

Code of Conduct and Ethics of the Profession (Auditing Profession)

(Qatar Association of Certified Public Accountants (QCPA



Qatar Association of
Certified Public Accountants
جمعية المحاسبين القانونيين القطرية



An introduction

Within the framework of its mission and the efforts undertaken by Qatar Association of Certified Public Accountants to advance the profession of accounting and auditing in the State of Qatar, QCPA has prepared and issued the professional the rules, standards and ethics of the profession. QCPA's Rules of Professional Conduct express the high ethical ideals of Accountants and Auditors, and specify the bases on which they may be disciplined.

These rules include definitions of terms and interpretation of the rules of the professional conduct and ethics and their relations with professional standards, principles and rules of professional ethics.

These rules must be observed by members, accountants and Auditors in the State of Qatar, while performing their work and providing their services to clients.

Definitions (Terms)

1. Basic Statute
2. The Committee
3. Rules for Standards of Professional Conduct and Etiquette
4. Membership
5. Customer (Client)
6. Profession of Auditing
7. Financial Statements

Primary legislation

Qatar Association of Certified Public Accountants has been issued by the Minister of Civil Service Affairs and Housing No (6) of 2007 Approving the Establishment, Registration and Proclamation of Qatar Certified Accountants Association.

The Committee

The Professional Conduct and Ethics Committee

Profession Rules and Conduct

The rules and conduct of the profession include a set of principles that represent the ethical values that measure professional behavior, in addition to a set of rules that represent the behavioral qualities that the member must possess when performing his work and tasks and in his dealings with his colleagues, clients and relevant authorities.

The Member

Every natural person who obtains membership in Qatar Association of Certified Public Accountants and holds a profession registration from the Ministry of Commerce and Industry practicing the accounting and auditing

The Client

Every natural or legal person - whether for-profit or non-profit - that deals with registered members for the purpose of obtaining the professional services it provides.

Auditing Profession

A group of services provided by registered members to clients, such as accounting, auditing, and consulting services.

Chapter Two: Preface

1. An Introduction
2. Rules for Standards of Professional Conduct and Etiquette and their relationship to professional standards

Introduction

The accounting profession and its main function is to add confidence to the information contained in the financial statements , give a clear indication to the owners of companies and institutions and decision makers in knowing the accounting principles of their business such as profit and loss, expected return and risks.

From this point of view and in addition to the principles and laws that regulate the profession and govern its work and practice, QCPA has prepared a set of rules and behavioral principles that the registered members and those working in the provision of accounting, auditing and auditing services must work to raise the level of the profession, gain community confidence, improve the performance of the profession and raise its efficiency.

These principles and rules are not the result of chance or moment, but rather they are life principles mentioned in the Holy Qur'an and the honorable Sunnah of the Prophet (PBUH) and other divine religions such as honesty, truthfulness, not concealing the truth, not betrayal and sincerity in performing duties.

Rules for Standards of Professional Conduct and Etiquette and their relationship

The rules hereinafter mentioned contain canons of conduct and etiquette adopted as general guides; yet specific mention thereof shall. It includes an introduction that explains the basis of the principles in the light of which the rules were prepared and the link between them and the ethical values, which are considered a measure of professional conduct. Some topics that is not included in the criteria.

The Principles

1. The Responsibility
2. The interest of society
3. Honesty
4. Objectivity and independence
5. Reasonable professional care and competence
6. Scope and nature of services

• **The Responsibility**

Members of the auditors, when carrying out their professional responsibilities, are exposed to making critical and sensitive professional decisions in all aspects of their activities and services, in addition to having important responsibilities towards the beneficiaries and towards society, so they must constantly and continuously commit and cooperate among them, and maintain professional traditions and community trust.

• **Community Interest**

Registered members (owners of accounting and auditing offices) must perform their work in a manner that preserves the interest of the society, respect its trust, adhere to the professional framework, and provide professional services to public institutions and those who benefit from them in all honesty and sincerity.

• **Honesty and Integrity**

The member must be honest when performing his work tasks independently in the performance of his duty and services, and he must abide by the accepted and recognized standards and laws regulating the profession and not to interpret or interpret the standards according to personal interests.

- **Objectivity & Independence**

One of the most important rules and principles characteristic of the profession, which adds value to the member's services (the auditor) and requires the objectivity of the member to be impartial and independent in all matters related to his professional services and to stay away from any conflict of interest, and the member (the auditor) must establish his relationships with his clients Constantly and not merging his personal and work relationship.

- **Exercise due professional diligence care**

The member must abide by professional standards and take due diligence and always strive to improve his efficiency and the quality of his services.

- **Scope and nature of services**

The member (the auditor) must abide by the rules of professional conduct and ethics, international accounting standards and auditing standards, when determining the scope and nature of the services he performs, and he must also take into consideration professional principles when determining the acceptance or refusal to perform professional services.

Code of professional conduct and etiquette

1. Independence
2. Honesty & Integrity
3. Adherence to Standards
4. Associate the member's name with the financial statements
5. Secrecy
6. Fees
7. Competition
8. Coordination and communication with the previous auditor
9. Good behavior
10. Publicity
11. Service fees
12. The name and activity of the office
13. Client money
14. Providing other services

Independence

The practicing member must be independent when performing his professional services in accordance with what is required by the laws and regulations related to the profession and the professional standards and rules issued by Qatar Association of Certified Public Accountants for the year 2020, which states that:-

The auditor may not audit the accounts of the audited entity in the following cases:-

1. Participation in its establishment, or its management, or previously worked in it in any capacity, unless at least two years have passed since he left work.
2. To be a partner or agent of one of its founders or partners, or an employee of any of them, or a first-degree relative.
3. Providing any consultancy work to the entity whose accounts are audited.

Honesty and Integrity

The member shall be fair, honest, chaste, honest and objective when performing his professional work, free from personal interests, not subject to the opinions of others, and not knowingly disclose information that is not true.

Standards Compliance

A member who provides audit, accounting, consulting, tax, or any other services must comply with international accounting standards that govern those services and must justify any deviation from those standards.

General Standards

The member must comply with international standards, in particular the following:-

1. Professional competence:

The member shall only accept professional services that he or the professional accounting firm to which he belongs, can perform efficiently

2. Due professional care:

In the performance of his professional services, the member shall exercise due professional care

3. Planning and supervision:

The member shall adequately plan and supervise the performance of professional services

4. Obtaining sufficient and appropriate information:

The member shall obtain an appropriate amount of information as a reasonable basis for his findings or recommendations regarding the professional services he performs.

Accounting Standards

A practicing member may not express an opinion that suggests that the financial statements of a particular entity have been prepared in accordance with international accounting standards and international auditing standards, if those statements contain a material deviation from those standards and this deviation has a material impact on these statements as a whole, unless the member can demonstrate that, as a result of unusual circumstances, the preparation of these statements according to those standards leads to misleading financial statements. In this case, he must clarify in his report the deviation and its approximate effects if this is possible, and indicate the reasons that would lead to compliance with the standard to misleading financial statements.

Secrecy

A member may not disclose information obtained via his professional work or, use it for his own benefit except with the specific consent of the client. This rule should not be interpreted as exempting a member from:

1. Compliance with technical, accounting and auditing standards
2. The member's commitment to any requirements issued by judicial authorities
3. Compliance with government regulations or instructions

Honoraria Payable

The fees must be commensurate with the time and effort expended for the services rendered by the practicing member. It is not permissible to offer or provide professional services to a client under an agreement that the fees will not be paid unless a specific decision or a specific result is reached, or if the value of the fees depends in one way or another on the results of these services, and the fees are not considered dependent on a condition if they are specified by the courts or any other authority.

Competition for fees

A practicing member may not directly or indirectly negotiate with clients to obtain work for another colleague. However, the practicing member has the right to accept the service of whoever is requested to do so, and in the event that he is asked to be an auditor of established accounts instead of another colleague, he must comply with the provisions of the auditing standards in this regard. The latter does it by offering or accepting remuneration significantly lower than that of his colleague without reasonable cause.

Contact Previous References

The practicing member who is asked by a client to review his accounts must inquire from his former colleague whether he has any professional objections that prevent him from accepting the audit process. The practicing member shall provide to his colleague, who is expected to replace him in providing any professional services to one of his clients, any clarifications required of him, within a reasonable period of time, after obtaining the approval of the client in both cases.

Good Behavior

The member shall avoid acts that harm his reputation, the reputation of the profession and his relationship with his colleagues in the profession.

Obtaining a Professional job

A practicing member may not obtain professional work in a false, misleading or deceptive manner, whether by advertising or any other form of customer attraction. The practicing member is prohibited from doing everything that would lead to searching for clients by means of urgency, harassment or coercion in violation of the provisions of the laws regulating the profession.

Commissions

The practicing member is not prohibited from paying commissions in return for obtaining his clients or accepting important gifts for him or one of his assistants, nor may he accept commissions in return for advising others to purchase the products of one of his clients. The practicing member and the other offices he cooperates with may disclose to the client the acceptance of payment of these fees.

The name & activity of the office

The auditor must associate his name with his entry number in the register in all correspondence, certificates, budgets and reports that he signs, and he must also put the registration certificate in a prominent place in his office, the auditor must use his personal name as an essential element in his office address, and if it is a company, he must That its title include the name of one or more partners with the addition of evidence of the existence of a company.

Other Entrepreneurship

The auditor is prohibited from:

1. Engaging in any trade.
2. Practicing the profession or, advertising it in any way that contradicts the applicable laws and regulations, or the generally accepted rules of professional conduct and ethics.
3. Carrying out any work those conflicts with the auditing and accounting work that he undertakes.
4. To have any interest, whether direct or indirect, with the client who audits and reviews his accounts or any of the related parties.
5. Dealing by buying or selling on the securities of the client whose accounts he audits, whether directly or indirectly, or providing any advice to any person in this regard.
6. To be a creditor or, debtor to the client who audits his accounts, with the exception of fees for services he performs for him.
7. To be a partner or, accountant in any other accounting firm or office.