



FOUNDATIONS OF THE FUTURE: CPA INTEGRATION & COMPETENCY PROGRAM FOR NEW MEMBERS UNDERSTANDING THE PROFESSION AND ETHICAL EXPECTATIONS



PROFESSIONAL CONDUCT
INTEGRITY, ACCOUNTABILITY

**Navigating
Ethical Dilemmas
2026**

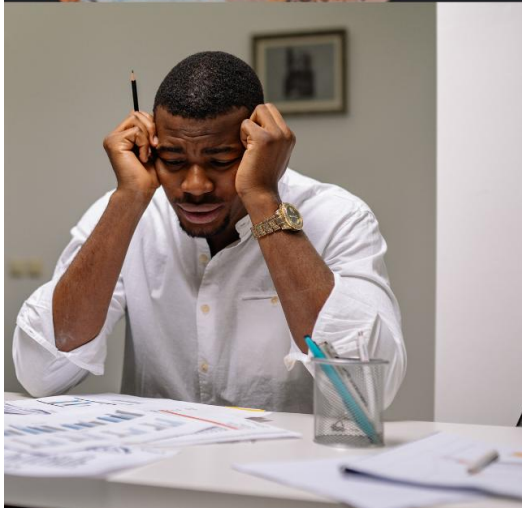
Presented By:

CPA Dr. Sylvester Willys Namagwa

29th May 2026



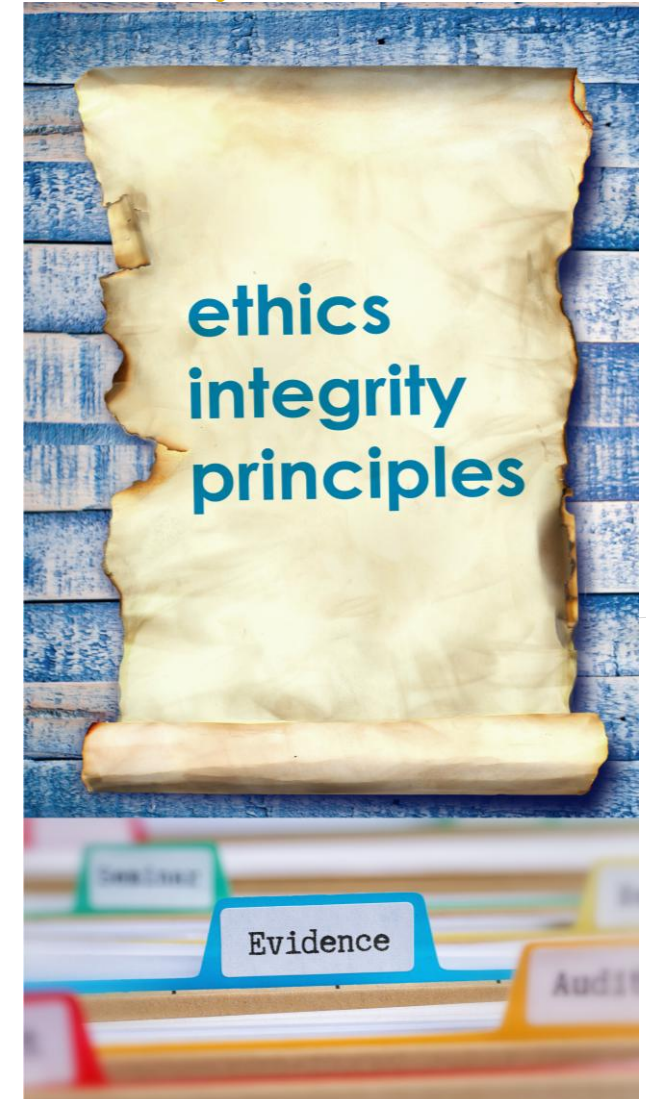
THE SHREWD STEWARD (LUKE 16:1-13)



- Accountant has just been served his termination notice for misconduct
- He has 48hrs of access to the ERP before his credentials are revoked. He realizes he's too old for a career pivot and too proud to hit the streets carrying a begging bowl..... **debtors' ledger?**
- He calls the largest clients. To the one who owes a 100k, he says, 'Pay 50 now, and I'll write off the rest.' To the one who owes 80, he says, 'Make it 60.'
- On paper, he's liquidated assets. In reality, he is buying friends. He is converting the firm's AR into personal social capital.
- He's ensuring that when he walks out that door for the last time, he has a dozen boardrooms waiting to welcome him in...**to be cont'd**

OUTLINE

1. The CPA Designation...the Crux
2. Pillars of Professional Ethics
3. Ethical Threats at the Workplace, Navigating Them
4. The Disciplinary Committee
5. The Disciplinary Process
6. The Powers of Disciplinary Committee
7. The Preliminary Issues in Case Inquiry
8. The Process Flow: Substantive Inquiry, Common Cases



THE CPA DESIGNATION...THE CRUX



- **Public Trust:** Society relies on our numbers to make critical decisions.
- **Statutory Framework:** Driven by the Accountants Act
- **The Signature:** Your signature on financial records is a legal commitment
- Protect your **CPA designation** and champion public trust
- **Personal Responsibility:** You own your work, entries, and sign-offs.
- **Professional Skepticism:** Question everything; do not assume compliance.
- **Resisting Complacency:** Establish high ethical standards from day one.

THE FIVE PILLARS OF PROFESSIONAL ETHICS

Core Conduct & The IESBA Code

These five principles from the **IESBA Code** are non-negotiable. If you compromise on any of these, you risk losing your career before it truly begins.

Professional Behavior:

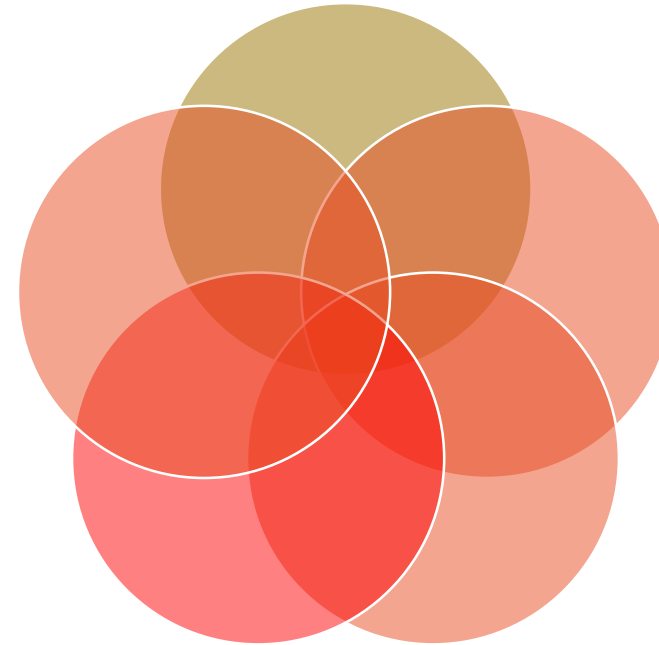
Complying with laws and avoiding disreputable actions.

Confidentiality:

Protecting information unless legally obligated to disclose.

Integrity:

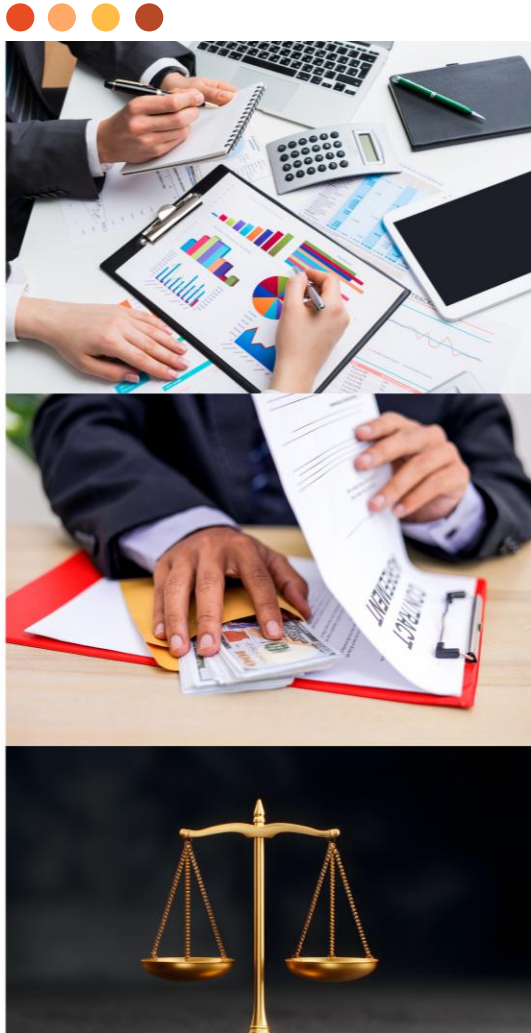
Straightforwardness, honesty, and truthfulness.



Objectivity: No bias, conflicts of interest, or undue influence.

Competence & Due Care: Continuous learning; acting diligently.

ETHICAL THREATS AT THE WORK PLACE



- **Self-Interest:** Financial or personal gain clouding professional judgment.
- **Self-Review:** Auditing or verifying your own prior work.
- **Advocacy:** Promoting a client or employer's position to the point of compromising objectivity.
- **Familiarity:** Being too sympathetic to others due to close relationships.
- **Intimidation:** Being deterred from acting objectively by actual or perceived threats

HOW TO NAVIGATE ETHICAL DILEMMAS



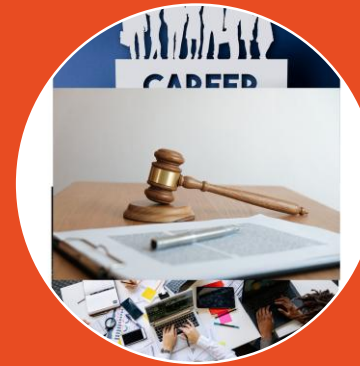
Step 1: Gather the facts and identify the underlying issue.



Step 2: Identify the fundamental principles involved.



Step 3: Consult internal procedures (e.g., whistleblowing).



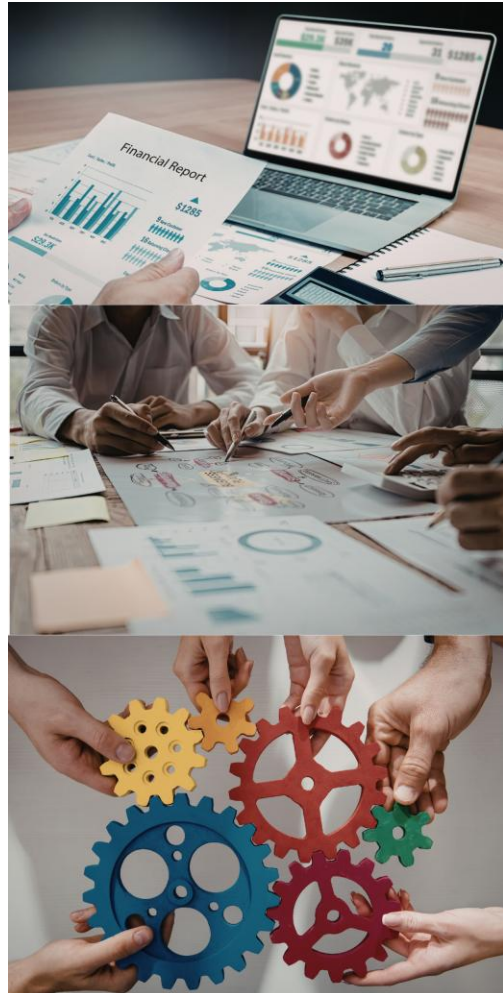
Step 4: Consult ICPAK or legal counsel if unresolved.



Step 5: Disassociate from the activity if compliance is impossible



MANDATE OF THE DISCIPLINARY COMMITTEE



Establishment: The DC is a Statutory committee of the **Council** found under **Sec. 31 of the Accountants Act, 2008**. The DC is a core component of the regulatory framework for the accounting profession.

Mandate:

- To inquire into cases of alleged **professional misconduct** by ICPAK members; Submit a report and recommendations to the **ICPAK Council** on actions to be taken.

Composition: 7 Members

- 4 nominated by the **ICPAK Council** (one as Chair).
- 1 from **another profession**, other than accountancy.
- 1 nominated by the **Attorney-General**.
- 1 from an organization that promotes **corporate governance**

SCOPE OF THE DISCIPLINARY COMMITTEE



Scope of the Disciplinary Committee:

- All registered members of ICPAK.
- Partnerships and firms registered with the Institute.
- Prospective members, graduates, or candidates before admission to membership.
- Professional engagements where a member's ethical conduct compromises public trust, financial integrity, or global standards.

Oversight Includes:

- All forms of misconduct, including fraud, audit failure, misrepresentation, conflict of interest, confidentiality breaches, and violation of professional/regulatory obligations as outlined in Section 30 of the Act.

DISCIPLINARY COMMITTEE COMMITMENT



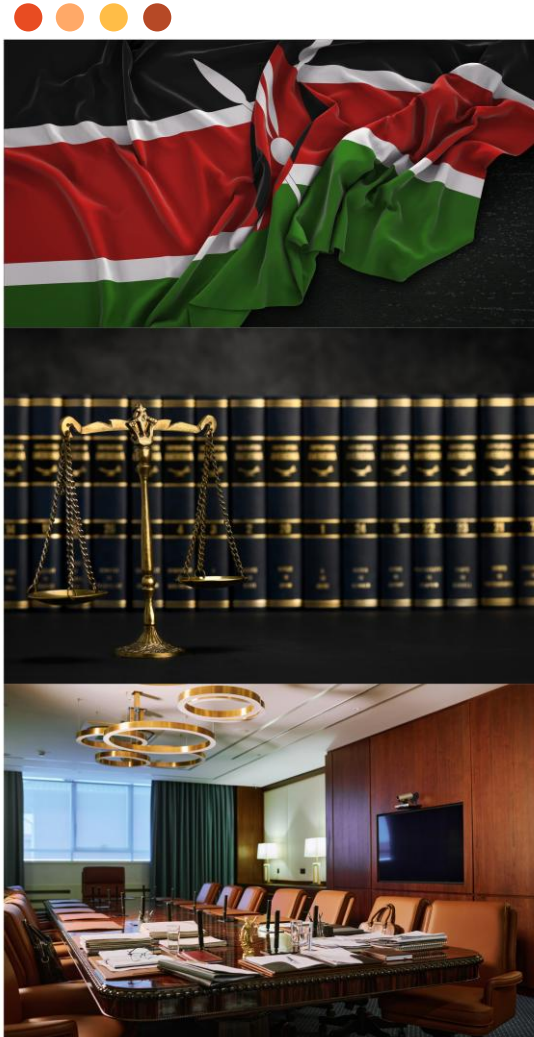
Public Trust as the Anchor: The profession is fundamentally anchored on public trust, sustained through strict adherence to the highest standards of professional ethics.

IFAC Obligations: The Institute through DC enforces core ethical principles (integrity, objectivity, competence, confidentiality, conduct) as required by IFAC membership obligations.

DC's Role: The disciplinary process safeguards public interest, deters misconduct, and reaffirms commitment to global ethical standards and regulatory enforcement.

Commitment to Accountability: The DC remains committed to justice, accountability, and safeguarding public trust through principled, firm enforcement.

PROCEDURES OF THE DISCIPLINARY COMMITTEE

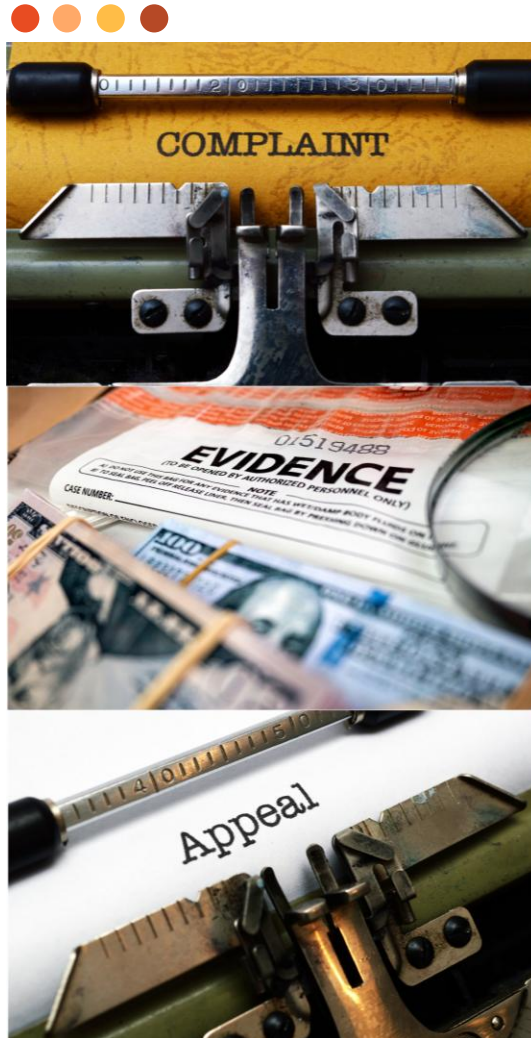


Guiding Principle: The DC process is guided by the Constitution of Kenya, 2010, the Accountants Act, the IFAC Statement of Member Obligations (6), Strategic plan, & other relevant laws.

Functioning / operations: Sec. 30, 31, 32, 33, 34 and the Fifth Schedule of the Accountants Act **guide the functioning and operations** of the DC.

Responsibility: The **DC** is responsible for implementing and updating its procedures. The **Secretary** is responsible for administration i.e. maintaining inquiry records, participating in DC deliberations, and issuing official communication. The **Council** shall provide facilities /resources for the DC to competently discharge its functions, e.g. funding for meetings, equipment, experts, training members, and allowances.

THE DISCIPLINARY PROCESS



Complaints & Investigation: Review of complaints and decide on interventions necessary by the **Council**. Investigation or referral?

Disciplinary Inquiry: Upon referral where the **Council** has reason to believe that a member may have been guilty of professional misconduct. The **DC Inquires** into the alleged professional misconduct and recommends to the **Council** relevant actions

Appeals and Implementation: Notification of the recommendation and appeal or implementation of the recommendations. An aggrieved member may appeal to the Council within 60 days of the communication to them.

Tenure of DC members: Three years renewable once. **Quorum :** Four members make a quorum of a DC meeting.

THE POWERS OF DISCIPLINARY COMMITTEE



Administer oaths: An oath is administered to a witness by any member of the Disciplinary Committee or by the Secretary.

Summon persons to attend and give evidence: The DC accepts evidence orally, via affidavits, or as otherwise directed. Witnesses summoned to the inquiry who fail to attend, be sworn in, answer questions, or produce requested documents without reasonable excuse are guilty of an offense punishable as specified in the Act

Orders: Can order the production of documents including court judgements, which the DC believes shall assist in its deliberations.

Costs : Can recover in whole or in part the costs of the inquiry not exceeding one million shillings from any parties involved.

Adjourn: to adjourn a matter of their own volition – *sua sponte*.

THE PRELIMINARY ISSUES IN CASE INQUIRY



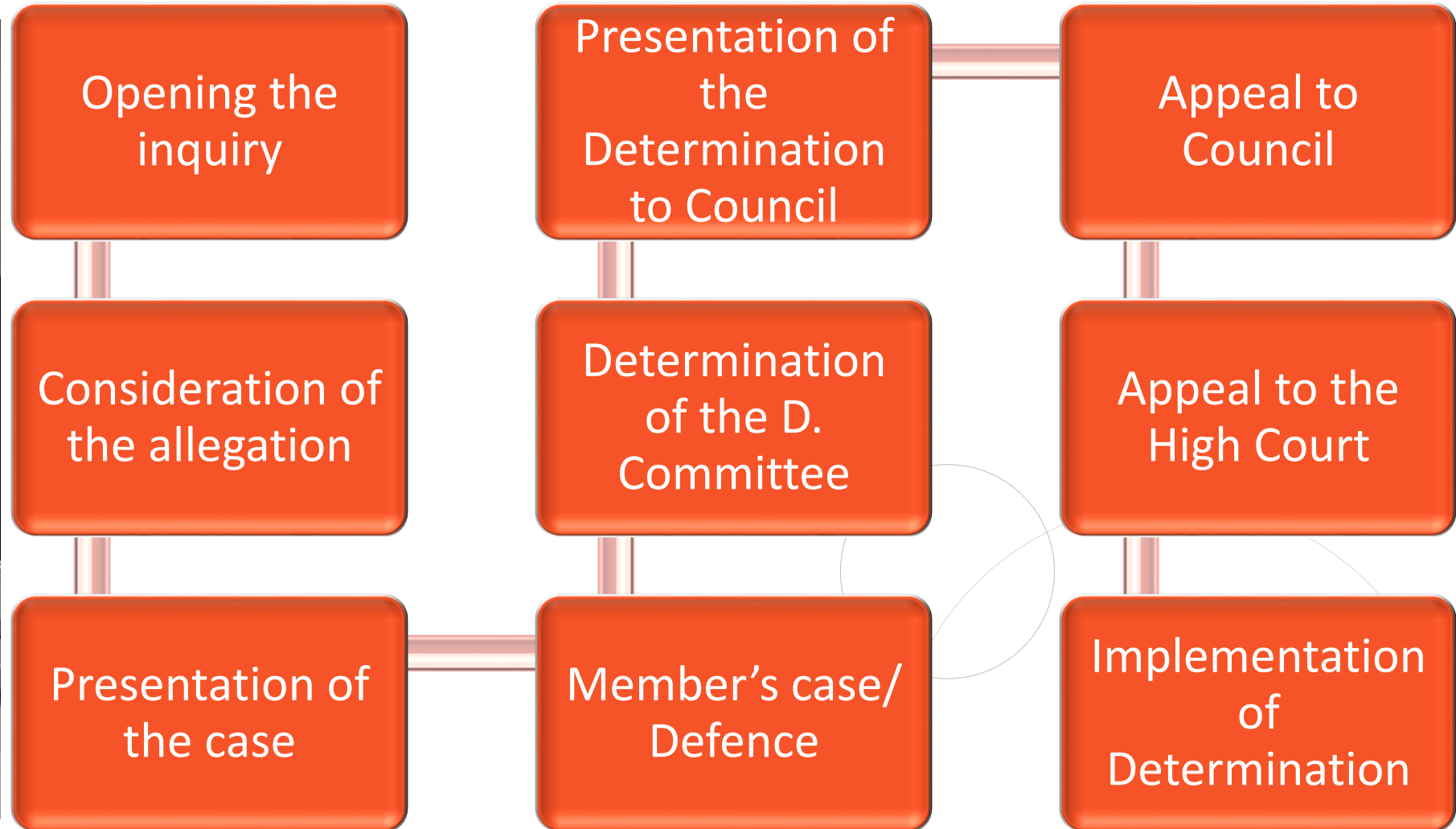
Statement of Allegation: The Secretary prepares **SoA** setting out the allegation of professional misconduct to be investigated by the **DC**.

Case management meetings: The DC may determine issues or request independent expert advice to efficiently manage the inquiry, after which it will issue a list of issues for determination and may also visit relevant sites.

Appearance before the DC: The DC provides at least **14 days' notice** for appearance. Parties may appear personally, by an advocate, or representative. Failure to appear after proper notice permits the DC to proceed in their absence.

Others : Parties may request for an **adjournment** at any time after a notice has been issued. Either party can raise an **objection** on a point of law at any stage. **Concurrent** civil and/or criminal proceedings against a member do not automatically halt the DC process.

THE PROCESS FLOW : SUBSTANTIVE INQUIRY



TYPOLOGIES / TRENDS FOR CASES HANDLED



ISA Compliance

Failure to comply with international standards on auditing (ISA) and audit documentation deficiencies;

Misrepresentation

Misrepresentation or abuse of professional certification processes;

Governance Failures

Structural governance failures arising from inadequate internal controls

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6

2

Typologies of cases before DC

Falsification

Falsification and manipulation of financial statements, including material misstatements used to secure financial advantage;

Fraudulent Conduct

Fraudulent conduct or use of misleading audit reports in public interest entities;

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International origin

Misconduct arising from international enforcement actions.

THE SHREWD ACCOUNTANT



- **Cont'd....**Now, here is the twist that makes this case relevant to this Committee: **The CEO found out... and he congratulated him.**
- Why? Because the Accountant understood the 'urgency of the moment'
- As you sit on this committee, you will deal with 'Shrewd Accountants'esp in this digital world.
- You will meet professionals who are technically brilliant but ethically flexible – those who know exactly how to navigate the 'ledger of life' to ensure a soft landing.
- Our job isn't just to churn out numbers *per se*; it's to distinguish between **shrewdness** and **integrity**.
- **Q** In a world that admires the 'soft landing', how will you uphold the 'hard truth' of our profession? Code of Conduct ...DC



MULTUMESC
 SOCIAL
 RESEARCH
 SALES
 CUSTOMER
 KIITOS
 MATONDO
 VINAKA
 GRAZIE
 MOCHCHAKERAM
 WELALIN
 CHOKRANE
 RAIBH MAITHAGAT
 MULTUMESC
 ASANTE
 ASSESSMENT
 GRAZIE
 OBRIGADO
 MERCI
 NIRRINGRAZZJAK
 GRAZIE
 MATURNUWUN

THANK YOU

NIRRINGRAZZJAK
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 RESOURCES
 WELALIN
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 MOCHCHAKERAM
 MAAKE
 RO
 IDO

