



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF BANGLADESH (ICAB)

ICAB's Comments on

Proposed Revisions Pertaining to Improving the
Structure of the Code of Ethics for Professional
Accountants-Phase I

The Institute of Chartered Accountants of Bangladesh (ICAB)

ICAB's Comments on "Improving the Structure of the Code of Ethics for Professional Accountants-Phase I"

We have gone through the Exposure Draft on **Proposed Revisions Pertaining to Improving the Structure of the Code of Ethics for Professional Accountants-Phase I** issued by **International Ethics Standard Board for Accountants (IESBA)** on Proposed Changes for **Improving the Structure of the Code of Ethics for Professional Accountants**.

Our Comments on the Requested Specific Questions are as follows:

Specific Comments

31. The IESBA welcomes views from respondents on the following matters.

Refinements to the Code

- I. Do you agree with the proposals, or do you have any suggestions for further improvement to the material in the ED, particularly with regard to:
 - (a) Understandability, including the usefulness of the Guide to the Code?
 - (b) The clarity of the relationship between requirements and application material?
 - (c) The clarity of the principles basis of the Code supported by specific requirements?
 - (d) The clarity of the responsibility of individual accountants and firms for compliance with requirements of the Code in particular circumstances?
 - (e) The clarity of language?
 - (f) The navigability of the Code, including:
 - (i) Numbering and layout of the sections;
 - (ii) Suggestions for future electronic enhancements; and
 - (iii) Suggestions for future tools?
 - (g) The enforceability of the Code?

ICAB's Comment:

Yes, we agree with the proposals with regard to the aspects as mentioned above.

2. Do you believe the restructuring will enhance the adoption of the Code?

ICAB's Comment:

Yes, we believe that the restructuring will enhance the adoption of the Code.

3. Do you believe that the restructuring has changed the meaning of the Code with respect to any particular provisions? If so, please explain why and suggest alternative wording.

ICAB's Comment:

No, we do not believe that the restructuring has changed the meaning of the Code with respect of any particular provisions.

Other Matters

4. Do you have any comments on the clarity and appropriateness of the term "audit" continuing to include "review" for the purposes of the independence standards?

ICAB's Comment:

No Comment

5. Do you have any comments on the clarity and appropriateness of the restructured material in the way that it distinguishes firms and network firms?

ICAB's Comment:

No Comment

Title

6. Is the proposed title for the restructured Code appropriate?

ICAB's Comment:

Yes, we believe that the proposed title for the restructured Code: 'Restructuring the Code of Ethics for Professional Accountants' is appropriate.

General Comments

32. In addition to the request for specific comments above, the IESBA is also seeking comments on the matters set out below:

- (a) Small and Medium Practices (SMPs) – The IESBA invites comments regarding the impact of the proposed changes for SMPs.
- (b) Developing Nations – Recognizing that many developing nations have adopted or are in the process of adopting the Code, the IESBA invites respondents from these nations to comment on the proposals, and in particular, on any foreseeable difficulties in applying them in their environment.
- (c) Translations – Recognizing that many respondents may intend to translate the final pronouncement for adoption in their environments, the IESBA welcomes comment on potential translation issues respondents may note in reviewing the proposals.

ICAB's Comment:

- (a) **Small and Medium Practices (SMPs)** – we have a good number of SMPs engaged in public practice who are already well aware about the Code and we believe that the revised Code will have no adverse impact for SMPs.

However, we believe that a series of training would help understand and implement the Code by the Small and Medium Practices (SMPs). Hence, keeping provision for arrangement of training and regular discussion by the Firms for individuals on general professional values and ethics can be helpful for the professional accountants.

- (b) **Developing Nations** – though Bangladesh is a developing country, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted the Code of Ethics as it is pronounced by the IESBA. The various stakeholders of the Code have always appreciated this initiative and have applied in discharging their respective responsibilities. However at present, we do not foresee any difficulties in applying them in our environment.
- (c) **Translations** – ICAB follows a standard curriculum which is in line with that of ICAEW and the medium of education is in English Language. Besides, we always adopt and publish IFAC and Other Pronouncements in English Language. Therefore, we would rather prefer to get the final pronouncement for adoption in Bangladesh in English language.