

Preface

It was in 1969-70 that the Institute of Chartered Accountants of Pakistan published a Manual which basically explained in detail the objects and implications of various provisions of Schedule 'C' and 'D' of the Chartered Accountants Bye-Laws, 1961 (now superceded) which related to professional misconduct. This Manual came to be known, somehow, as Green Book and used to be issued to new members as part of Members' Handbook.

In 1983 we had new Bye-Laws. Chartered Accountants Ordinance, 1961 was also amended extensively in the same year. Schedules relating to misconduct now form part of the Ordinance instead of Bye-laws.

Professional ethics is not all about misconduct. It is, to quote from the Green Book; "basically the moral fabric for a profession and its practice is largely a matter of conscience. The stricter its self-imposed discipline, the nobler is the image.

It is not uncommon to be confronted with some act or the other which strictly may not fall under any clause of the Schedules and yet it may be improper by ethical standards. Such occasions are the true tests of professional integrity, and if members then rise to the occasion, the public image emerges not only unscathed but retains a lasting lustre of probity. In the case of an individual, one's character finally shapes one's destiny; in the case of a profession scrupulous observance of its ethics or the lack of it must determine its future. Where edicts fail precepts succeed. This is universally true".

In July 1990, the International Federation of Accountants (IFAC), of which this Institute is a member, issued a Code of Ethics for Professional Accountants. This has been revised several times since then. Technical Advisory Committees of the Institute took up the review of this Code to adopt it to Pakistan conditions. After an exhaustive study some changes were made to the IFAC Code but its basic structure remains intact. This Code has also been brought in line with the draft revised CA Act and Bye-Laws which are also expected to be promulgated very shortly.

No law or Code makes a society. It all depends as to how the society respects, interprets and practices that law or code. The more strictly you, as a member, interpret and practice this Code, more nobler the profession would become and reach greater heights.