

Code of

E T H I C S



INTOSAI

Published by the Office of the Auditor General

TABLE OF CONTENT

Chapter 1

Concept, Background and Purpose of the Code of Ethics
Trust, Confidence and Credibility

Chapter 2

Integrity

Chapter 3

Independence, Objectivity and Impartiality
Political Neutrality
Conflicts of Interest

Chapter 4

Professional Secrecy

Chapter 5

Competence
Professional Development

Chapter 6

Discipline

Chapter 1

Concept, Background and Purpose of the Code of Ethics

1. The Office of the Auditor General of Belize (OAGB) has deemed it essential to establish a Code of Ethics for the auditors.
2. A Code of Ethics is a comprehensive statement of the values and principles which should guide the daily work of auditors. The independence, powers and responsibilities of the public sector auditor place high ethical demands on the Supreme Audit Institution (SAI) and the staff employed or engaged for audit work. A code of ethics for auditors in the public sector should consider the ethical requirements of public officers in general and the particular requirement of auditors, including the latter's professional obligations.
3. The OAGB Code of Ethics is an adoption of the International Organization for the Supreme Audit Institutions (INTOSAI) Code of Ethics. The INTOSAI Code of Ethics should be seen as a necessary complement, reinforcing the INTOSAI Auditing Standards issued by the INTOSAI Auditing Standards Committee in June 1992.
4. This Code of Ethics serves as a complement to the Public Service Regulations of 2014 and its Amendments of 2015 which govern the conduct of public officers.
5. The OAGB Code of Ethics is directed at the individual auditor, the head of the SAI and all individuals working for or on behalf of the SAI who are involved in audit work. However, the Code should not be interpreted as having any impact on the officer's status, seniority or organizational structure of the SAI.
6. The Conduct of auditors should be beyond reproach at all times and in all circumstances. Any deficiencies in their professional conduct or any improper conduct in their personal life places the integrity of auditors, the SAI that they represent and the quality and validity of their audit work in an unfavorable light, and may raise doubts about the reliability and competence of the SAI itself. The adoption and application of a code of ethics for auditors in the public sector promotes trust and confidence in the auditors and their work.

7. It is of fundamental importance that the SAI is looked upon with trust, confidence and credibility. The auditor promotes this by adopting and applying the ethical requirements of the concepts embodied in these words: Integrity, Independence and Objectivity, Confidentiality and Competence.

Trust, Confidence and Credibility

8. The Legislature, the general public and the audited entities are entitled to expect the SAI's conduct and approach to be above suspicion and reproach and worthy of respect and trust.
9. Auditors should conduct themselves in a manner which promotes co-operation and good relations between auditors and within the profession. The support of the profession by its members and their co-operation with one another are essential elements of professional character. The public confidence and respect which an auditor enjoys is largely the result of the cumulative accomplishments of all auditors, past and present. It is therefore in the interest of auditors, as well as that of the general public, that the auditor deals with fellow auditors in a fair and balanced way.
10. The Legislature, the general public and the audited entities should be fully assured of the fairness and impartiality of all the SAI's work. It is therefore essential that there is a national Code of Ethics which governs the provisions of the audit services.
11. In all parts of society there is a need for credibility. It is therefore essential that the reports and opinions of the SAI are considered to be thoroughly accurate and reliable by knowledgeable third parties.
12. All work performed by the SAI must stand the test of legislature scrutiny, public judgments on propriety, and examination against a national Code of Ethics.

Chapter 2

Integrity

13. Integrity is the core value of a Code of Ethics. Auditors have a duty to adhere to high standards of behavior (e.g. honesty and candidness) in the course of their work and in their relationships whether it be personal or with the staff of audited entities. In order to sustain public confidence, the conduct of auditors should be above suspicion and reproach. This includes but is not limited to PSR 40 (2):
 - a) demonstrate the highest level of professional conduct and personal integrity in the performance of their duties and shall not willfully refuse, or willfully omit, to perform those duties;
 - b) treat other public officers, clients and members of the public with courtesy, respect, fairness and objectivity;
 - c) display a positive attitude and be pro-active in the exercise of their duties;
 - d) seek to understand and to volunteer information and service so as to satisfy the real needs of members of the public; and
 - e) render service in a timely, efficient and effective manner and shall not confer any special benefit or give preferential treatment to anyone on the basis of any special relationship.
14. Integrity can be measured in terms of what is right and just. Integrity requires auditors to observe both the form and the spirit of auditing and ethical standards. Integrity also requires auditors to observe the principles of independence and objectivity, maintain irreproachable standards of professional conduct, make decisions with the public interest in mind, and apply absolute honesty in carrying out their work and in handling the resources of the SAI.
15. In accordance with section 121 of the Constitution, all public officers shall conduct themselves in such a way as not to;

- a) Place themselves in positions in which they have or could have a conflict of interest;
 - b) Compromise the exercise of their official functions and duties;
 - c) Use their office for private gain;
 - d) Demean their office or position;
 - e) Allow their integrity to be called into question; nor
 - f) Endanger or diminish respect for, or confidence in, the integrity of the Government.
16. The high level of integrity shall transcend throughout the officer's public service life.
17. Images, information or any other detail of an auditor's personal life that may be or appears to be improper or may call the auditor's integrity into question should not be made public.

Chapter 3

Independence, Objectivity and Impartiality

18. Independence from the audited entity and other outside interest groups is indispensable for auditors. This implies that auditors should behave in a way that increases, or in no way diminishes, their independence.
19. Auditors should strive not only to be independent of audited entities and other interested groups, but also to be objective in dealing with the issues and topics under review.
20. It is essential that auditors are independent and impartial, not only in fact but also in appearance.
21. In all matters relating to the audit work, the independence of auditors should not be impaired by personal or external interests. Independence may be impaired, for example, by external pressure or influence on auditors; prejudices held by auditors about individuals, audited entities, projects or programs; recent previous employment with the audited entity; or personal or financial dealings which might cause conflicts of loyalties or of interests. Auditors have an obligation to refrain from becoming involved in all matters in which they have a vested interest.
22. There is a need for objectivity and impartiality in all work conducted by auditors, particularly in their reports, which should be accurate and objective. Conclusions in opinions and reports should, therefore, be based exclusively on evidence obtained and assembled in accordance with the SAI's auditing standards.
23. Auditors should make use of information brought forward by the audited entity and other parties. This information is to be taken into account in the opinions expressed by auditors in an impartial way. The auditor should also gather information about the views of the audited entity and other parties. However, the auditor's own conclusions should not be affected by such views.

Political neutrality

24. It is important to maintain both the actual and perceived political neutrality of the SAI. Therefore, it is important that auditors maintain their independence from political influence in order to discharge their audit responsibilities in an impartial way. This is relevant for auditors since SAI's work closely with the legislative authorities, the executive or other government entity empowered by law to consider the SAI's reports.
25. An auditor should not run for office as a candidate in any National or Municipal election, participate actively on behalf of any party or candidate in any National or Municipal election or accept appointment or election, whether paid or unpaid, as an officer of a political party.

Conflicts of interest

26. When auditors are permitted to provide advice or services other than audit to an audited entity, care should be taken that these services do not lead to a conflict of interest. In particular, auditors should ensure that such advice or services do not include management responsibilities or powers, which must remain firmly with the management of the audited entity.
27. Auditors should protect their independence and avoid any possible conflict of interest by refusing gifts or gratuities which could influence or be perceived as influencing their independence and integrity.
28. Auditors should avoid all relationships with managers and staff in the audited entity and other parties which may influence, compromise or threaten the ability of auditors to act and be seen to be acting independently.
29. Auditors should not use their official position for private purposes and should avoid relationships which involve the risk of corruption or which may raise doubts about their objectivity and independence.
30. Auditors should not use information received in the performance of their duties as a means of securing personal benefit for themselves or for others. Neither should they divulge information which would provide unfair or unreasonable advantage to other individuals or organizations, nor should they use such information as a means for harming others.

Chapter 4

Professional Secrecy

31. Auditors should not disclose information obtained in the auditing process to third parties, either orally or in writing, through any medium except for the purposes of meeting the SAI's statutory or other identified responsibilities as part of the SAI's normal procedures or in accordance with relevant laws.

Third parties - a person or group besides the two primarily involved in the situation.

Medium – Social networks, electronic communication devices (cell phones), any other medium of communication.

Chapter 5

Competence

32. Auditors have a duty to conduct themselves in a professional manner at all times and to apply high professional standards in carrying out their work to enable them to perform their duties competently and with impartiality.
33. Auditors must not undertake work they are not competent to perform.
34. Auditors should know and follow applicable auditing, accounting and financial management standards, policies, procedures and practices. Likewise, they must possess a good understanding of the constitutional, legal and institutional principles and standards governing the operations of the audited entity.

Professional development

35. Auditors should exercise due professional care in conducting and supervising the audit and in preparing related reports.
36. Auditors should use methods and practices of the highest possible quality in their audits. In the conduct of the audit and the issue of reports, auditors have a duty to adhere to basic postulates and generally accepted auditing standards.
37. Auditors have a continuous obligation to update and improve the skills required for the discharge of their professional responsibilities.

Chapter 6

Discipline

38. Violation of this code can result in serious consequences for the OAGB and its image, its credibility and the confidence of its customers. Therefore, it is essential that no violations occur. Employees should recognize that it is in their best interest – as well as the OAGB’s – to follow this code carefully.

39. Disciplinary action will be coordinated with the Public Service Commission in accordance with part 10 of the Public Service Regulations, 2014 and its Amendments of 2015.

