

International Ethics Standards Board for Accountants

Strategy and Work Plan,
2011–2012

Copyright © May 2011 by the International Federation of Accountants (IFAC). All rights reserved. Permission is granted to make copies of this work to achieve maximum exposure and feedback provided that each copy bears the following credit line: *“Copyright © March 2011 by the International Federation of Accountants (IFAC). All rights reserved. Used with permission of IFAC. Permission is granted to make copies of this work to achieve maximum exposure and feedback.”*

**INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS
STRATEGY AND WORK PLAN 2011–2012**

CONTENTS

	Page
Executive Summary	4
Chair’s Statement	5
Strategy	8
Work Plan 2011–2012	12
Appendix 1 IESBA Projects and Activities 2011–2012	14
Appendix 2 IESBA Work Plan 2011–2012	16

Executive Summary

The Strategy and Work Plan sets the direction and priorities for activities of the International Ethics Standards Board for Accountants (IESBA) for the period 2011–2012. The strategy of the IESBA during this period is to build on the strong base established by the revised Code of Ethics for Professional Accountants issued in July 2009. The strategy comprises three activities.

Development of Standards

The IESBA plans to develop additional guidance for professional accountants when:

- Responding to suspected fraud and illegal acts; and
- Dealing with conflicts of interests.

The IESBA will also review the provisions in the Code that address an inadvertent violation with a goal of improving their effectiveness.

The IESBA will consider and act on the recommendations of an IESBA Working Group, which will report on the unique and challenging issues faced by SMEs and SMPs in complying with the Code.

Adoption and Implementation

The IESBA will continue its activities to provide support for those who are adopting and implementing the Code.

Convergence

The IESBA will consider input from the following three interrelated activities to determine the best course of action to further its objective of achieving convergence of the Code and national standards and regulations:

- The types of improvements that regulators and national standard setters believe should be made for the Code to gain acceptance and recognition in their jurisdiction;
- A comparison of key provisions in the Code to the standards and regulations of select jurisdictions to understand similarities and differences; and
- Increased outreach efforts to engage various regulators and national standards setters in a dialogue to facilitate the IESBA's convergence efforts.

Chair's Statement

I am pleased to present the Strategy and Work Plan for 2011–2012 of the International Ethics Standards Board for Accountants (IESBA).

Vision

The objective of the IESBA is to serve the public interest by setting high quality ethical standards for professional accountants and by facilitating the convergence of international and national ethical standards, including auditor independence requirements, through the development of a robust, internationally appropriate code of ethics. Such a code enhances the quality and consistency of services provided by professional accountants, which is in the public interest.

There are compelling reasons for facilitating the convergence of international and national ethical standards and, in particular, auditor independence requirements. High quality ethical standards for the accounting profession contribute to the quality of financial reporting, which is vital to building and sustaining vibrant capital markets that the public will continue to have confidence in. Convergence to a single set of ethical standards, including auditor independence requirements, can enhance the efficiency of the global capital markets by promoting a common understanding of the ethical standards that professional accountants adhere to. It also can promote a common understanding of what it means for an auditor to be independent, thus better informing the view of market participants as they select audit service providers.

Our strategy is to build on the strong base established by the revised Code issued in July 2009, significantly increase our efforts to promote the benefits of convergence to a single set of high quality ethical standards, including independence requirements, and engage in an active dialogue with key stakeholders of the IESBA to understand their perspectives on convergence and on how the Code can be the catalyst to achieve this objective.

The Strategy and Work Plan set out in this document reflect the outcome of consultations that have contributed significantly to establishing the priorities of the IESBA through 2012.

Strategy

Pursuant to its 2008–2009 work plan, the IESBA devoted a significant amount of time and resources to clarifying the requirements of the Code. That included making changes to various provisions in the Code to improve their understandability and application, including the application of the Code's conceptual framework, and strengthening the Code's independence requirements. Throughout 2010, the IESBA has made progress on its projects on *Conflicts of Interest* and *Responding to Fraud and Illegal Acts*. Both projects were part of the 2008-2009 work plan but work on them was deferred to enable the IESBA to focus on the independence and drafting conventions projects.

The IESBA believes the changes it made to the Code in 2009 have resulted in a more robust Code that increases the protection of the public interest. The IESBA's strategy through 2012 is to continue to advance the protections afforded by the Code, further its adoption and implementation, and facilitate convergence of international and national ethical standards.

The IESBA's stated objective, as set out in its Terms of Reference,¹ confirms that its primary role is that of a standard setter. Consultations, including through the survey of key stakeholders, have confirmed the IESBA's view that it should be active in providing adoption and implementation support materials and should actively further its objective of convergence.

Accordingly, the Strategy and Work Plan for 2011–2012 focuses on:

- Development of standards;
- Adoption and implementation of the Code; and
- Communications.

Development of Standards

The IESBA's objective is to continue to evaluate the robustness of the Code and develop additional standards as needed with the view to protecting the public interest, looking to the Code as the key to achieving convergence of international and national standards on ethics and independence. The IESBA's plan to provide additional guidance for professional accountants when dealing with conflicts of interest and responding to fraud and illegal acts is consistent with that objective. The IESBA also plans to review the provisions in the Code that address an inadvertent violation of the Code.

Adoption and Implementation

The IESBA plans to continue to assess what additional material or activities would be useful to support those who are adopting and implementing the Code. Providing this additional assistance should increase adoption and implementation efforts by member bodies. The IESBA and its staff have already issued some materials to support adoption and implementation. The IESBA plans to monitor adoption and implementation of the Code by member bodies with the view to understanding and assisting member bodies to address the challenges they face in that process. In that regard, the IESBA will be researching the application of the Code by professional accountants in small and medium entities (SMEs) and small and medium practices (SMPs) to understand the unique and challenging issues they face regarding the Code and determine how the IESBA could assist them in addressing those issues.

Convergence

To further its objective of facilitating convergence of international and national ethical standards, including independence requirements, the IESBA plans to maintain regular contact with key stakeholders, including investors and other users of audited financial statements, national standard setters, auditor oversight bodies, and regulators. The IESBA believes that open and transparent sharing of information with its stakeholders and careful consideration of their feedback are critical to gaining wider acceptance of the Code by these stakeholders. The IESBA's communication activities are consistent with this objective.

Communications

The IESBA will continue to communicate its activities to its constituents in a manner that ensures the transparency of its processes and its decisions. For example, the IESBA intends to

¹ The Terms of Reference can be accessed at <http://www.ifac.org/Ethics/>.

make its key decisions accessible in writing by all interested parties shortly after they are reached. During the period of this Strategy and Work Plan an increased focus of our communications initiatives will be directed at facilitating greater global acceptance and adoption of the Code. In that regard, IESBA members and staff will be undertaking outreach activities to engage key stakeholders in discussions to understand their perspectives on this topic. The IESBA will also explore other approaches to communicating with stakeholders on key issues, including developing a document or other form of communication that conveys the IESBA's views on matters and provides helpful guidance without amending the Code.

Conclusion

On behalf of the IESBA, and the immediate past chair, Richard George, I would like to thank all those who contributed to the successful development of the revised Code that the IESBA released in July 2009. It is important that the Strategy and Work Plan for 2011–2012 build on the improvements made to this Code and that the IESBA work to further its global acceptance and adoption.

I hope that the direction of our work will be seen as responding to the feedback that we have received, and to the public interest, which continues to be our overriding focus. Of course, events and circumstances may require us to amend our plan, and for this reason it will be kept under constant review.

Ken Dakdduk, IESBA Chair

Strategy

The Strategy and Work Plan sets the direction and priorities for activities of the International Ethics Standards Board for Accountants (IESBA)² for the period 2011–2012. It responds to the developments in the environment in which professional accountants provide services for which standards for professional ethics, including auditor independence, are established. The projects and activities also assist the IESBA in facilitating convergence of international and national ethical standards, including independence requirements. The Strategy and Work Plan is underpinned by the IESBA's communication initiatives.

The IESBA recognizes that adjustment to the Strategy and Work Plan may be necessary to address urgent issues, including issues raised by the IESBA's Consultative Advisory Group (CAG) or the Public Interest Oversight Board. The Strategy and Work Plan contemplates adjustments if any such matters arise.

This section sets out the IESBA's strategic focus for 2011–2012. The next section contains the work plan to implement the IESBA's strategy.

Development of Standards

In 2009, the IESBA completed its revisions to the Code to clarify the requirements for all professional accountants. It also significantly strengthened the independence requirements for auditors. These revisions, developed under public oversight, have created a robust Code that has been re-drafted in a manner to promote consistent application.

In the next few years, the IESBA intends to strengthen the Code further by providing additional ethical guidance for professional accountants when dealing with conflicts of interest and responding to fraud and illegal acts. The IESBA also plans to review the provisions in the Code addressing an inadvertent violation of the Code and begin focusing on the issues faced by SMEs and SMPs in complying with the Code.

The IESBA also intends to develop and implement an impact analysis process. The process will provide a systematic and structured approach to obtaining information about the potential impact on key stakeholders of proposed changes to the Code. The process will be continuous throughout a project and the information will be included in each exposure draft and basis for conclusions.

Adoption and Implementation

The revised Code was issued in July 2009, with an effective date of January 1, 2011. To allow member bodies and firms an appropriate period of time to implement the revisions, the IESBA will provide a period of stability during which no new independence requirements will be developed by the IESBA and become effective. The IESBA, therefore, plans to provide a period of two years after the effective date of the revised Code during which no new independence requirements will become effective, unless there is an urgent need to respond to new or unforeseen circumstances.

The IESBA recognizes that the effective adoption and implementation of the Code by IFAC member bodies is an important part of achieving international and national convergence of ethics and independence standards. The issuance of the revised Code was, therefore, followed by the

² More information on the IESBA is available at www.ifac.org/ethics.

issuance of materials to support adoption and implementation of the Code.³ These materials include: PowerPoint presentations that can be used to explain the content of the Code; comparisons with the existing Code; a template that can assist individuals in understanding how the provisions in a particular jurisdiction compare to the provisions in the Code, an overview of the independence requirements in the Code, and some staff questions and answers. The IESBA will continue to assess what additional material or activities would be useful to support further the adoption and implementation of the Code.

The Code states that a member body of IFAC is required to apply no less stringent standards than those stated in the Code, unless prohibited by law or regulation from complying with certain parts of the Code, in which case it should comply with all other parts of the Code. This requirement is also contained in the IFAC Statement of Membership Obligations.⁴ The IFAC Compliance Advisory Panel⁵ (CAP) oversees the implementation and operation of the IFAC Member Body Compliance program. The IESBA plans to liaise closely with the CAP to understand the nature and extent of member body implementation of the Code with a goal of identifying, understanding, and helping member bodies address significant challenges to further adoption of the Code. The IESBA also plans to work closely with the IFAC Small and Medium Practices Committee⁶ and the IFAC Professional Accountancy Organization Development Committee⁷ in this regard.

The IESBA will monitor the work of the International Auditing and Assurance Standards Board's project to develop a process for assessing the effectiveness of the implementation of new standards. The goal is for the IESBA to develop a similar process that can be applied to the implementation of the Code. The intention is that this would become a standing part of the IESBA's process of continuous improvement of its Code.

The IESBA's activities with regard to adoption and implementation and convergence are highlighted in the work plan but, being ongoing in nature, are not allocated to specific time periods. The work plan contemplates that the IESBA will periodically review its progress in this regard.

Convergence

The IESBA's long-term objective is convergence of ethical standards, including auditor independence standards, in the Code and those issued by regulators and national standard setters. High quality ethical standards for the accounting profession are vital to building and sustaining vibrant capital markets. Convergence to a single set of independence standards will enhance the efficiency of the global capital markets. Common auditor independence standards would provide a consistent understanding among investors, public authorities, and others of what it means when an auditor is independent. This would lead to increased confidence in auditors' reports, which is an essential element of the effective functioning of the capital markets and significantly contributes to

³ The adoption and implementation support materials, which are non-authoritative and issued for information purposes, are available at <http://www.ifac.org/Ethics/Resources.php#implementation-and-adoption>.

⁴ Statement of Membership Obligations 4 paragraph 4

⁵ <http://www.ifac.org/Compliance/>

⁶ More information on the IFAC Small and Medium Practices Committee is available at <http://www.ifac.org/SMP/>.

⁷ More information on the IFAC Professional Accountancy Organization Development Committee is available at <http://www.ifac.org/DevelopingNations/>.

public confidence in those markets. It also could increase choices for market participants when selecting an auditor.

The IESBA's convergence efforts will consist of three interrelated activities. First, the IESBA will seek input on the types of improvements to the Code that regulators and national standard setters believe should be made for the Code to gain acceptance and recognition in their jurisdictions. In this regard, some regulators and national standard setters have already provided input to the IESBA on certain aspects of the Code when commenting on previous projects. Because that input dealt with matters that were beyond the scope of those projects, the IESBA deferred their consideration. The IESBA will consider that input as part of its convergence efforts and determine the extent to which it should focus its attention on those matters for possible future revisions to the Code

Second, the IESBA intends to analyze the Code for purposes of comparing its key provisions to the standards and regulations of select jurisdictions. The IESBA did this for some provisions of the Code when revising the Code's independence provisions. The IESBA believes, however, that when focusing on the Code as the catalyst for convergence between international and national independence standards, it is important to understand how all of the key independence provisions in the Code compare to the independence standards and regulations of other jurisdictions and how in totality the Code compares to those other standards and regulations.

Third, the IESBA will continue to expand its outreach efforts to engage various regulators and national standard setters in a dialogue to facilitate its convergence efforts. The IESBA believes it is important to expand its channels of communication so that the IESBA and regulators and national standard setters have a clear understanding of each others' perspectives on various issues. This is important because despite the best efforts to achieve convergence, differences between the Code and requirements of regulators and the codes of national standard setters differences could remain given the needs of a global Code versus the needs of a particular jurisdiction. In that case, the IESBA would like to make sure that the reasons are completely understood by all parties. In the IESBA's view, such enhanced understanding is an important part of its convergence efforts.

The IESBA recognizes that convergence is a long-term undertaking. Accordingly, during the period of this work plan the IESBA will liaise closely with regulators and national standard setters to determine whether, as an interim step, a parent company's auditor would accept foreign auditors of foreign subsidiaries complying with the independence requirements in the Code. The IESBA believes this is an important interim step toward convergence of international ethics and independence standards and will be seeking input on this in its ongoing dialogue with regulators and national standard setters.

Communications

The IESBA's communication initiatives are aimed at keeping stakeholders informed of its activities and promoting the adoption and implementation of the Code. They also will involve a two-way dialogue between the IESBA and its stakeholders. Such a dialogue will assist the IESBA to understand developments in the environment in which professional accountants provide services, and to understand stakeholders' issues concerning the requirements in the Code and their implementation. The IESBA will also explore other approaches to communicating with stakeholders on key issues, including developing a document or other form of communication that conveys the IESBA's views on matters and provides helpful guidance without amending the Code.

The IESBA issues press releases and eNews communications that report on its work plan, activities, and progress in achieving its objectives. It further promotes its activities and publications through the IESBA website, <http://www.ifac.org/Ethics/>, and by way of presentations.

The IESBA's planned communication activities are highlighted in the work plan but, being ongoing in nature, are not allocated to specific time periods. The work plan contemplates periodic reports to the IESBA by its task forces that are leading the planned projects.

Work Plan 2011–2012

The IESBA has considered the relative priorities and importance of its activities for the period 2011–2012 and has determined a work plan for that period. In developing this work plan, the IESBA conducted a formal survey of various stakeholders to obtain their views about issues that they believe should be addressed in the immediate future. The work plan is based on the IESBA's current working procedures, level of activity, and resources. The work plan is subject to periodic revision and changes by the IESBA. A new project is subject to the IESBA's approval of a project proposal that confirms that it is appropriate to commence the project, taking into account the effective and efficient utilization of resources, the likely output of the project, and its timescale. In the future, this decision will also be informed by an assessment of the impact of a proposed revision to the Code.

The IESBA plans to continue work on the two projects that it commenced in late 2009:

- *Conflicts of Interest*—The IESBA will consider whether to expand the guidance in the Code on conflicts of interest.
- *Responding to Fraud or Illegal Acts*—The IESBA will provide additional guidance for professional accountants on how to respond in situations where they encounter a suspected fraud or illegal act.

The IESBA will also commence a project to review the provisions in the Code that deal with an inadvertent violation of the Code and a research effort to understand the issues faced by SMPs and SMEs in complying with the Code.

Appendix 1, IESBA Projects and Activities 2011–2012, shows the projects and activities to be undertaken and the quarter in which each activity or project will commence. Appendix 2, IESBA Work Plan 2011–2012, provides a more detailed description of each project and reflects how the IESBA intends to conduct its projects.

Key Factors

The following key factors have been considered in developing the IESBA's work plan for the period 2011–2012:

- The IESBA meets for 2–3 days, 3–4 times per year (generally for a total of 6–12 days per year);
- The amount of meeting time needed to discuss a project varies significantly depending upon the scope of the project and the stage of its development;
- Time is needed between meetings for Task Forces to study the key issues and develop recommendations for consideration by the IESBA;
- The IESBA may hold a public forum or roundtable, or issue a consultation paper, to solicit views on a matter under consideration. The IESBA may also determine that it is appropriate to conduct a field test of the application of a proposal;
- Under the IESBA's due process, the exposure period for proposed revisions to the Code is a minimum of 90 days. In the case of a major or significant revision, the IESBA considers whether a longer period is appropriate. In deciding on the appropriate exposure period, the IESBA is mindful of the need of some jurisdictions to translate an exposure draft before providing input.

STRATEGY AND WORK PLAN

- Total lapsed time required for completion of a project can run 18 months or longer, not including any period for re-exposure that might be necessary, and depends on the complexity and scope of the project and its output.

IESBA Projects and Activities 2011–2012

PROJECTS AND ACTIVITIES	COMMENCING
DEVELOPMENT OF STANDARDS	
Conflicts of Interest	Q4 2009
Responding to Fraud and Illegal Acts	Q3 2010
Inadvertent Violation	Q4 2010
ADOPTION AND IMPLEMENTATION GUIDANCE	
<ul style="list-style-type: none"> Determine how to implement any proposals that IFAC might adopt for the analysis of the impact of proposed revisions to the Code (impact analysis) 	Q4 2009
<ul style="list-style-type: none"> Liaise with IFAC Compliance Advisory Panel to gain understanding of extent of compliance by member bodies and gain understanding of any barriers to convergence 	Ongoing
<ul style="list-style-type: none"> Develop, as necessary, additional materials to support further the adoption and implementation of the Code 	Ongoing
<ul style="list-style-type: none"> Monitor the work of the International Auditing and Assurance Standards Board's project to develop a process for assessing the effectiveness of the implementation of new standards with the aim of developing a process that can be applied to the implementation of the Code 	Ongoing
<ul style="list-style-type: none"> Research, with the assistance of representatives of small and medium practices and small and medium entities, issues of relevance to SMPs and SMEs in complying with the Code 	Ongoing
<ul style="list-style-type: none"> Consult, as necessary, with the IFAC Professional Accountancy Organization Development Committee on issues of relevance to developing nations 	Ongoing

PROJECTS AND ACTIVITIES	COMMENCING
CONVERGENCE	
<ul style="list-style-type: none"> • Discussion with regulators and national standard setters to identify and address matters important to achieving convergence of international and national ethical standards, including the types of improvements to the Code that would facilitate its acceptance in certain jurisdictions and whether the Code could be used as a benchmark for independence requirements for foreign auditors. 	Ongoing
<ul style="list-style-type: none"> • Comparison of key independence provisions of the Code for audits of public interest entities to the standards and regulations of select jurisdictions, and determination of whether action should be taken to reduce or eliminate the differences and what that action should be. 	Q1 2011
COMMUNICATION	
<ul style="list-style-type: none"> • Make the IESBA's key project related decisions accessible in writing shortly after they are reached 	Q4 2010
<ul style="list-style-type: none"> • Publish with each revision to the Code a short note of key changes introduced 	Ongoing
<ul style="list-style-type: none"> • Issue a press release, communicating the issue of each proposed or final revision to the Code and any other major activity of the IESBA 	Ongoing
<ul style="list-style-type: none"> • Issue IESBA eNews communications 	Ongoing
<ul style="list-style-type: none"> • Promote activities of the IESBA through the IESBA website (this includes agenda material, meeting highlights and minutes, exposure drafts and related comment letters, final revisions to the Code and bases for conclusions) 	Ongoing

IESBA Work Plan 2011–2012⁸

ACTIVITIES	STATUS	Q1 2011	Q2 2011	Q4 2011	Q1 2012	Q2 2012	Q4 2012
Adoption and implementation	On going	✓	✓	✓	✓	✓	✓
Convergence	On going	✓	✓	✓	✓	✓	✓
CURRENT PROJECTS	STATUS	Q1 2011	Q2 2011	Q4 2011	Q1 2012	Q2 2012	Q4 2012
Strategic Plan	Current					Issue ED for 2013–2014	Approve 2013–2014 Work Plan
Conflicts of Interest ⁹	Current	Discussion	ED first read	Approve ED	Discussion	Consider ED comments and first read of final	Approve final
Responding to Fraud and Illegal; Acts ¹⁰	Current	Discussion	ED first read	Approve ED	Discussion	Consider ED comments and first read of final	Approve final
Inadvertent Violation ¹⁰	New	Discussion and ED first read	Approve ED	Consider ED comments and first read of final	Final Standard		
SMP/SME Research Project	New	Receive status report	Consider preliminary report	Final report Consider Board response			

⁸ The work plan assumes that there will be no need to re-expose any of the projects.

⁹ Project proposal approved Q4 2009

¹⁰ Project proposal approved Q4 2010

<p>Conflicts of Interest</p>	<p>The project, which was approved in Q4 2009, will consider whether to expand the guidance in the Code on conflicts of interest and will address matters such as:</p> <ul style="list-style-type: none"> • Describing a conflict of interest; • Providing additional guidance on the types of conflicts that could be encountered; • Providing additional guidance on the mechanisms that can safeguard confidential information and assist in managing conflicts of interest; and • Developing a process that accountants could follow to identify and address conflicts of interest or potential conflicts of interest. <p>The project Task Force¹¹ comprises four IESBA members who are non-practitioners (one is a public member), two IESBA members who are practitioners, and one practitioner who serves as a technical advisor to an IESBA member. The Task Force is chaired by a practitioner.</p>
<p>Responding to Fraud and Illegal Acts</p>	<p>A professional accountant in public practice or business may encounter situations including:</p> <ul style="list-style-type: none"> • The professional accountant suspects that a fraudulent or illegal act has occurred; • The professional accountant has reported an alleged fraudulent or illegal act but no action has been taken, or the action is inadequate; and • Another individual within the organization has informed the professional accountant about the existence of a suspected fraudulent or illegal act. <p>Section 140 contains general guidance for all professional accountants regarding disclosure of confidential information. It identifies three circumstances where professional accountants are required, or may be required, to disclose confidential information:</p> <ul style="list-style-type: none"> • Disclosure is permitted by law and is authorized by the client or the employer; • Disclosure is required by law; and • There is a professional duty or right to disclose when not prohibited by law.

¹¹ The Task Force composition is of December 31, 2010. While, Task Force composition may change due to turnover of IESBA members, careful consideration will be given to ensuring that each Task Force has a balance of non-practitioners and practitioners, reflecting the composition of the IESBA itself.

	<p>The Code does not contain any guidance on when there is a professional duty or right to disclose confidential information when not prohibited by law. The goal of the project is to provide additional guidance for professional accountants on how to respond in situations where they encounter a suspected fraud or illegal act.</p> <p>The project Task Force comprises three IESBA members who are non-practitioners (one is a public member) and three IESBA members who are practitioners. The Task Force is chaired by a practitioner.</p>
Inadvertent Violation	<p>The Code contains several paragraphs addressing an inadvertent violation of a provision of the Code. The goal of the project is to review these provisions, specifically:</p> <ul style="list-style-type: none"> • The purpose of an inadvertent violation provision and whether the Code should address inadvertent violations or whether it should be left to the discretion of those who enforce the Code; • If the conclusion is that the Code should address an inadvertent violation: <ul style="list-style-type: none"> ◦ Whether the provisions should apply to all of the Code or only the independence provisions; ◦ Whether “inadvertent” is the appropriate descriptor and, if so, whether guidance should be given on the meaning of inadvertent; ◦ The consequences and implications of an inadvertent violation; and ◦ Whether additional guidance is needed on the types of safeguards that are necessary. <p>The project Task Force comprises two IESBA members who are non-practitioners (one is a public member) and two IESBA members who are practitioners. The Task Force is chaired by the public member.</p>
SMP/SME Research Project	<p>The objective of this project is to determine and understand what unique and challenging issues are faced by SMEs and SMPs in complying with the Code.</p> <p>A working group chaired by an IESBA member has been formed. The working group includes two individuals from IFAC’s SMP Committee, a professional accountant who works in an SME, and an individual employed by a member body who is knowledgeable about SME/SMP issues and also serves as a technical advisor to three IESBA members who are non-practitioners.</p> <p>The working group will report its findings and recommendations to the IESBA. The recommendations will reflect the importance of</p>

STRATEGY AND WORK PLAN

	<p>professional accountants who are SMPs and SMEs serving the public interest, reinforce the importance of high quality ethical standards, including independence standards, for professional accountants in public practice and, where feasible, offer practical solutions to the unique and challenging issues faced by SMPs and SMEs in complying with the Code.</p>
--	---



International Federation of Accountants

545 Fifth Avenue, 14th Floor, New York, NY 10017 USA

Tel +1 (212) 286-9344 Fax +1(212) 286-9570 www.ifac.org