



PRESENTS

Comprehensive Training on NFRS

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| Background | <p>The Institute of Chartered Accountants of Nepal (ICAN) has announced the implementation of NFRS in Commercial Banks from fiscal year 2016/17. However, Nepal Rastra Bank has issued its directive to microfinance conducting wholesale transactions to prepare their financial statements of 2020/21 based on NFRS. NFRS is principle based a high quality standard which is divergent to local GAAP.</p> <p>Adoption of NFRS impacted greater areas including financial reporting as well as loan loss provisioning requirements. Out of these Financial Instruments, Interest Income Recognition, Interim Financial Reporting, Segmental Reporting are important. Interim Financial Reporting and Segmental Reporting requires greater disclosure of information in interim as well as annual reporting. Whereas NFRS on Financial Instruments has greater impact on presentation, classification, measurement and disclosure of financial instrument including loan loss provisions.</p> <p>The Local GAAP consist of rules on loan loss provisions prescribed by NRB, whereas NFRS prescribe principles to recognize impairment loss on loan and advances based on incurred loss model. This requires changing the total mechanism of loan loss provisions and requires large volume of past data. The impairment loss determination task is not only the responsibility of Finance Team but it also require rigorous involvement of people from credit department and IT department. In this regard, we have planned to conduct a comprehensive training programme on Financial Instruments, Interest Income Recognition, Interim Financial Reporting and Segmental Reporting.</p> |
| Duration (in session) | 4 Sessions (On-line via Microsoft team) |
| Program Delivery | Lecture, Discussion/interaction, case-studies |
| Date & Time | 14th and 15th August 2020 14th August 2020 (3:00pm to 6:15pm) with 15mins break from 4:30pm to 4:45pm 15th August 2020 (9:30am 12:45pm) with 15mins break from 11:00am to 11:15am |
| Fee | 3,000+VAT (5% extra discount for individuals) |
| Facilitator/s | <p>Details of Facilitator/s</p> <p>Jagdish Kumar is a gold medalist Chartered Accountant qualified from The Institute of Chartered Accountants of Nepal in 2009. He has been working in Nepal Rastra Bank since last 7 years. He has served in different department of NRB. He has played instrumental role in formulation of NFRS based format of financial statements, Directive no. 4 and New Capital Accord based on Basel III formally known as Capital Adequacy Framework 2015. He is a good speaker/instructor and has delivered different instructions on NRFS, Basel II, Basel III, Risk Management, RBIA, AML/CFT, IFRS etc. He is also tutor of NFRS for different level of chartered accountancy course.</p> |

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Introduction on NFRS

Sub contents:

Introduction of NFRSs
Component of Financial Statement
Regulatory Requirement Vs NFRS
Implementation Modality
Carve out, its applicability period and reasons of Carve out

Interest Income Recognition

Sub contents:

Principle of interest income recognition
Accrual Vs. Cash Basis
Guideline issued by NRB on Interest Income Recognition

Interim Financial Reporting

Sub contents:

Component of Interim Financial Reporting
Condensed Vs Full Reporting
Frequency of Reporting
Explanatory Notes
Format of Interim Financial Reporting

Segmental Reporting

Sub contents:

Operating Segment
Reportable Segment
Segmental Reporting Requirement
Management Reporting Vs Financial Reporting and its consequences on Segmental Reporting
Format of Segmental Reporting

Employees Benefits

Types of Employees Benefits

Accounting of Employees Benefits
Measurement of amount of benefits
Actuarial Valuation
Need of Actuarial Valuation in Interim Financial Reporting
Assumptions for Valuations
Treatment of Actuarial Gains/Losses
Disclosure of Employees Benefits

Financial Instruments : Classification

Sub contents:

Definition of Financial Instrument
Business model of the entity to hold the financial instruments
Classification of Financial Instruments at Fair Value or Amortised Cost
Measurement of Financial Instruments at Fair Value or Amortised Cost
Subsequent measurement as changes in fair value in profit or loss or OCI
Determination of Fair value of Financial Instruments
Fair Value other than transaction cost
Impairment loss on Incurred Loss Model
Indicator of loss incurred
Practical cases of determination of Impairment loss
Determination of PD, LGD and EAD
Determination of historical loss rate

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