



ICAEW ETHICS LEARNING PROGRAMME

Programme aim

To ensure that students fully understand the ICAEW ethical framework, are able to identify ethical principles relating to a scenario in practice or business, and advise on appropriate ways of addressing an ethical threat.

On completion of this programme, students will be able to:

- understand the reasons for having an ICAEW code of ethics, the background of the code, and its overall requirements
- demonstrate a sound knowledge of the five fundamental ethical principles and identify when to apply them to a situation
- demonstrate a sound knowledge of the five types of threat to the fundamental ethical principles and suggest appropriate safeguards to help mitigate these threats
- apply the theory that they have learned to real-life scenarios that they may encounter as a professional accountant in practice or business.

Specification grid

This grid shows the relative weightings of subjects within this programme and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1 Introduction to the ICAEW Code of Ethics	10
2 The fundamental ethical principles	23
3 Threats and safeguards to the fundamental ethical principles	17
4 Conflicts of interest	3
5 Considerations for professional accountants in practice	27
6 Considerations for professional accountants in business	20
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1 Introduction to the ICAEW Code of Ethics

Candidates will be able to understand the reasons for having an ICAEW code of ethics, the background of the code, and its overall requirements.

In the assessment, candidates may be required to:

- a. identify who should comply with the ICAEW code of ethics
- b. explain the importance of the ICAEW code of ethics
- c. describe the conceptual framework
- d. explain why the code is principle rather than rule-based
- e. describe the consequences of non-compliance with the code of ethics
- f. identify the relevance of perception
- g. identify and advise on general sources of guidance available to users of the code, including other codes of ethics (eg, APB ethical standards in the UK)

2 The fundamental ethical principles

Candidates will be able to demonstrate a sound knowledge of the five fundamental ethical principles and identify when to apply them to a situation.

In the assessment, candidates may be required to:

- a. identify the strong link between the ethical principles and the role of a professional accountant
- b. identify the key characteristics of each ethical principle and be able to explain the significance of each one
- c. select the appropriate ethical principle(s) relevant to a given scenario

3 Threats and safeguards to the fundamental ethical principles

Candidates will be able to demonstrate a sound knowledge of the five types of threat to the fundamental ethical principles and suggest appropriate safeguards to help mitigate these threats.

In the assessment, candidates may be required to:

- a. select the appropriate type of threat(s) relevant to a given scenario
- b. select appropriate safeguards to address threats and justify the selection made
- c. identify different types of professional safeguards at an industry, firm and individual level

4 Conflicts of interest

Candidates will be able to identify scenarios that may give rise to a conflict of interest and suggest appropriate safeguards to help mitigate the ethical threats that they create.

In the assessment candidates may be required to:

- a. identify whether a conflict of interest exists
- b. distinguish between a firm v client and client v client conflict of interest
- c. identify the most appropriate course of action to take in a scenario involving a conflict of interest

5 Considerations for professional accountants in practice

Candidates will be able to apply the theory that they have learned in the first three areas to real-life scenarios that they may encounter as a professional accountant in practice.

In the assessment candidates may be required to:

- a. advise on the correct course of action for a given situation, including accounts preparation, audit, tax, consultancy, insolvency, internal audit, corporate finance and other accountancy fields
- b. identify the threats to the fundamental ethical principles for a given scenario
- c. advise on the most appropriate safeguards / courses of action to take to address an ethical threat

6 Considerations for professional accountants in business

Candidates will be able to apply the theory that they have learned in the first three areas to real-life scenarios that they may encounter as a professional accountant in business.

In the assessment candidates may be required to:

- a. advise on the correct course of action for a given situation
- b. identify the threats to the fundamental ethical principles for a given scenario
- c. advise on the most appropriate safeguards / courses of action to take to address an ethical threat