



MEDIA RELEASE

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New Code of ethics from NIA set to banish dubious accounting practices

The National Institute of Accountants (NIA) today introduced a new Code of Ethics said to reform accounting practice in Australia to build public faith in the accounting profession.

National President of the NIA, Mr Klaus Zimmermann said "Now, more than ever, the accounting profession is faced with mounting pressure to not only perform to extremely high expectations, but also ensure that work is in accordance with accounting standards and a Code of Ethics.

"Recent corporate collapses and questionable corporate behaviour have made people concerned as to the role of the accounting profession and how it is governed," Mr Zimmermann said.

The new code of ethics released by the NIA is based on a similar code developed by the International Federation of Accountants. The code has been adapted to meet the Australian environment.

Mr Zimmermann explains, "While the new code maintains the core ethical principles from the old code, the new code goes into more detail about the ethical principles, by providing direction as to how these principles apply in practice, particularly with respect to accountants' duty to the public, objectivity and professionalism.

"The Code of Ethics sets out the minimum acceptable standards for members of the NIA. Any breaches of this code are dealt with through an independent investigation and disciplinary process that could result in the member being struck off.

The review of the code was prompted by discussions over ways in which the accounting profession could be strengthened in order to better meet the challenges of increasingly globalised and sophisticated financial markets, while at the same time continuing to meet the needs of small and rural businesses.

Mr Zimmermann said, "The objectives of the accounting profession are to work to the highest standards of professionalism, to attain the highest levels of performance and to meet the public interest requirements; the new Code will continue to ensure this occurs.

"The objective of strengthening the accounting profession through a rewrite of the code of ethics is to restore community confidence in the accounting profession, which remains a focus of the NIA," Mr Zimmermann said.

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