



The Trusted Profession?

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Some statements (1):

- Modern Chartered Accountants work behind the scenes as trusted advisors in many significant business decisions. Successful accountants display the ability to think strategically and creatively and to be problem solvers and business advisors. CAs must be masters of interpersonal relationships and have the highest ethical standards, both in fact and appearance.
- Maintaining the public's trust is necessary for accountants to meet their obligation to society. Positive perceptions of the accounting profession are essential if accountants want to continue their role as providers of quality services as employees or advisors to companies, etc. One of the long-term consequences might be that accountants would no longer be permitted to sell services that require a professional qualification.
- If we think about the relationship of a chartered accountant with his or her client using this "trust", we can come up with the key ethical principles for the relationship. The clients trust the accountant to be objective, competent, keep their information confidential, to act professionally and with integrity, and to treat them with respect. This means, firstly, that we need to develop our own clear set of values. Secondly, we need to use these values to determine the actual codes of behaviour, i.e. the ethical principles for each of our relationships. And, thirdly, we need to ensure that both sides in all relationships are fully aware of the expectations of that relationship as a basis for trust.

Some statements (2):

- Perception about accountants will influence who is attracted to the profession. The increased interest in accounting as an academic study could ironically be due to accountants' role in financial scandals, when their perceived trustworthiness has been called into question. As politicians and actors are reported to say, "Any publicity is good publicity".
- Should we care so much about public perception? It is often said that CAs are held to the highest of professional standards. One of the distinguishing characteristics of a profession is that it is (or was) permitted to govern itself when it comes to such issues as controlling entry into the profession, establishing codes of conduct and engaging in peer review and discipline.
- CAs will continue to maintain their status as autonomous professionals as long as ethics standards are preserved. This autonomy, however, is a privilege and not a right. The trend is toward increased government regulation in all sectors.

Some statements (3):

- History shows that large financial scandals usually result in increased public and legislative scrutiny of the business activity. The accounting profession generally considers increased regulation as unwanted and undesirable (? does it), but increased regulation is not without its benefits. While increased legislation reduces the ability of the accounting profession to police itself, new legislation often creates more employment for accountants.
- Although they are seen as being very trustworthy, competent and honest, they do not appear to have as much impact relative to CEOs or attorneys. There are 2 main factors that directly affect the profession's prestige. One is the lack of any media hype about their profession. The second factor is subliminal, in the sense that when accounting scandals are publicized, the thought often stays in people's minds after the events are way past.

Some statements (4):

- Perceptions of the CA, however, can differ widely, whether from the viewpoint of the investing public or from the perspective of the companies that engage CAs to audit their financial statements or perform other functions.
- In fact, many people not involved in business management or the accounting profession may perceive CAs as "book smart," reclusive number crunchers who sit quietly in a cubicle typing numbers into an adding machine. But decision makers in the corporate world know that successful CAs are highly interactive, where most of their time is spent in face-to-face communications while performing complex tasks within the ever-changing boundaries of today's regulatory and legal landscapes.
- The reality is that producing or auditing a complete set of financial statements in our increasingly complex global economy is now both an art and a science, and must be, by definition, reliant on judgments that flow from experience and a sophisticated understanding of business and accounting. This, however, goes unrecognized all too often.

Conclusion – Where to?

CAs are business experts whose knowledge and skills are sought and valued by management in a variety of capacities. They can help businesses succeed in whatever complex circumstances they face, using their analytical skills and their ability to think creatively, strategically and solve intricate problems in a variety of situations. It's up to those of us in the profession to communicate these realities (while dispelling falsities) to further enhance the public's perception.

Auditing financial statements, by definition, requires more judgment and more subjectivity than has been recognized. It is unrealistic to now demand a greater degree of certainty. Rather, we believe we must demand greater use of judgment – particularly the judgment of experienced auditors most likely to detect the early signs of fraud or misdemeanour– of the accounting profession in the years to come. Simultaneously, we must revitalize the professionalism of accountants and attract more highly qualified people with diverse skills to the field.

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