

‘Exploring the IESBA Code’ series

In Pakistan, Chartered Accountants are required to comply with the ethical requirements of the ICAP Code of Ethics.

ICAP Code of Ethics for Chartered Accountants (revised 2019) is based on the latest version of IESBA Code of Ethics. Through this brief publication we aim to share ‘Exploring the IESBA Code’ series issued by the IESBA.

‘Exploring the IESBA Code’ series comprises of twelve-installments which focus on specific aspects of the ethical code using real-world situations in a manner that are relatable and practical. Through its publication, IESBA aims to promote awareness, adoption and implementation of the IESBA Code of Ethics. IESBA publication would be, accordingly, useful to Chartered Accountants and other stakeholders in understanding the code’s requirements.

INSTALLMENT 1:

The Five Fundamental Principles

The installment sets out fundamental principles to guide professional accountants (PAs) to uphold their responsibility to act in the public interest even in adverse situations.

INSTALLMENT 2:

The Conceptual Framework-Step 1, Identifying Threats

The installment highlights the Code’s Conceptual Framework with a focus on identifying threats to compliance with the fundamental principles (Self-Interest, Self-Review, Advocacy, Familiarity and Intimidation threats).

INSTALLMENT 3:

The Conceptual Framework-Step 2, Evaluating Threats

This installment focuses on how to evaluate the identified threats. In doing so, the accountant is required to use the reasonable and informed third party test in determining whether a threat is at an acceptable level.

INSTALLMENT 4:

The Conceptual Framework-Step 3, Addressing Threats

This installment provides guidance through real life situation how to address threats that are not at an acceptable level.

INSTALLMENT 5:

Independence

The Code requires practicing accountants to be independent when performing audits, reviews, or other assurance engagements. This installment emphasis the importance of independence through identifying, evaluating and addressing Independence threats.

INSTALLMENT 6:

Conflicts of Interest

This installment highlights how conflict of interest situations arises and what reasonable steps need to be taken by PA to address the conflicts promptly.

INSTALLMENT 7:

Inducements, Including Gifts and Hospitality

Inducements can threaten a PA’s ability to be objective and act with integrity. This installment explains how PA can determine proper and improper intentions of giving inducements and what steps should be taken to identify, evaluate, address the threat associated with inducements.

INSTALLMENT 8:

Responding to Non-Compliance with Laws and Regulations [for PAIBs]

The installment focuses on explaining the actions that PA in business (including directors and officers) are expected to take when they become aware of or suspect a NOCLAR within their employing organization.

INSTALLMENT 9:

Responding to Non-Compliance with Laws and Regulations [for PAPPs]

This installment explains actions that need to be taken by the auditors and other practicing members when he/she identifies or suspects NOCLAR during performing audit and other non-assurance engagements.

INSTALLMENT 10:

Pressure to Breach the Fundamental Principles

Situations can arise where PAs are pressured to breach the code’s fundamental principles. This installment addresses the situations which can arise pressure on PAs and how to address such pressure situations, using real life examples.

INSTALLMENT 11:

The Role and Mindset Expected of Accountants – A Focus on Bias

PAs are required to exercise professional judgement without being compromised by bias, conflict of interest, or undue influence. This installment highlights the effects that bias can have, and the role and mindset expected of PAs in meeting public expectations.

INSTALLMENT 12:

The Building Blocks

This installment demonstrates the interconnected structure of the Code through building blocks approach and drafting conventions that minimize duplication.

ICAP RESOURCES

Code of Ethics for Chartered Accountants (Revised 2019)

Brief on NOCLAR

Questions and Answers on ICAP Code 2019

Questions and Answers on Responding to Non-Compliance with Laws and Regulations (NOCLAR)

Questions and Answers on Long Association of Personnel with an Audit Client

Questions and Answers on Provision of Non-Assurance Services to an Audit Client

Presentations on ICAP Code 2019

Presentation on Code of Ethics 2019 (March 2019 | Karachi)

Presentation on Code of Ethics 2019 (April 2019 | Lahore / Islamabad)

Presentation on NOCLAR (March 2018 | Islamabad)

Presentation on NOCLAR (April 2018 | Karachi)

Webinar Series on the ICAP Code 2019

Webinar Series on the ICAP Code of Ethics for Chartered Accountants (Revised 2019)

Presentation on Audit Partner Rotation

Recording of Webinar on Audit Partner Rotation (March 2021)

Presentation on Auditor’s Appointment

Recording of Webinar on Auditor’s Appointment (May 2021)

Presentation on NOCLAR (Auditor’s Perspective)

Presentation on NOCLAR (Industry Perspective)

Recording of Webinar on NOCLAR (June 2021)

IESBA RESOURCES

About the IESBA Restructured Code

IESBA E-Code (July 2019 | IESBA)

IESBA Table for Concordance for Code of Ethics

IESBA NOCLAR Fact Sheet

IESBA Responding to NOCLAR at a Glance

IESBA Code of Ethics High Level Summary of Prohibitions Applicable to Audit of Public Interest Entities

Exploring the IESBA Code Installment Series

[Disclaimer](#)

This publication is based on the ‘Exploring the IESBA Code’ series developed by IFAC in collaboration with the IESBA. This publication does not amend or override the IESBA Code, the text of which alone is authoritative. Reading this publication is not a substitute for reading the IESBA Code. The scenarios/situations explain in this publication are not intended to address all possible circumstances. Further analysis and professional judgment would be necessary in order for professional accountant to apply the requirements to their own facts and circumstances. No responsibility for loss occasioned to any person acting or refraining from acting as a result of any material in this publication can be accepted by the Institute or its staff.