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Dear Members of the International Ethics Standards Board for Accountants,

PROPOSED REVISIONS TO THE CODE TO PROMOTE THE ROLE AND MINDSET OF PROFESSIONAL ACCOUNTANTS

We appreciate the opportunity to comment on the above Exposure Draft. In general, we strongly endorse the proposals set out in the document, and hope it will have a favourable impact on the mind-set of all professional accountants. We have the following comments on the specific questions:

Role and Values of Professional Accountants

1. Do you support the proposals in Section 100 that explain the role and values of professional accountants as well as the relationship between compliance with the Code and professional accountants acting in the public interest? Are there other relevant matters that should be highlighted in these paragraphs?

Yes, we support these proposals. In the section *Acting in the Public interest*, the IESBA recognises that “compliance with the code does not mean that professional accountants necessarily discharge their responsibility to act in the public interest in full and that it does not have the authority, legal or otherwise, to give such an assurance.” However, Paragraph 100.1 A1 states: “Compliance with the Code enables accountants to meet their responsibility to act in the public interest and involves upholding the ethical values upon which the Code is based as well as complying with the specific requirements of the Code.” Perhaps the caveat can be included in Paragraph 100.1 A1 as well to make this clearer.

Determination to Act Appropriately

2. Do you support the inclusion of the concept of determination to act appropriately in difficult situations and its position in Subsection 111?

Yes, we agree.

Professional Behavior

3. Do you support the proposal to require a professional accountant to behave in a manner that is consistent with the profession’s responsibility to act in the public interest in paragraphs 110.1 A1 (e) and R115.1?

Yes, we support this proposal.

Impact of Technology

4. Notwithstanding that the IESBA has a separate Working Group that is exploring the implications of developments in technology, are there any additional matters relating to the impact of technology beyond the proposals in paragraphs 110.1 A1(b)(iii), 113.1 A2 and 120.12 A2 that you consider should be addressed specifically as part of the Role and Mindset project?

It is not clear how all professional accountants can maintain understanding of technology related developments, e.g. data analytics. Perhaps this section can be made clearer.

Inquiring Mind

5. Do you agree with the concept of an inquiring mind as set out in the proposals in Section 120?

Yes we agree with this concept.

Bias

6. Do you support the approach to addressing bias? If so, do you agree with the list of examples of bias set out in paragraph 120.12 A2? Should any examples be omitted or new ones added?

We support the approach and suggest adding: authority bias, information bias, outcome bias, self-serving bias, status quo bias, and story bias.

Organizational Culture

7. Are there any other aspects about organizational culture in addition to the role of leadership that you consider should be addressed in the proposals?

It is not always the case that professional accountants can influence the organisation's internal culture. Several organisations with very powerful leaders have failed recently. Therefore, perhaps this issue can be considered.

Yours Sincerely

Richard Wright
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