



THE INSTITUTE OF CHARTERED ACCOUNTANTS (GHANA)

The Technical Director,
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Dear Sir,

Comments on the Consultation Paper, *Improving the Structure of the Code of Ethics for Professional Accountants*

We are pleased to comment on the above subject matter as follows:

Question 1

Do you believe that the approach outlined in this Consultation Paper, as reflected in the illustrative Examples, would be likely to achieve IESBA's objective of making the Code more understandable? If not, why not and what other approaches might be taken?

Response

Yes, the approach is okay and this can help IESBA to achieve its objectives. The proposed approach is easy to understand and it will facilitate its adoption, effective implementation and consistent application. The restructuring of the code will allow it to flow more logically. The separation of purpose, requirements and applications & other explanatory materials, the improved numbering sequence as well as easier more understandable language will improve the ability of professionals to narrow in on specific issues and utilize the code in a more efficient manner. In this time conscious age, the better the access to information, the more a resource will be used.

Question 2.

Do you believe that the approach outlined in this Consultation paper, as reflected in the Illustrative Examples would be likely to make the Code more capable of being adopted into laws and regulations, effectively implemented and consistently applied? If not, why not and what other approaches might be taken?

Response

We generally believe that the outline is simple and easy to understand and monitor. Therefore, national regulators may be willing to adopt the code into laws or regulations. Our comment however is that, the sheer visual presentation of a number of underlines (bold and dotted) are a bit offsetting. We would consider inserting comment bubbles that appear when you move your cursor over them to explain a particular definition or meaning would be preferable.

They would not all show up when viewing the page but only when you move cursor over them. That way all the information are available to the reader when required but this is hidden in a bubble so as not to be distracting to the reader.

Question 3.

Do you have any comments on the suggestions as to the numbering and ordering of the content of the Code (including reversing the order of extant Part B and Part C), as set out in paragraph 20 of the Consultation Paper?

Response

No, the numbering is satisfactory and easy to follow. Re-numbering will facilitate easy navigation through the code thus addressing users concern of the usability of the code. Ordering the content into professional accountants in business, those in practice, and independent accountants, will also enable users to easily discover areas of the code that will easily serve their needs in terms of its relevance and enable users to consider all those matters.

Question 4.

Do you believe that issuing the provisions in the Code as separate standards or rebranding the Code, for example as International Standards on Ethics, would achieve benefits such as improving the visibility or enforceability of the Code?

Response

Yes. This will improve visibility and therefore enforceability for all provisions as they will be separately distinguished from other sections allowing for ease of focus and therefore compliance enforceability. Reference to the code as International Standards on Ethics will also make it easier for new practitioners to remember.

Question 5.

Do you believe that the suggestions as to use of language, as reflected in the illustrative Examples, are helpful? If not, why not?

Response

Yes, the language is fine because it is easy to comprehend and simple to read and understand. Simpler, less ambiguous language will improve accessibility of the Code. This is especially true for users who have English as their second language. They will find it easy to use and enforce.

Question 6.

Do you consider it is necessary to clarify responsibility in the Code? If so, do you consider that the illustrative approach to responsibility is an appropriate means to enhance the usability and enforceability of the Code? If not, what other approach would you recommend?

Response

Yes, the approach to responsibility is good and would aid usability. Responsibility is key for any user of the code to determine what their actions are. The illustrative approach to responsibility clearly sets a good example for firms to help their members comply with the code by providing structure for enforcement. Each and every professional is responsible for abiding by the Code but there needs to be a structure in place (responsibility) to ensure compliance.

Question 7.

Do you find the examples of responsible individuals illustrated in paragraph 33 useful?

Response

Yes. Once again this provides practical examples for professionals in determining the appropriate level of authority for who is to be responsible for enforcing compliance.

Question 8.

Do you have any comments on the suggestions for an electronic version of the Code, including which aspects might be particularly helpful in practice?

Response

No, we support the view of providing an electronic version of the code. The concept of electronic version of the Code is in line with current technology. This will allow for the free and wide dissemination of the Code to professionals and thereby cast a wider net in educating professionals. Plus the benefits of cross-linkages (electronic form is the most practical), electronic version will allow more information to be efficiently provided to the user.

Question 9.

Do you have any comments on the indicative timeline described in Section VIII of this Paper?

Response

Yes. Though in general, the indicative timeline is in line with a lot of other exposure drafts, it does appear that the "greater than 1 year" from expose of restructured code in October 2015 to finalization of Code in early 2017 does seem a little bit long. If there are other projects that the IESBA has in relation to this Code aside from the restructuring then this might be reasonable.

Question 10.

Do you have any other comments on the matters set out in the Consultation Paper?

Response

No, we don't have any further comments.

Conclusion

We hope the IESBA find this letter helpful in further developing the Consultation Paper, Improving the Structure of the Code of Ethics for Professional Accountants. We are committed to helping the Board in whatever way we can to build upon the results of this Consultation Paper. Please do not hesitate to contact us should you wish to discuss any matters raised in this submission.

Yours sincerely,



Fred N. K. Moore

Chief Executive Officer