

**Meeting:** IESBA  
**Meeting Location:** Conference call  
**Meeting Date:** October 21, 2015

## Agenda Item

# 1

### Review of Part C of the Code—Phase 1

#### Objective of Agenda Item

1. To consider a revised draft of proposed Sections 320<sup>1</sup> and 370<sup>2</sup> and a revised paragraph 300.5,<sup>3</sup> and related Task Force proposals.

#### Task Force

2. Members:
  - Jim Gaa, Chair, IESBA Member
  - Helene Agélii, IESBA Member
  - Claire Ighodaro, IESBA Member
  - Ian Rushby, IFAC Professional Accountants in Business (PAIB) Committee Member
  - Lisa Snyder, IESBA Technical Advisor

#### Activities since Last IESBA Discussion

3. The Task Force met via teleconference in October 2015 to discuss feedback received at the September 2015 Board meeting on preliminary proposals regarding Section 370 and proposed revisions to Section 320 and paragraph 300.5 post-exposure. The Task Force subsequently corresponded via e-mail to finalize the agenda material to present at this Board teleconference.

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<sup>1</sup> Proposed revised Section 320, *Preparation and Presentation of Information*

<sup>2</sup> Proposed Section 370, *Pressure to Breach the Fundamental Principles*

<sup>3</sup> 300.5 A professional accountant in business may hold a senior position within an organization. The more senior the position, the greater will be the ability and opportunity to influence events, practices and attitudes. A professional accountant in business is expected, therefore, to encourage an ethics-based culture in an employing organization that emphasizes the importance that senior management places on ethical behavior.

## Material Presented

- Agenda Item 1-A Issues Paper
- Agenda Item 1-B Proposed Changes to Section 370 (Mark-Up)
- Agenda Item 1-C Proposed Changes to Section 370 (Clean)
- Agenda Item 1-D Proposed Changes to Section 320 (Mark-Up)
- Agenda Item 1-E Proposed Changes to Section 320 (Clean)
- Agenda Item 1-F Proposed Changes to Paragraph 300.5 (Mark-Up)
- Agenda Item 1-G Proposed Changes to Paragraph 300.5 (Clean)

## Drafts to be Discussed at the Meeting

4. The Task Force proposes that the mark-up versions of the proposed Section 370 (Agenda Item 1-B), Section 320 (Agenda Item 1-D) and paragraph 300.5 (Agenda Item 1-F) be discussed at the meeting.

## Action Requested

5. IESBA members are asked for views on the matters in Agenda Item 1-A, and related changes to Sections 370 and 320, and paragraph 300.5.

## Forward Timeline

6. The updated forward timeline for the project is as follows:

| Indicative Timing | Milestone                                 |
|-------------------|---|
| <b>Phase 1</b>    |   |
| December 2015     | Approve close-off Phase 1 <sup>4</sup>    |
| March 2016        | Approve restructured Phase 1 <sup>5</sup> |

| Indicative Timing | Milestone |
|-------------------|-----------|
| <b>Phase 2</b>    |           |
| June 2016         | Issues    |

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<sup>4</sup> Approval of final text under current structure and drafting conventions

<sup>5</sup> Approval of revised Sections 300, 310, 320, 330, 340 of the Code and the proposed Section 370

Review of Part C of the Code – Phase 1 (Cover Note)  
*IESBA Teleconference (October 2015)*

| Indicative Timing | Milestone  |
|-------------------|------------|
| September 2016    | First read |
| December 2016     | Approve ED |