



**INSTITUTE OF CERTIFIED PUBLIC
ACCOUNTANTS OF SOMALILAND (ICPAS)**

**Adoption of International Code of Ethics for Professional
Accountants**

JUNE 2022

Subject: Adoption of International Code of Ethics for Professional Accountants

Endorsement of adoption

The Board of the Directors of the Institute of Certified Public Accountants of Somaliland (ICPAS) hereby adopts the following code:

Code: International Code of Ethics for Professional Accountants

Issued by: International Ethics Standards Board for Accountants (IESBA), IFAC

Version adopted: 2021 edition

Future changes to the code: future changes to the code should be immediately effective in Somaliland, unless the board amends a provision in the code.

Scope of Application

The international code of ethics endorsed in Somaliland is applicable to all members of the profession of accounting and auditing in Somaliland, whether they are certified professional accountants in public practice or professional accountants in business , as well as all ICPAS members and holders of any of its professional qualifications. Also, Such Code is applied to all those who provide accounting, auditing and other services that require adherence to the professional conduct and ethics issued by ICPAS in relation to these services.

Implication for ICPAS Professional Qualifications

With the adoption of the International Code of Ethics for Professional Accountants, all professional qualifications of ICPAS must include an ethics component that is based on this code.

The IESBA Code – Overview of Parts and Sections

As of October 2021

Part 1

Complying with the Code, Fundamental Principles and Conceptual Framework

*Section 100 Complying with the Code

*Section 110 The Fundamental Principles

*Section 120 The Conceptual Framework

Part 2

Professional Accountants in Business

- *Section 200 Applying the Conceptual Framework
- Section 210 Conflicts of Interest
- *Section 220 Preparation and Presentation of Information
- Section 230 Acting with Sufficient Expertise
- Section 240 Financial Interests, Compensation and Incentives Linked to Financial Reporting and Decision Making
- Section 250 Inducements, including Gifts and Hospitality
- Section 260 Responding to Non-compliance with Laws and Regulations
- Section 270 Pressure to Breach the Fundamental Principles

Part 3

Professional Accountants in Public Practice

- Section 300 Applying the Conceptual Framework
- Section 310 Conflicts of Interest
- Section 320 Professional Appointments
- Section 321 Second Opinions
- Section 330 Fees and Other Types of Remuneration

- Section 340 Inducements, Including Gifts and Hospitality
- Section 350 Custody of Client Assets
- Section 360 Responding to Non-compliance with Laws and Regulations

International Independence Standards (Parts 4A and 4B)

Part 4A

Independence for Audit and Review Engagements

- Section 400 Applying the Conceptual Framework to Independence for Audit and Review Engagements
- Section 410 Fees
- Section 411 Compensation and Evaluation Policies
- Section 420 Gifts and Hospitality
- Section 430 Actual or Threatened Litigation
- Section 510 Financial Interests
- Section 511 Loans and Guarantees
- Section 520 Business Relationships
- Section 521 Family and Personal Relationships
- Section 522 Recent Service with an Audit Client
- Section 523 Serving as a Director or Officer of an Audit Client
- Section 524 Employment with an Audit Client
- Section 525 Temporary Personnel Assignments
- Section 540 Long Association of Personnel (Including Partner Rotation) with an Audit Client
- Section 600 Provision of Non-Assurance Services to an Audit Client
- Section 800 Reports on Special Purpose Financial Statements that Include a Restriction on Use and Distribution (Audit and Review Engagements)

**Part 4B

Independence for Assurance Engagements other than Audit and Review Engagements

- Section 900 Applying the Conceptual Framework to Independence for Assurance Engagements Other than Audit and Review Engagements
- Section 905 Fees
- Section 906 Gifts and Hospitality
- Section 907 Actual or Threatened Litigation
- Section 910 Financial Interests
- Section 911 Loans and Guarantees
- Section 920 Business Relationships
- Section 921 Family and Personal Relationships
- Section 922 Recent Service with an Assurance Client
- Section 923 Serving as a Director or Officer of an Assurance Client
- Section 924 Employment with an Assurance Client
- Section 940 Long Association of Personnel with an Assurance Client
- Section 950 Provision of Non-Assurance Services to Assurance Clients Other than Audit and Review Engagements
- Section 990 Reports that Include a Restriction on Use and Distribution (Assurance Engagements Other than Audit and Review Engagements)

The 2021 edition of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the Code) was issued in October 2021 and incorporates:

- The revisions to Part 4B of the Code which align terms and concepts used in the Code to those in the IAASB's ISAE 3000 (Revised). Those revisions became effective in June 2021.
- The revisions to Parts 1 and 2 of the Code which promote the role and mindset expected of professional accountants. Those revisions will become effective in December 2021.

The 2021 edition of the Code contains revisions that will become effective in December 2022, including the changes to address the objectivity of an engagement quality reviewer and other appropriate reviewers, and the revised non-assurance services and fee-related provisions.

Click [here](#) to access the Code, including the eCode and the e-International Standards.