



Press Release

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Code of ethical conduct guidance issued by UK accountancy bodies

- A code of ethics can help address an organisation's operational and integrity risks, claims the forum of UK accountancy bodies

An effective code of ethical conduct can only be effective if it is promoted and championed throughout the organisation, asserts a new publication from CCAB called *Developing and Implementing a Code of Ethical Conduct*.

The guidance is aimed at professional accountants intending to develop or enhance codes of conduct within their organisations, but CCAB believes that the advice and guidance could be applicable to a wider audience, in the private, public and not for profit sectors.

CCAB says that a code of ethical conduct is important because it provides an organisation with a clear and consistent benchmark for ethical behaviour, and that a code can "help build a values driven organisation."

Anthony Harbinson, chair of CCAB, says: "The financial crisis has turned the spotlight on integrity within the business community. Rightly, behaviours, codes and rules have been questioned. But our belief is that a code of ethical conduct **can** make a difference – it can play an important part in resolving ethical dilemmas.

"Tone from the top matters – not just in the accountancy profession, but in wider business, and in the public sector too. And a code of ethical conduct needs to be understood and owned by all within the organisation."

The guidance looks at the objectives of a code and the elements that form it, such as a mission statement; high level values; ethical principles and specific behaviours. While not intending to be prescriptive, it also proposes a structure on which a code can be based.

CCAB's guidance also looks at the contentious issues of whistle-blowing and speak-up obligations, which the CCAB says are important within an ethical framework.

Anthony Harbinson concludes: "Employees and subcontractors must have the confidence to challenge others when a breach of the code of ethical conduct is suspected. It is also advisable to make staff aware of external organisations that support whistle-blowers.

“A code needs to be a living document, reviewed regularly by employees, and by management. It also needs to be benchmarked externally, with a view to identifying any areas where positive improvements could be made.”

The CCAB bodies - ICAEW, ACCA, ICAS, CIPFA, and Chartered Accountants Ireland – are all signatories to the IESBA Code, which has five fundamental ethical principles – integrity; objectivity; professional competence and due care; confidentiality and professional behaviour.

The guidance can be found on CCAB’s website here:

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Notes for editors

1. The combined membership of the five CCAB bodies - ICAEW, ACCA, ICAS, CIPFA and Chartered Accountants Ireland - amounts to 245,000 professional accountants in the UK and the Republic of Ireland (354,000 worldwide), according to recent statistics from the Financial Reporting Council (FRC). These significant numbers enable CCAB to speak with authority for the UK accountancy profession.

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[The report can be found on CCAB’s website here](#)