

**ACCOUNTANTS ACT 2010
(No 7 of 2010)**

In exercise of the powers conferred by section 14 of the Act and on the recommendation of the Standards Committee, in accordance with section 17 of the Act, the Council hereby makes the following Rules.

1. Citation

These Rules may be cited as the Accountants (**Code of Ethics**) Rules 2023

2. Applicability

These Rules apply to all Members of the Institute and all categories of Registered Persons pursuant to section 23 of the Act.

3. Code of Ethics

The Code of Ethic set out in the **Schedule** hereto, embodies the fundamental ethical values or principles issued by the International Ethics for Professional Accounting issued by the International Ethic Standard Board for Accountants.

**SCHEDULE
(Rule 3)**

CODE OF ETHICS

General

1. A member shall comply with the Code. There might be circumstances where laws or regulations preclude an accountant from complying with certain parts of the Code. In such circumstances, those laws and regulations prevail, and the accountant shall comply with all other parts of the Code.
2. All members who are, or wish to advance to, a class of membership which provides for the authority to become a registered practicing accountant shall demonstrate an understanding of the Code by undertaking and passing an examinable course on the Code provided by the Institute or other educational body that is recognised as being at international standard acceptable to the International federation of Accountants [IFAC].

Breaches of the Code

3. A member who identifies a breach of any other provision of the Code shall evaluate the significance of the breach and its impact on the accountant's ability to comply with the fundamental principles.

4. The accountant shall also:
 - (1) take whatever actions might be available, as soon as possible, to address the consequences of the breach satisfactorily; and
 - (2) determine whether to report the breach to the relevant parties.

Fundamental Principles

5. A member shall comply with each of the following fundamental principles.
 - (1) Integrity – to be straight forward and honest in all professional and business relationships.
 - (2) Objectivity – not to compromise professional or business judgments because of bias, conflict of interest or undue influence of others.
 - (3) Professional Competence and Due Care – to:
 - (a) attain and maintain professional knowledge and skill at the level required to ensure that a client or employing organization receives competent professional service, based on current technical and professional standards and relevant legislation; and
 - (b) act diligently and in accordance with applicable technical and professional standards
 - (4) Confidentiality – to respect the confidentiality of information acquired as a result of professional and business relationships.
 - (5) Professional Behaviour – to comply with relevant laws and regulations and avoid any conduct that the member knows or should know might discredit the profession. A member shall comply with the principle of integrity, which requires an accountant to be straightforward and honest in all professional and business relationships.
6. A member shall not knowingly be associated with reports, returns, communications or other information where the accountant believes that the information:
 - (1) Contains a materially false or misleading statement:
 - (2) Contains statements or information provided recklessly; or
 - (3) Omits or obscures required information where such omission or obscurity would be misleading.

Integrity

7. When a member becomes aware of having been in association with information described in paragraph 6 the accountant shall take steps to be disassociated from that information.

Objectivity

8. A member shall comply with the principle of objectivity, which requires an accountant not to compromise professional or business judgment because of bias, conflict of interest or undue influence of others.
9. A member shall not undertake a professional activity if a circumstance or relationship unduly influences the accountant's professional judgment regarding that activity.

Professional Competence and Due Care

10. A member shall comply with the principle of professional competence and due care, which requires an accountant to:
 - (1) attain and maintain professional knowledge and skill at the level required to ensure that a client or employing organization receives competent professional service, based on current technical and professional standards and relevant legislation; and
 - (2) act diligently in accordance with applicable technical and professional standards.
11. In complying with the principle of professional competence and due care, a member shall take reasonable steps to ensure that those working in a professional capacity under the accountant's authority have appropriate training and supervision.
12. Where appropriate, a member shall make clients, the employing organization, or other users of the accountant's professional services or activities, aware of the limitations inherent in the services or activities.

Confidentiality

13. A member shall comply with the principle of confidentiality, which requires an accountant to respect the confidentiality of information acquired as a result of professional and business relationships.
14. An accountant shall:
 - (1) be alert to the possibility of inadvertent disclosure, including in a social environment, and particularly to a close business associate or an immediate or a close family member;
 - (2) maintain confidentiality of information within the firm or employing organization;
 - (3) maintain confidentiality of information disclosed by a prospective client or employing organization;
 - (4) not disclose confidential information acquired as a result of professional and business relationships outside the firm or employing organization without proper and specific authority, unless there is a legal or professional duty or right to disclose;

