 1: Presentation of Financial Statements
14	NAS 2: Inventories
15	NAS 7: Statement of Cash Flows
16	NAS 8: Accounting Policies, Changes in Accounting Estimates and Errors
17	NAS 10: Events after the Reporting Period
18	NAS 12: Income Taxes
19	NAS 16: Property, Plant and Equipment
20	NAS 19: Employee Benefits
21	NAS 20: Accounting for Government Grants and Disclosure of Government Assistance
21	NAS 21: The Effects of Changes in Foreign Exchange Rates
22	NAS 23: Borrowing Costs
23	NAS 24: Related Party Disclosures
24	NAS 26: Accounting and Reporting by Retirement Benefit Plans
25	NAS 27: Separate Financial Statements
26	NAS 28: Investments in Associates and Joint Ventures
27	NAS 32: Financial Instruments: Presentation
28	NAS 33: Earnings per Share
29	NAS 34: Interim Financial Reporting
30	NAS 36: Impairment of Assets
31	NAS 37: Provisions, Contingent Liabilities and Contingent Assets
32	NAS 38: Intangible Assets
33	NAS 39: Financial Instruments: Recognition and Measurement
34	NAS 40: Investment Property
35	NAS 41: Agriculture

### **List of Nepal Financial Reporting Standards 2018 (NFRS)**

*(implemented wef 16 July 2021)*

#### **S.N. Name of Standards**

1	NAS 29: Financial Reporting in Hyperinflationary Economies
2	NFRS 9: Financial Instruments
3	NFRS 14: Regulatory Deferral Accounts
4	NFRS 15: Revenue from Contracts with Customers
5	NFRS 16: Leases
6	NFRS 17: Insurance Contracts

Similarly, the following Standards, not included in the NFRS 2018, will continue to be applied until the NFRS 15 Revenue from Contracts with Customers is implemented wef 16 July 2021:

**S.N. Name of Standards**

- 1 NAS 11: Construction Contracts
- 2 NAS 17: Leases
- 3 NAS 18: Revenue

**List of IFRCs and SICs**

*(As per IFRS 2018)*

**IFRICs**

- 1 IFRIC 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities
- 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 NAS29 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

**SICs**

- 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

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