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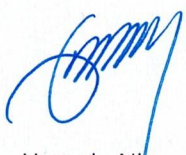


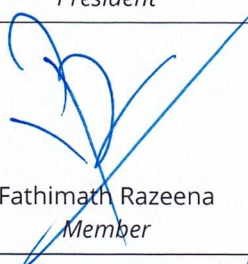
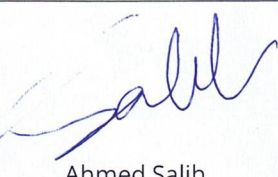
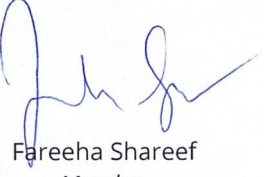
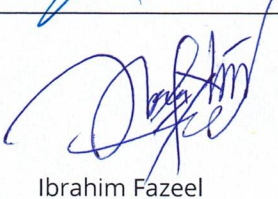
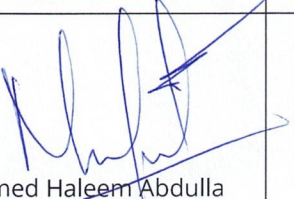
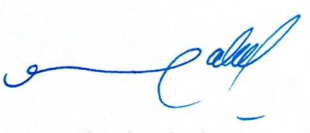
**Council's Resolution on Endorsing International Code of Ethics for Professional Accountants  
(Including International Independence Standards) In the Maldives, Passed on 24 May 2022**

**WHEREAS**, under Section 2(b) of Maldives Chartered Accountants Act (No: 13/2020), Institute of Chartered Accountants of the Maldives was established as a separate legal entity charged with the responsibility of determining rules and processes required to create and develop the accountancy profession and regulate all matters pertaining to the profession;

**WHEREAS**, under section 6(e) of the Maldives Chartered Accountants Act, Institute of Chartered Accountants of the Maldives has the power to determine and enforce the financial accounting and auditing standards to be adopted by the private sector;

**RESOLVED**, to endorse International Code of Ethics for Professional Accountants [including International Independence Standards of International Ethics Standards Board for Accountants (IESBA)]

It is hereby certified by the undersigned that the foregoing resolution was duly passed by the Council of the Institute of Chartered Accountants of the Maldives and signed by the following members, which meets the quorum of the Council, on the 24th day of May 2022, in accordance with the laws governing the Institute and that the said resolution has been duly recorded in the Minute Book and is in full force and effect.

 Hussain Niyazy President	 Hassan Mohamed Vice President	 Fathuhulla Jameel Member
 Fathimath Razeena Member	 Ahmed Salih Member	 Fareeha Shareef Member
 Ibrahim Fazeel Member	 Mohamed Haleem Abdulla Member	 Rifaath Jaleel Member

**Attachment:** APPROVAL OF PROJECT: ENDORSING INTERNATIONAL CODE OF ETHICS (INCLUDING INDEPENDENCE STANDARDS) FOR PROFESSIONAL ACCOUNTANTS IN THE MALDIVES.

# APPROVAL OF PROJECT

ENDORISING INTERNATIONAL CODE OF ETHICS (INCLUDING INTERNATIONAL INDEPENDENCE STANDARDS) FOR PROFESSIONAL ACCOUNTANTS IN THE MALDIVES

MAY 2022

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## 1. INTRODUCTION

This Project addresses the endorsement of International Code of Ethics for Professional Accountants (including International Independence Standards (IIS) of International Ethics Standards Board for Accountants (IESBA)) for the purpose of setting out fundamental principles of ethics for professional accountants, reflecting the profession's recognition of its public interest responsibility in the Maldives.

## 2. PROJECT OBJECTIVES

The project objective is to formalize the adoption of the International Code of Ethics for Professional Accountants including IIS of IESBA applicable in the Maldives after carrying out the required due process.

## 3. SCOPE

**Part 1** – Complying with the Code, Fundamental Principles and Conceptual Framework, which includes the fundamental principles and the conceptual framework and is applicable to all professional accountants.

**Part 2** – Professional Accountants in Business, which sets out additional material that applies to professional accountants in business when performing professional activities. Professional accountants in business include professional accountants employed, engaged or contracted in an executive or non-executive capacity in, for example:

- Commerce, industry or service.
- The public sector.
- Education.
- The not-for-profit sector.
- Regulatory or professional bodies.

Part 2 is also applicable to individuals who are professional accountants in public practice when performing professional activities pursuant to their relationship with the firm, whether as a contractor, employee or owner.

**Part 3** – Professional Accountants in Public Practice, which sets out additional material that applies to professional accountants in public practice when providing professional services.

International Independence Standards, which sets out additional material that applies to professional accountants in public practice when providing assurance services, as follows:

**Part 4A** – Independence for Audit and Review Engagements, which applies when performing audit or review engagements.

**Part 4B** – Independence for Assurance Engagements Other than Audit and Review Engagements, which applies when performing assurance engagements that are not audit or review engagements.

## 4. MAJOR ISSUES THAT WILL BE ADDRESSED

- A greater emphasis on compliance with the fundamental principles in the Code;
- Clarified and strengthened provisions regarding application of the conceptual framework, including safeguards;
- A strengthened partner rotation regime for audits of public interest entities;
- Provisions addressing accountants' responsibilities regarding NOCLAR;
- More comprehensive provisions addressing PAIBs' responsibilities when preparing or presenting information; and
- New requirements and guidance for PAIBs regarding pressure to breach the fundamental principles.

## 5. IMPACT ANALYSIS CONSIDERATIONS

Developing and adopting the standards will require significant effort, time and resources from the preparers as well as from other stakeholders. However, various factors that drive the adoption of the standard in the Maldives can be considered.

*The International Code of Ethics for Professional Accountants (including International Independence Standards)* sets out fundamental principles of ethics for professional accountants, reflecting the profession's recognition of its public interest responsibility. These principles establish the standard of behaviour expected of a professional accountant. The fundamental principles are: integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The Code provides a conceptual framework that professional accountants are to apply in order to identify, evaluate and address threats to compliance with the fundamental principles. The Code sets out requirements and application material on various topics to help accountants apply the conceptual framework to those topics.

In the case of audits, reviews and other assurance engagements, the Code sets out International Independence Standards, established by the application of the conceptual framework to threats to independence in relation to these engagements.

Auditing relies heavily on trust and the fulfillment of fiduciary responsibilities, hence the importance of ethical judgments for the profession is fundamental. Audit profession is to generate trust in the financial reporting and thus to contribute to the economic sustainability. By auditing a company's financial statements, the auditors confer them credibility and trust. For this purpose, ethics play a crucial role in making sure that the auditors have the same interests as the investors and other stakeholders and that their professional judgement is not weakened by any pressure or incentive coming from the management of the client company.

Confidence in the accountancy profession is a reason why businesses, governments and other organizations involve professional accountants in a broad range of areas, including financial and corporate reporting, assurance and other professional activities. Accountants understand and acknowledge that such confidence is based on the skills and values that accountants bring to the professional activities they undertake. The application of these skills and values enables accountants to provide advice or other output that meets the purpose for which it was provided, and which can be relied upon by the intended users of such output.

Users of financial statements rely on the accuracy, fair, and truthful representation of financial statements therefore, financial statements, created with the element of independence and upholding the required ethical attributes, minimize errors and generate reliable information to users. Even auditors and accountants, who are responsible for the integrity of a company's financials, can utilize their ethics knowledge to overcome the ethical dilemmas that they face as they perform their roles. Ultimately, the role of accountants and their relationship to the production of clean and accurate financial statements enhance the reputation of the company in relation to investors, creditors, and other users

As in the case of adoption of the code in the Maldives it is likely to enhance the reliability of financial statements and ensure public trust in the accounting profession.

## 6. PROJECT TIMELINE

Timing	Action
17 FEBRUARY 2022	Approval of project proposal and consultation paper by the Committee
11 APRIL 2022	Circulation of consultation paper among key stakeholders and obtaining comments, for 3 weeks comment period
12 MAY 2022	Review and consideration of comments received from stakeholders
19 MAY 2022	Recommendation by TSC for endorsement
19 MAY 2022	Draft a circular for the council for endorsement of Code of Ethics and IIS.
24 MAY 2022	Approval by the Council

## 7. CONSULTATION OF STAKEHOLDER

The consultation paper was brought to the notice of the stakeholders by emailing it to the members of CA Maldives on 11 April 2022, giving a closing date of 06 May 2022 to comment. No comments were received from the members during this period.

## 8. RECOMMENDATION BY TECHNICAL COMMITTEE FOR ENDORSEMENT

Accordingly, the Technical Committee recommended the endorsement of International Code of Ethics for Professional Accountants (including International Independence Standards of International Ethics Standards Board for Accountants (IESBA)) in full on 19 May 2022.



Aminath Rifa

Secretary



Ibrahim Fazeel

Chairperson, T&SC



## 9. ANNEX-GLOSSARY OF TERMS

In the International Code of Ethics for Professional Accountants (including International Independence Standards), the singular shall be construed as including the plural as well as the reverse, and the terms below have the following meanings assigned to them.

In this Glossary, explanations of defined terms are shown in regular font; italics are used for explanations of described terms which have a specific meaning in certain parts of the Code or for additional explanations of defined terms. References are also provided to terms described in the Code.

Acceptable level	A level at which a professional accountant using the reasonable and informed third party test would likely conclude that the accountant complies with the fundamental principles.
Advertising	The communication to the public of information as to the services or skills provided by professional accountants in public practice with a view to procuring professional business.
Appropriate reviewer	<i>An appropriate reviewer is a professional with the necessary knowledge, skills, experience and authority to review, in an objective manner, the relevant work performed or service provided. Such an individual might be a professional accountant.</i>  <i>This term is described in paragraph 300.8 A4.</i>
Assurance client	The responsible party that is the person (or persons) who: (a) In a direct reporting engagement, is responsible for the subject matter; or (b) In an assertion-based engagement, is responsible for the subject matter information and might be responsible for the subject matter.
Assurance engagement	An engagement in which a professional accountant in public practice expresses a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party about the outcome of the evaluation or measurement of a subject matter against criteria.  (For guidance on assurance engagements, see the <i>International Framework for Assurance Engagements</i> issued by the International Auditing and Assurance Standards Board. <i>The International Framework for Assurance Engagements</i> describes the elements and objectives of an assurance



	engagement and identifies engagements to which <i>International Standards on Auditing (ISAs)</i> , <i>International Standards on Review Engagements (ISREs)</i> and <i>International Standards on Assurance Engagements (ISAEs)</i> apply.)
Assurance team	<p>A. All members of the engagement team for the assurance engagement;</p> <p>B. All others within a firm who can directly influence the outcome of the assurance engagement, including:</p> <ul style="list-style-type: none"> <li>I. Those who recommend the compensation of, or who provide direct supervisory, management or other oversight of the assurance engagement partner in connection with the performance of the assurance engagement;</li> <li>II. Those who provide consultation regarding technical or industry specific issues, transactions or events for the assurance engagement; and</li> <li>III. Those who provide quality control for the assurance engagement, including those who perform the engagement quality control review for the assurance engagement.</li> </ul>
Audit	<i>In Part 4A, the term "audit" applies equally to "review."</i>
Audit client	<p>An entity in respect of which a firm conducts an audit engagement. When the client is a listed entity, audit client will always include its related entities. When the audit client is not a listed entity, audit client includes those related entities over which the client has direct or indirect control. (See a/so paragraph R400.20.)</p> <p><i>In Part 4A, the term "audit client" applies equally to "review client."</i></p>
Audit engagement	<p>A reasonable assurance engagement in which a professional accountant in public practice expresses an opinion whether financial statements are prepared, in all material respects (or give a true and fair view or are presented fairly, in all material respects), in accordance with an applicable financial reporting framework, such as an engagement conducted in accordance with <i>International Standards on Auditing</i>. This includes a Statutory Audit, which is an audit required by legislation or other regulation.</p> <p><i>In Part 4A, the term "audit engagement" applies equally to "review engagement."</i></p>

Audit report	<i>In Part 4A, the term "audit report" applies equally to "review report."</i>
Audit team	<p>A. All members of the engagement team for the audit engagement;</p> <p>B. All others within a firm who can directly influence the outcome of the audit engagement, including:</p> <p style="padding-left: 40px;">I. Those who recommend the compensation of, or who provide direct supervisory, management or other oversight of the engagement partner in connection with the performance of the audit engagement, including those at all successively senior levels above the engagement partner through to the individual who is the firm's Senior or Managing Partner (Chief Executive or equivalent);</p> <p style="padding-left: 40px;">II. Those who provide consultation regarding technical or industry- specific issues, transactions or events for the engagement; and</p> <p style="padding-left: 40px;">III. Those who provide quality control for the engagement, including those who perform the engagement quality control review for the engagement; and</p> <p>C. All those within a network firm who can directly influence the outcome of the audit engagement.</p> <p><i>In Part 4A, the term "audit team" applies equally to "review team."</i></p>
Close family	A parent, child or sibling who is not an immediate family member.
Conceptual framework	<i>This term is described in Section 120.</i>
Contingent fee	A fee calculated on a predetermined basis relating to the outcome of a transaction or the result of the services performed by the firm. A fee that is established by a court or other public authority is not a contingent fee.
Cooling-off period	<i>This term is described in paragraph R540.5 for the purposes of paragraphs R540.11 to R540.19.</i>
Direct financial interest	<p>A financial interest:</p> <p>A. Owned directly by and under the control of an individual or entity (including those managed on a discretionary basis by others); or</p>

	B. Beneficially owned through a collective investment vehicle, estate, trust or other intermediary over which the individual or entity has control, or the ability to influence investment decisions.
Director or officer	Those charged with the governance of an entity, or acting in an equivalent capacity, regardless of their title, which might vary from jurisdiction to jurisdiction.
Eligible audit engagement	<i>This term is described in paragraph 800.2 for the purposes of Section 800.</i>
Eligible assurance engagement	<i>This term is described in paragraph 990.2 for the purposes of Section 990.</i>
Engagement partner	The partner or other person in the firm who is responsible for the engagement and its performance, and for the report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body.
Engagement period (Audit and Review Engagements)	The engagement period starts when the audit team begins to perform the audit. The engagement period ends when the audit report is issued. When the engagement is of a recurring nature, it ends at the later of the notification by either party that the professional relationship has ended or the issuance of the final audit report.
Engagement period (Assurance Engagements Other than Audit and Review Engagements)	The engagement period starts when the assurance team begins to perform assurance services with respect to the particular engagement. The engagement period ends when the assurance report is issued. When the engagement is of a recurring nature, it ends at the later of the notification by either party that the professional relationship has ended or the issuance of the final assurance report.
Engagement quality control review	A process designed to provide an objective evaluation, on or before the report is issued, of the significant judgments the engagement team made and the conclusions it reached in formulating the report.
Engagement team	<p>All partners and staff performing the engagement, and any individuals engaged by the firm or a network firm who perform assurance procedures on the engagement. This <i>excludes</i> external experts engaged by the firm or by a network firm.</p> <p>The term "engagement team" also excludes individuals within the client's internal audit function who provide direct assistance on an audit engagement when the external auditor complies with the requirements of ISA 610 (Revised 2013), <i>Using the Work of Internal Auditors</i>.</p>

Existing accountant	A professional accountant in public practice currently holding an audit appointment or carrying out accounting, tax, consulting or similar professional services for a client.
External expert	An individual (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) or organization possessing skills, knowledge and experience in a field other than accounting or auditing, whose work in that field is used to assist the professional accountant in obtaining sufficient appropriate evidence.
Financial interest	An interest in an equity or other security, debenture, loan or other debt instrument of an entity, including rights and obligations to acquire such an interest and derivatives directly related to such interest.
Financial statements	A structured representation of historical financial information, including related notes, intended to communicate an entity's economic resources or obligations at a point in time or the changes therein for a period of time in accordance with a financial reporting framework. The related notes ordinarily comprise a summary of significant accounting policies and other explanatory information. The term can relate to a complete set of financial statements, but it can also refer to a single financial statement, for example, a balance sheet, or a statement of revenues and expenses, and related explanatory notes.
Financial statements on which the firm will express an opinion	In the case of a single entity, the financial statements of that entity. In the case which the firm will of consolidated financial statements, also referred to as group financial express an opinion statements, the consolidated financial statements.
Firm	<p>A. A sole practitioner, partnership or corporation of professional accountants;</p> <p>B. An entity that controls such parties, through ownership, management or other means; and</p> <p>C. An entity controlled by such parties, through ownership, management or other means.</p> <p><i>Paragraphs 400.4 and 900.3 explain how the word "firm" is used to address the responsibility of professional accountants and firms for compliance with Parts 4A and 48, respectively.</i></p>

Fundamental principles	<p><i>This term is described in paragraph 110.1 A 1. Each of the fundamental principles is, in turn, described in the following paragraphs:</i></p> <p><i>Integrity</i> <span style="float: right;"><i>R111.1</i></span>  <i>Objectivity</i> <span style="float: right;"><i>R112.1</i></span>  <i>Professional competence and due care</i> <span style="float: right;"><i>R113.1</i></span>  <i>Confidentiality</i> <span style="float: right;"><i>R114.1</i></span>  <i>Professional behavior</i> <span style="float: right;"><i>R115.1</i></span></p>
Historical financial information	Information expressed in financial terms in relation to a particular entity, derived primarily from that entity's accounting system, about economic events occurring in past time periods or about economic conditions or circumstances at points in time in the past.
Immediate family	A spouse (or equivalent) or dependent.
Independence	<p>Independence comprises:</p> <p>A. Independence of mind- the state of mind that permits the expression of a conclusion without being affected by influences that compromise professional judgment, thereby allowing an individual to act with integrity, and exercise objectivity and professional skepticism.</p> <p>B. Independence in appearance- the avoidance of facts and circumstances that are so significant that a reasonable and informed third party would be likely to conclude that a firm's, or an audit or assurance team member's, integrity, objectivity or professional skepticism has been compromised.</p> <p><i>As set out in paragraphs 400.5 and 900.4, references to an individual or firm being "independent" mean that the individual or firm has complied with Parts 4A and 48, as applicable.</i></p>
Indirect financial interest	A financial interest beneficially owned through a collective investment vehicle, estate, trust or other intermediary over which the individual or entity has no control or ability to influence investment decisions.
Key audit partner	The engagement partner, the individual responsible for the engagement quality control review, and other audit partners, if any, on the engagement team who make key decisions or judgments on significant matters with respect to the audit of the financial statements on which the firm will express an opinion. Depending upon the circumstances and the role of the

	individuals on the audit, "other audit partners" might include, for example, audit partners responsible for significant subsidiaries or divisions.
Listed entity	An entity whose shares, stock or debt are quoted or listed on a recognized stock exchange, or are marketed under the regulations of a recognized stock exchange or other equivalent body.
May	<i>This term is used in the Code to denote permission to take a particular action in certain circumstances, including as an exception to a requirement. It is not used to denote possibility.</i>
Might	<i>This term is used in the Code to denote the possibility of a matter arising, an event occurring or a course of action being taken. The term does not ascribe any particular level of possibility or likelihood when used in conjunction with a threat, as the evaluation of the level of a threat depends on the facts and circumstances of any particular matter, event or course of action.</i>
Network	A larger structure: <ul style="list-style-type: none"> <li>A. That is aimed at co-operation; and</li> <li>B. That is clearly aimed at profit or cost sharing or shares common ownership, control or management, common quality control policies and procedures, common business strategy, the use of a common brand- name, or a significant part of professional resources.</li> </ul>
Network firm	A firm or entity that belongs to a network.  <i>For further information, see paragraphs 400.50 A 1 to 400.54 A 1.</i>
Non-compliance with laws and regulations ( <i>Professional Accountants in Business</i> )	<i>Non-compliance with laws and regulations ("non-compliance ") comprises acts of omission or commission, intentional or unintentional, which are contrary to the prevailing laws or regulations committed by the following parties:</i> <ul style="list-style-type: none"> <li>A. The professional accountant 's employing organization;</li> <li>B. Those charged with governance of the employing organization;</li> <li>C. Management of the employing organization; or</li> <li>D. Other individuals working for or under the direction of the employing organization.</li> <li>E.</li> </ul> <i>This term is described in paragraph 260.5 A 1.</i>

Non-compliance with laws and regulations (Professional Accountants in Public Practice)	<p><i>Non-compliance with laws and regulations ("non-compliance ") comprises acts of omission or commission, intentional or unintentional, which are contrary to the prevailing laws or regulations committed by the following parties:</i></p> <ul style="list-style-type: none"> <li><i>A. A client;</i></li> <li><i>B. Those charged with governance of a client;</i></li> <li><i>C. Management of a client; or</i></li> <li><i>D. Other individuals working for or under the direction of a client.</i></li> </ul> <p><i>This term is described in paragraph 360.5 A 1.</i></p>
Office	A distinct sub-group, whether organized on geographical or practice lines.
Predecessor accountant	A professional accountant in public practice who most recently held an audit appointment or carried out accounting, tax, consulting or similar professional services for a client, where there is no existing accountant.
Professional accountant	<p>An individual who is a member of an IFAC member body.</p> <p><i>In Part 1, the term "professional accountant" refers to individual professional accountants in business and to professional accountants in public practice and their firms.</i></p> <p><i>In Part 2, the term "professional accountant" refers to professional accountants in business.</i></p> <p><i>In Parts 3, 4A and 48, the term "professional accountant " refers to professional accountants in public practice and their firms.</i></p>
Professional accountant in business	A professional accountant working in areas such as commerce, industry, service, the public sector, education, the not-for-profit sector, or in regulatory or professional bodies, who might be an employee, contractor, partner, director (executive or non-executive), owner-manager or volunteer.
Professional accountant in public practice	<p>A professional accountant, irrespective of functional classification (for example, audit, tax or consulting) in a firm that provides professional services.</p> <p><i>The term "professional accountant in public practice " is a/so used to refer to a firm of professional accountants in public practice.</i></p>



Professional activity	An activity requiring accountancy or related skills undertaken by a professional accountant, including accounting, auditing, tax, management consulting, and financial management.
Professional services	Professional activities performed for clients.
Proposed accountant	A professional accountant in public practice who is considering accepting an audit appointment or an engagement to perform accounting, tax, consulting or similar professional services for a prospective client (or in some cases, an existing client).
Public interest entity	<p>A. A listed entity; or</p> <p>B. An entity:</p> <ol style="list-style-type: none"> <li>I. Defined by regulation or legislation as a public interest entity; or</li> <li>II. For which the audit is required by regulation or legislation to be conducted in compliance with the same independence requirements that apply to the audit of listed entities. Such regulation might be promulgated by any relevant regulator, including an audit regulator.</li> </ol> <p><i>Other entities might also be considered to be public interest entities, as set out in paragraph 400. 8.</i></p>
Reasonable and informed third party Reasonable and informed third party test	<p><i>The reasonable and informed third party test is a consideration by the professional accountant about whether the same conclusions would likely be reached by another party. Such consideration is made from the perspective of a reasonable and informed third party, who weighs all the relevant facts and circumstances that the accountant knows, or could reasonably be expected to know, at the time that the conclusions are made. The reasonable and informed third party does not need to be an accountant, but would possess the relevant knowledge and experience to understand and evaluate the appropriateness of the accountant's conclusions in an impartial manner.</i></p> <p><i>These terms are described in paragraph R120.5A4.</i></p>
Related entity	<p>An entity that has any of the following relationships with the client:</p> <ol style="list-style-type: none"> <li>A. An entity that has direct or indirect control over the client if the client is material to such entity;</li> <li>B. An entity with a direct financial interest in the client if that entity has significant influence over the client and the interest in the client is material to such entity;</li> </ol>

	<ul style="list-style-type: none"> <li>C. An entity over which the client has direct or indirect control;</li> <li>D. An entity in which the client, or an entity related to the client under (c) above, has a direct financial interest that gives it significant influence over such entity and the interest is material to the client and its related entity in (c); and</li> <li>E. An entity which is under common control with the client (a "sister entity") if the sister entity and the client are both material to the entity that controls both the client and sister entity.</li> </ul>
Review client	An entity in respect of which a firm conducts a review engagement.
Review engagement	An assurance engagement ,conducted in accordance with <i>International Standards on Review Engagements</i> or equivalent, in which a professional accountant in public practice expresses a conclusion on whether, on the basis of the procedures which do not provide all the evidence that would be required in an audit, anything has come to the accountant's attention that causes the accountant to believe that the financial statements are not prepared, in all material respects, in accordance with an applicable financial reporting framework.
Review team	<ul style="list-style-type: none"> <li>A. All members of the engagement team for the review engagement; and</li> <li>B. All others within a firm who can directly influence the outcome of the review engagement, including: <ul style="list-style-type: none"> <li>I. Those who recommend the compensation of, or who provide direct supervisory, management or other oversight of the engagement partner in connection with the performance of the review engagement , including those at all successively senior levels above the engagement partner through to the individual who is the firm's Senior or Managing Partner (Chief Executive or equivalent);</li> <li>II. Those who provide consultation regarding technical or industry specific issues, transactions or events for the engagement; and</li> <li>III. Those who provide quality control for the engagement, including those who perform the engagement quality control review for the engagement; and</li> </ul> </li> <li>C. All those within a network firm who can directly influence the outcome of the review engagement.</li> </ul>

Safeguards	<p><i>Safeguards are actions, individually or in combination, that the professional accountant takes that effectively reduce threats to compliance with the fundamental principles to an acceptable level.</i></p> <p><i>This term is described in paragraph 120.10 A2.</i></p>
Senior professional accountant in business	<p><i>Senior professional accountants in business are directors, officers or senior employees able to exert significant influence over, and make decisions regarding, the acquisition, deployment and control of the employing organization's human, financial, technological, physical and intangible resources.</i></p> <p><i>This term is described in paragraph 260.11 A1.</i></p>
Substantial harm	<i>This term is described in paragraphs 260.5 A3 and 360.5 A3.</i>
Special purpose financial statements	Financial statements prepared in accordance with a financial reporting framework designed to meet the financial information needs of specified users.
Those charged with governance	The person(s) or organization(s) (for example, a corporate trustee) with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process. For some entities in some jurisdictions, those charged with governance might include management personnel, for example, executive members of a governance board of a private or public sector entity, or an owner- manager.
Threats	<p><i>This term is described in paragraph 120.6 A3 and includes the following categories:</i></p> <p><i>Self-interest                      120.6A3(a)</i></p> <p><i>Self-review                        120.6A3(b)</i></p> <p><i>Advocacy                            120.6A3(c)</i></p> <p><i>Familiarity                         120.6A3(d)</i></p> <p><i>Intimidation                        120.6A3(e)</i></p>
Time-on period	<i>This term is described in paragraph R540.5.</i>