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By email to: jbarbour@icas.com; ethics@icas.com

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Dear James

Discussion Paper “The Five Fundamental Ethics Principles: Time for Evaluation?”

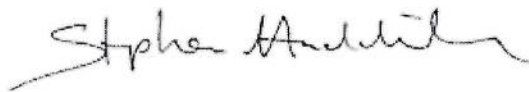
Thank you for the opportunity to comment on your consultation on the fundamental ethical principles.

You have made a powerful suggestion in proposing the concept of moral courage and I commend you for promoting it in the UK and internationally. We agree that this is a characteristic which accountants should display; doing the right thing is a step beyond avoiding doing the wrong thing. That said, we doubt it can be used as a basis for regulation by the profession or by the FRC given the difficulties of defining it closely enough for such purposes. We also believe it is a formulation that will be difficult to translate internationally into countries which have a rules based approach.

We would therefore recommend that ICAS adopts it as a characteristic that it would like its members to aspire to and demonstrate whenever possible, rather than establish it formally as a principle. On that basis we think it would also be easier to promote internationally.

We should be pleased to discuss this letter with you further and to engage with you as ‘*The Power of One*’ initiative develops.

Kind regards



Stephen Haddrill