

# NFRS For Accountants Course Syllabus

## NFRS



### Nepal

Practised and is acceptable not just in Nepal but globally.



### Financial

Deals with financial aspect like Income, Expenses, Assets & Liabilities



### Reporting

Guidelines on preparation of different financial statements properly



### Standards

Different sets of principles & procedures for different elements of FS.

## Basic Introduction

Meaning of Nepal Accounting Standard (NAS)

Transition from Nepal Accounting standard to Nepal Financial Reporting Standard

Meaning of International Financial Reporting Standard (IFRS), Generally accepted accounting principles (GAAP)

**NAS 19 - Employee benefits:** Deals with the accounting and disclosure requirements for employee benefits, including pensions, post-employment benefits, and other long-term employee benefits.

**NAS 20 - Accounting for government grants and disclosure of government assistance:** Deals with the treatment of specific and general grants and assistance received by an entity for capital expenditure as well as revenue expenditure.

**NAS 21 - The effect of change in foreign exchange rates:** Prescribes the accounting treatment for foreign currency transactions and the translation of foreign currency financial statements into the reporting currency.

**NAS 12 - Income taxes:** Provides guidance on accounting for income taxes, including the recognition, measurement, presentation, and disclosure of deferred tax assets and liabilities.

**NAS 36 - Impairment of assets:** Outlines the accounting treatment for impairment of assets, including recognition, measurement, reversals, and disclosures in financial statements.

**NAS 37 - Provisions, Contingent Liabilities, and Contingent assets:** Deals with appropriate recognition criteria and measurement bases that are applied to provisions, contingent liabilities, and contingent assets

**NAS 38 - Intangible assets:** Provides guidance on the accounting treatment for intangible assets, including recognition, measurement, amortization, impairment, and disclosures in financial statements.

**NFRS 16 - Leases:** IFRS 16 covers the recognition, measurement, and presentation of leases, including their impact on financial statements and disclosure requirements.

**NAS 41 - Agriculture:** Deals with the accounting treatment for agricultural activity, including measurement, recognition, and disclosure of biological assets and agricultural produce.

**NAS 10 - Events after the reporting period:** Prescribes the accounting treatment and disclosure requirements for events occurring after the reporting period but before the authorization of financial statements.

**NAS 8 - Accounting policies, changes in accounting estimates, and errors:** Prescribe the criteria for selecting and changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates, and correction of errors

**NAS 7 - Statement of cash flows:** Deals with the flow of cash and cash equivalent of an entity during the period from operating, investing and financing activities.

## Financial Statements

Contains provision related to financial statement, Significant accounting policies and Notes to Account as per NFRS

**NAS 1: Presentation of Financial Statement:** Sets out the overall requirements for the presentation of financial statements, including their structure, components, format, and the content and disclosure of notes.

## Disclosure

**NFRS 5 - Non-current Assets Held for Sale & Discontinued Operations:** Outlines the accounting standards for assets held for sale and discontinued operations including how to measure, present, and disclose such assets and operations in financial statements.

**NAS 24 - Related Party Disclosures:** Outlines the disclosure requirements for related party transactions of an entity.

## Getting it started

**NFRS 1 - First time adoption of Nepal financial reporting standard:** Understand the requirement of preparation of financial statement for the first time using NFRS and its interim financial reports for part of the period covered by those financial statements.

## Understanding NAS/NFRS

Know in detail about each NFRS/ NAS and its impact on statement of financial position and statement of Profit or loss. It includes detailed analysis of:

**NFRS 15 - Revenue from contracts with customers:** Deals with principles for recognizing revenue from contracts with customers based on the transfer of control of goods or services.

**NAS 2 - Inventories:** Provides guidance on the valuation and classification of inventories, along with cost formulas, cost components, and required disclosures.

**NAS 23 - Borrowing Costs:** Deals with accounting treatment for finance costs including commencement, suspension, and cessation of its capitalization.

**NAS 16: Property, plant and equipment:** Prescribes the accounting treatment for property, plant, and equipment, including recognition, measurement, depreciation, revaluation, and disclosures.