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7th December, 2017

The Technical Director

International Ethics Standard Board for Accountants (IESBA)

New York

Dear Sir,

Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements.

We are grateful to the IESBA for the opportunity given for us to comment on the Exposure Draft (ED) on "Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements". We welcome the initiative of the IESBA to implement guidance to safeguard the behaviors of Professional Accountants in Practice and Professional Accountants in Business.

We agree to requirements of the ED and present our specific comments below;

Q1. Do respondents support the proposals in Section 250? In particular, do respondents support the proposed guidance to determine whether there is an intent to improperly influence behavior, and how it is articulated in the proposals?

Comment

Whiles we support the proposal, we caution that these are highly subjective and due care should be considered in applying the principles in determining whether there is an intent to improperly influence behavior. A professional accountant should remain alert at all times to potential threats to compliance with the fundamental principles arising from an inducement being offered particularly where it is considered as trivial or based on cultural grounds.

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Q2. Do respondents agree that the proposed provisions relating to inducements for PAPPs should be aligned with the enhanced provisions for PAIBs in proposed Section 250? If so, do respondents agree that the proposals in Section 340 achieve this objective?

Comment

Yes, we agree that the same principles relating to inducements on the part of PAIBs should apply to PAPPs, and if possible strengthen them. However due to the subjective nature of the factors that might constitute inducement, due care should be taken into account in applying the principles in determining whether there is an intent to improperly influence the behavior of the professional accountant.

Q3. Do respondents support the restructuring changes and proposed conforming amendments in proposed Sections 420 and 906?

Comment

Yes, we support the restructuring changes and proposed conforming amendments in the proposed Sections 420 and 906 relating to audits and reviews, and other assurance services respectively. We believe that the two audit assignments should conform to the same standards.

Q4. Do respondents believe the IESBA should consider a project in the future to achieve further alignment of Sections 420 and 906 with proposed Section 340? If so, please explain why.

Comment

No. We acknowledge that this needs to be done when any of the respective sections is amended in the future.

General Comments

In addition to the specific comments, our general comments are as below:

We recommend that the ED becomes applicable to Small- and Medium-Sized Entities (SMEs) and Small and Medium Practices (SMPs). However, due to the nature of their sizes, the IESBA should develop mechanisms to monitor their activities and behaviors. These can be done through regulators and audit oversight bodies.

In developing nations and elsewhere, it would be a challenge in implementing the guidance. This stems from the fact that people tend to have 'hidden' behaviors that are not easily known. In addition, people build relationships that transcend professionalism hence determining intent to induce behavior through gifts and hospitality to improperly influence behavior is difficult.

We hope the IESBA finds this letter helpful in further developing its consultations to issue a standard on the proposed revisions to the code pertaining to the offering and accepting of inducements by professional accountants both in business and in public practice.

In turn, we are committed to helping the IESBA in whatever way possible to build upon the results of this Exposure Draft. We look forward to strengthening the dialogue between us. Please do not hesitate to contact us should you wish to discuss any matters raised in this submission.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Osei Adjaye-Gyamfi', written in a cursive style.

OSEI ADJAYE-GYAMFI

(DIRECTOR, TECHNICAL AND RESEARCH)