

Comments by Clifford Bygrave on the following exposure document:

Integrity in Professional Ethics

Page 3 Being straightforward and honest in professional and business relationships appears to be restrictive. Those two qualities for all professional accountants must be recognised in all of their affairs. In my view an accountant needs to demonstrate those qualities throughout his life generally.

Page 6 at 1.2 Same point as above for the restricted statement is repeated

Page 7 at 1.6 This paper should be of interest to all accountants not those restricted in the bullet points.

Page 8 at 2.2 Good to see that the Principles based approach is stated clearly

at 2.3 Should these 5 fundamental principles be stated earlier in the document, as page 8 seems to be well through the matter before these are stated?

Question Q6 yes most certainly

Page 9 at 3.3 Good to see Francis Bacon's statement, this should be kept in.

At question 8, Yes. This is the point I make above arguing that there should be no restriction stated.

Page 10 at 4.6 This is the point repeated when I argue for no restriction. The earlier statements in this paper infer a restriction as being sound whereas the paper is now bring the matter to the truth. The earlier references need revising to bring the statement much earlier in the paper.

Page 12 at 5.1 Glyn Barker was once PWC Managing Partner but he has not been for some time. The statement he has made is obviously out of context because on its own it means nothing, for it is incomplete. It states that a number of characteristics are required and then states one.

Page 13 at 5.5 Should this be re-worded. It is impossible for an accountant to be associated with reports etc where information is untrue etc. He could report on the untrue statements. At the start of the accountant's assignment he could very well believe that statements in the case may be untrue, that could be why he has been appointed. It is for him to report on his findings, which he could very well qualify in his report.

If one reads the paper as it is written qualifications would never take place when the accountant is appointed to an assignment, when serious doubts are present.

Page 14 at 6.5 Add "Training" to the list

Page 15 at 6.8 This gives 2 alternatives. The first states "should dismiss". The second states that if the action is covered up, they need not do so. I do not go along with that approach.

In my paper presented at the World Congress of Accountants in October 1992 (a long time ago, but not as far back as Francis Bacon) I addressed that issue. I concluded by stating that "An accountant should never lower his standards, and never give way to bad issues, once he does so, he is finished"

Page 17 at 7.2 Should not all accountants be included in this ethical requirement and not in any way restricted.

Page 20 at 15. Should apply to all accountants and not restricted to large firms employees and partners. If the premise is the requirement to have a code may be burdensome for some small firms, then why not require them to adopt their National Code.