

International Ethics Standards Board for Accountants (IESBA)
Attn. Mr. Ken Siong
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Submitted via the IESBA website

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Subject: IESBA Request for Input: Role and Mindset Expected of Professional Accountants

Date	Re	Our ref	Attachment	Direct dial nr
November 4, 2019	IESBA Role and Mindset	JTD	-	+31 20 3010281

Dear Mr. Siong,

The NBA welcomes the opportunity to be able to respond to the Exposure Draft Proposed Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants.

We support IESBA's position to emphasize the professional accountant's responsibility in a general way. We believe that with the proposals in the exposure draft, sufficient guidance is offered to the professional accountant to fulfill his responsibility. Further we believe that with these proposals the IESBA with the Code of Ethics meets the requirements set for the accountant in this time of technological developments and a critical attitude of the environment in which the professional accountants act.

However we believe that further interpretation of the fundamental principles of objectivity (R112.1), professional behavior (R115.1) and the conceptual framework (R120.5) results from the requirements already contained in the Code of Ethics. We believe, AE as well, that further interpretation leads to a more rule-based character of the Code. In our Dutch regulations, we prefer the more principle-based approach.

In May 2016, the NBA has introduced a mandatory oath for all her members. The text of the oath is:

*I am aware that as a professional accountant I am bound to act in the public interest.
I will exercise my profession with an attitude of professional skepticism. When exercising my profession as a professional accountant I am guided by fundamental principles of integrity, objectivity, professional competence and due care and confidentiality.
I will comply with the laws and regulations applicable to my profession. My professionalism implies that I will not execute any acts of which I know or ought to know that these could bring the accountancy profession into disrepute.
So help me God/I promise/I declare.'*

IESBA concluded in relation to the concept of professional skepticism that the Code is not the appropriate place to promote such a mission statement or oath.

We support the way forward whereby IESBA continues referring to professional scepticism in the context of audit, review and other assurance engagements only, and adds application material to the Code to explain the role and mindset expected from professional accountants.

Royal Netherlands
Institute of Chartered
Accountants



However in our previous responses to IESBA we suggest that as part of adding application material to the code or as other explanatory material, it should be explained that the concept of professional skepticism in a generic manner applies to all PAs, but that given the long standing definition in the ISAs, IESBA has chosen to implement this concept in a different way.

In the illustration to the bylaw that implemented the oath it was explained that professional skepticism should not be read in the way it is defined in the ISA's. It is meant in a more generic manner.

The NBA has chosen this text based on a consultation from our members and others. One of the take a ways from this consultation was that our members and others who are less familiar with the definition of the ISAs (and the European Committee) find it difficult to understand that professional accountants (PAs) should not be professional sceptic in a more generic way.

For further information on this letter, please contact Jan Thijs Drupsteen via e-mail at j.th.drupsteen@nba.nl.

Yours sincerely,
NBA, Royal Netherlands Institute of Chartered Accountants,



Anton Dieleman
Chair of the Dutch Ethics and Assurance
Standards Board

