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Mr K Siong,
Technical Director,
International Ethics Standard Board for Accountants,
529 Fifth Avenue, 6th Floor,
New York,
NY 10017,
USA.

Dear Mr Siong

Proposed Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants

Crowe Global is delighted to present a comment letter on the Exposure Draft *Proposed Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants*. Crowe Global is a leading global network of audit and advisory firms, with members in some 130 countries.

We welcome the project on the role and mindset expected of professional accountants. Society has expectations for the behaviour of those who are designated as “professional accountants”. Professional accountants are expected to act to in the public interest. It is important that IESBA draws attention in the Code of Ethics to the behaviour of professional accountants and we feel that “role and mindset” are appropriate terms. The broad approach to the discussion to embrace matters such as the impact of technology is right, and we encourage IESBA to take a flexible approach that enables the Code and implementation guidance to evolve as new issues emerge. It is good to see the interaction with IAASB as work done on the development of the quality management suite of standards is relevant to IESBA’s project.

We trust that our comments assist the IESBA in progressing this project. We shall be pleased to discuss our comments further with you.

Kind regards

Yours sincerely

A handwritten signature in black ink, appearing to read "David Chitty".

David Chitty
International Accounting and Audit Director

Appendix – Response to Request for Specific Comments *Proposed Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants*

Question	Response
<i>Role and Values of Professional Accountants</i>	
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?	We support the proposals in Section 100 that explain the role and values of professional accountants. “Acting ethically” is more than merely complying with the Code. Those who have the designation of “professional accountant” have a duty to act in the public interest and uphold values expected of them by society.
<i>Determination to Act Appropriately</i>	
2. Do you support the inclusion of the concept of determination to act appropriately in difficult situations and its position in Subsection 111?	We agree with the inclusion of the concept of “determination to act appropriately”. We note the discussion about terms in the Explanatory Memorandum. There will be challenges in conveying the meaning of the chosen term. The IESBA may wish to develop case studies to illustrate the meaning of “determination to act appropriately”.
<i>Professional Behavior</i>	
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?	We agree with this proposal. All persons holding the designation of “professional accountant” have a responsibility to act in the public interest.
<i>Impact of Technology</i>	
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?	We welcome IESBA’s recognition of the impact of technology upon ethical behaviour. Cybersecurity, data management and social media are all examples of new challenges that have an ethical dimension and influence upon “role and mindset”. IESBA has to be flexible in its standard setting to enable standards and related implementation guidance to evolve as technology develops and new issues emerge.
<i>Inquiring Mind</i>	
5. Do you agree with the concept of an inquiring mind as set out in the proposals in Section 120?	We agree with the concept of “inquiring mind” as we regard this as a quality that would be expected of a “professional accountant”.
<i>Bias</i>	
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 to recognising bias. Bias is a threat to objectivity and continued efforts are needed to draw attention to this risk. We welcome the liaison between IESBA and IAASB in this area.

<p>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?</p>	<p>The role of leadership is important in setting organisational culture. IESBA may wish to consider broader environmental and societal conditions that influence organisational culture. These impact upon leadership but might have wider implications. Again, we welcome the recognition of the consideration of leadership and culture by the IAASB in ED-ISQM 1.</p>