



5 October 2012

Our ref: ICAEW Rep 146/12

Ken Siong
Acting Deputy Director
IESBA

By email

Dear Ken

IESBA Proposes change to Code of Ethics definition of those charged with governance

ICAEW is pleased to respond to your request for comments on the consultation *IESBA Proposes Change to Code of Ethics definition of those charged with governance*.

Please contact me should you wish to discuss any of the points raised in the attached response.

Yours sincerely

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ICAEW REPRESENTATION

IESBA Proposes change to Code of Ethics definition of those charged with governance

Memorandum of comment submitted in September 2012 by ICAEW, in response to IESBA exposure draft *IESBA Proposes change to Code of Ethics definition of those charged with governance* published in July 2012.

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INTRODUCTION

1. ICAEW welcomes the opportunity to comment on the exposure draft *IESBA Proposes change to Code of Ethics definition of those charged with governance* published by IFAC on 20 July 2012, a copy of which is available from this [link](#).

WHO WE ARE

2. ICAEW is a world-leading professional accountancy body. We operate under a Royal Charter, working in the public interest. ICAEW's regulation of its members, in particular its responsibilities in respect of auditors, is overseen by the UK Financial Reporting Council. We provide leadership and practical support to over 138,000 member chartered accountants in more than 160 countries, working with governments, regulators and industry in order to ensure that the highest standards are maintained.
3. ICAEW members operate across a wide range of areas in business, practice and the public sector. They provide financial expertise and guidance based on the highest professional, technical and ethical standards. They are trained to provide clarity and apply rigour, and so help create long-term sustainable economic value.

RESPONSES TO SPECIFIC QUESTIONS/POINTS

1. Do respondents agree with the proposed change to more closely align the definition of "those charged with governance" to the definition contained in ISA 260, *Communication with Those Charged with Governance*?

4. Yes

2. Do respondents agree that in each case as noted in the Exposure Draft, communication to "those charged with governance or a subgroup thereof" would be appropriate?

5. Whether or not it is appropriate to consult a subgroup of those charged with governance will depend on the individual circumstances, including factors such as the structure of the organisation's governance and the nature of the matter under consideration. The proposed additional wording in 290.28 considers this and we would not think it necessary, therefore, to insert "or a subgroup thereof" each time there is a reference to "those charged with governance".

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