



October 31, 2012

Ms. Jan Munro, CA  
Technical Director,  
International Ethics Standards Board for Accountants  
International Federation of Accountants  
545 Fifth Avenue, 14<sup>th</sup> Floor  
New York, NY 10017 USA

Dear Ms. Munro:

**July 2012 Exposure Draft,  
Proposed Change to the Definition of “Those Charged with Governance”:**

I am writing on behalf of the Public Trust Committee (PTC) of the Canadian Institute of Chartered Accountants (CICA) in response to your request to comment on the Exposure Draft (ED) entitled, *Proposed Change to the Definition of “Those Charged with Governance”*. The CICA, together with the provincial, territorial and Bermuda Institutes of Chartered Accountants and Ordre of Chartered Professional Accountants (CPA) of Quebec, represents a membership of approximately 97,000 professional accountants and 16,300 students in Canada and Bermuda.

The CICA conducts research into current business issues and supports the setting of accounting, auditing and assurance standards for business, not-for-profit organizations and government. It issues guidance on control and governance, publishes professional literature, develops continuing education programs and represents the Canadian CA/CPA profession nationally and internationally. The PTC is responsible for overseeing the regulatory structures and processes across provincial jurisdictions in Canada. The PTC’s goal is to achieve consistency between provincial CA/CPA bodies in Canada and to make sure that the processes and standards in Canada meet or exceed the international standards.

We thank you for the opportunity to provide our comments on the ED. We agree with the proposal to amend the definition of “those charged with governance” in the IESBA Code of Ethics (the Code) to more closely align it with the definition that is included in International Standard on Auditing (ISA) 260. We believe that clarifying that the Code definition is intended to be the same as the ISA 260 definition will assist those who are familiar with ISA 260 by eliminating confusion as to whether there are intentional differences in how the term is defined.

We also agree with the addition of the proposed language in paragraph 290.28 which acknowledges that a subgroup, such as an audit committee, frequently assists those charged with governance in fulfilling governance responsibilities. Accordingly, we support the use of the proposed language



“those charged with a governance or a subgroup thereof” to acknowledge that communication with such a subgroup constitutes communication with those charged with governance.

We thank you for the opportunity to comment on the ED and we commend you for your continuing efforts to improve the requirements of the Code.

Yours truly,

A handwritten signature in black ink, appearing to read 'J Maund', written in a cursive style.

Joanna Maund, FCA  
Chair, Exposure Draft Working Group – Public Trust Committee