

## SURVEY OF STANDARD SETTERS WORK PLANS AND EXISTING STANDARDS

This paper outlines matters are on the work plans of selected IFAC member bodies or other ethical standard setters. It also outlines matters addressed in the standards of such bodies that are not currently addressed in the Code – or are only addressed peripherally. (Matters which have been considered under the existing Independence project are not included in this listing). The paper includes main section only and does not, for example, contain every interpretation of a particular jurisdiction.

Standard Setter	Work Plan	Existing Standards
AICPA	<ul style="list-style-type: none"> <li>• Indemnification and limitation of liability clauses (EDs issued 2005 and 2006)</li> <li>• Contingent fees – consider clarity of interpretation on contingent fees in tax matters. Develop guidance on value added fees</li> <li>• Consider relationship of independence to compilation and assurance engagements</li> </ul>	<ul style="list-style-type: none"> <li>• Actuarial services (101.3)</li> <li>• Honorary directorship (101.4)</li> <li>• Independence and co-operative arrangements (101.12)</li> <li>• Alternative practice structures (101-14)</li> <li>• Obligations of a member to his or her employer's external accountant (102-3)</li> <li>• Subordination of a judgment by a member (102.4)</li> <li>• Designation of a firm (505)</li> <li>• Member designated to serve as legislator (191.019)</li> <li>• Member on the Board of Directors on a non-profit Board (191.16)</li> <li>• Member of a social club</li> </ul>
APB	<p>The APB currently believes that use of the standards for at least two audit cycles will be needed before any systematic review of them is undertaken. The earliest that this is likely to commence therefore is summer 2007. This timing may also fit with other developments as, by then, there may be greater clarity as to whether specific EC requirements are to</p>	<p>Independence:</p> <ul style="list-style-type: none"> <li>• Group Audit engagement partner should be satisfied that other auditors (whether a network firm or another audit firm) involved in eth audit of the group f/s who are not subject to APB Ethical Standards, are objective and</li> </ul>

Standard Setter	Work Plan	Existing Standards
	<p>be developed and IFAC is expected to have revised its Code of Ethics. The APB does not plan to make piecemeal changes to ethical standards in 2006/7 but recognises that additional guidance may be appropriate. The accountancy bodies are publishing answers to Frequently Asked Questions about the APB ethical standards on their websites and the APB co-operates in this process.</p> <p>In January 2006 the APB issued an exposure draft containing proposed Ethical Standards for Reporting Accountants, the intention is that these ethical standards will be finalised in 2006.</p>	<p>document the rational for that conclusion (ES1.46)</p> <ul style="list-style-type: none"> <li>• Financial interests held as trustee (ES2.17-18)</li> <li>• Contingent fees (ES4.12-17)</li> <li>• Actuarial valuation services (ES5.59-61)</li> <li>• Transaction related Services (ES5.106-112)</li> </ul>
Australia	The Accounting Professional and Ethics Standards Board has been recently formed. It has issued a Code of Ethics but has not yet issued a work plan.	Have adopted the current Code with no extra topics added
Canada CA profession	None available	<ul style="list-style-type: none"> <li>• Advocacy Services (201.4)</li> <li>• Provision of actuarial services to a reporting issuer audit client (204.26)</li> <li>• Provision of experts services to a reporting issuer audit client (204.29)</li> <li>• Insolvency engagements (204.7)</li> <li>• Disclosure of impaired independence in compilation engagements (204.8)</li> <li>• Borrowing from clients (209)</li> <li>• Conflicts of interest (210)</li> </ul>

Standard Setter	Work Plan	Existing Standards
		<ul style="list-style-type: none"> <li>• Duty to report a breach of rules of professional conduct (211)</li> <li>• Retention of documentation and working papers (218)</li> <li>• Practice names (401)</li> <li>• Ownership of firms (403)</li> <li>• Member responsible for a non-member on practice of public accounting (406)</li> <li>• Practice of public accounting in corporate firm (409)</li> <li>• Firm's maintenance of policies and procedures for compliance with professional standards (510)</li> <li>• Firm's maintenance of policies and procedures – competence and conduct of firm members (502)</li> </ul>
CGA Canada	None available	None
CIPFA	None available	<ul style="list-style-type: none"> <li>• Case studies on ethic issues</li> </ul>
Hong Kong Institute of CPAs	None available	<ul style="list-style-type: none"> <li>• Unlawful Acts or Defaults by Clients of Members (410)</li> <li>• Unlawful Acts or defaults by or on behalf of a Member's Employer (411)</li> <li>• Use of Designations and Institutes Logo (420)</li> <li>• Ethics in Tax Practice (430)</li> <li>• Corporate Finance Advice (431)</li> <li>• Integrity, Objectivity and Independence in Insolvency (432)</li> <li>• Financial and Accounting Responsibilities of Directors (470)</li> </ul>

Standard Setter	Work Plan	Existing Standards
ICAEW (England and Wales)	None available	<ul style="list-style-type: none"> <li>• Ethical guidance on conflict resolution (Part A appendix)</li> <li>• Corporate finance advice (Part B Section 221) guidance on providing general corporate finance advice; acting as adviser in relation to takeovers and mergers; underwriting and marketing or placing securities on behalf of a client; and acting as sponsor or nominated adviser under the Listing Rules and the AIM Rules respectively.</li> <li>• Agencies and referrals (Part b Section 241) – guidance on establishing agencies and referral arrangements</li> <li>• Case studies of circumstances of case studies faced by professional accountants in business (Part C appendix)</li> <li>• Guidance for insolvency practitioners (Code Part D)</li> <li>• Duty to report misconduct (2.7)</li> <li>• Professional Conduct and Disclosure in Relation to Default or Unlawful Acts (7.1)</li> <li>• Anti-Money Laundering (7.2)</li> <li>• Professional Conduct in Relation to Taxation (7.3)</li> <li>• Accountants and legal services (7.4) – formation of companies; acting as executor; property, trust and court documents; will writing; tax advice; working with solicitors; direct access to the bar; and general</li> <li>• Financial and accounting responsibilities of directors (Code section 8)</li> <li>• Managing professional liability of accountants (9.1)</li> <li>• Arrangements to cover the incapacity or death of sole practitioner (9.2)</li> <li>• Names and letterheads of practicing firms (9.3)</li> </ul>

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		<ul style="list-style-type: none"> <li>Documents and records (9.4)</li> </ul>
Institute of Management Accountants	None available	None – IMA has high level Code
South Africa Institute Chartered Accountants	None available	<ul style="list-style-type: none"> <li>Joint and vicarious liability (Code 400)</li> <li>Tax Practice (Code 410)</li> <li>Insolvency Practice (Code 420)</li> <li>Discrimination (Code 430)</li> <li>Cross Border Activities (Code 440)</li> <li>Publicity, Advertising and Solicitation (Code 450)</li> <li>Responsibility to Colleagues (Code 460)</li> <li>Recruiting (Code 470)</li> <li>Signing of Reports or Certificates (Code 480)</li> <li>Stationery and Letterheads (Code 490)</li> <li>Inclusion of the name of a professional accountant in public practice in the name of a document issued by a client (Code 495)</li> </ul>
New Zealand	None available	<ul style="list-style-type: none"> <li>Conflicts of interest Code 64 and 66)</li> </ul>
Other		<ul style="list-style-type: none"> <li>Ownership of an audit firm</li> <li>Multidisciplinary practices</li> </ul>