

Code of Ethical Principles and Rules of Conduct

Recently, I came across a joke about accountant in the internet. 'A surgeon is asked whom he feels comfortable and confident to operate. The surgeon said the accountants. Why? Because they are numbered inside.' I felt that the joke is very thought provoking regarding the society's perception about the true nature of the accountants' traits as a facilitator to others' performance. Each and every society grants its professional bodies legal rights to organize themselves, to control entrance into the profession, and to formulate standards of behaviour governing its members. In return for this right, members of the profession are to act in the interest of society and its members. In order to fulfill this responsibility, professionals must have a number of important character traits, as well as the skill to make expert technical and moral judgments which serve the interest of society.

Management Accountants as professionals thus have an important role to play in society. In performing this role of their societal responsibilities, members of a profession are obligated to act in the interest of the stakeholders, who have a stake in the nature and quality of professional activities of accountant. These stakeholders include employers, clients, various identifiable third parties, and the public at large. The Code of Ethical Principles and Rules of Conduct apply to the behaviour of members of the profession when they either perform the role of a professional accountant or represent themselves as members of the profession.

The characteristics of the tasks performed by Accountants include the production, analysis, and distribution of information. In addition, the provision of ancillary services is related to the core expertise in accounting. The Code of Ethical Principles and Rules of Conduct govern the accountants' actions in the performance of those tasks. Therefore, accountants must be committed to providing professional services competently and with due care. This requires extensive knowledge and experience, and the ability to make appropriate judgments. Competence and due care imply the necessity and ability to make ethical judgments. In addition, accountants are committed to improving the quality of professional services and the profession itself. They must be committed to the public interest. Normally, acting in the public interest is achieved by acting in the interest of one's client or employer. However, whenever there is a conflict between these interests, the professional's first obligation is to the public at large. Acting appropriately in such situations may require the courage of one's convictions. □