
Commitment to public interest in audit – an imperative of strengthening trust in the profession

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Abstract

The auditing profession is based on serving the public interest and the exact knowledge regarding the public interest notion is a condition of its advancement. The professions' commitment to support public interest is factual, a condition of its presence. The individual interest should not be predominant over the public interest and the reconciliation between them is conditional on the application of ethical and professional standards according to the public's expectations. The ethical values promoted by the ethics code guide the auditors when a conflict arises. Thus, the Ethics Code of the profession protects as much the public interest as the private interest. The study conducted by IFAC in 2010 enables to analyse the position of member bodies in order to outline the significance of the public interest and its association with the auditing profession. The definition of the public interest confers homogeneity to a notion with a broad sense and its evaluation is done through three criteria among which the costs and benefits analysis is the main criterion. The statistical analysis performed, whose starting point was the IFAC study regarding the public interest framework, confirms the extensive meaning of the public interest significance as well as the evaluation criteria. Following the statistical analysis, the appreciation of the public interest definition as 'too large' does not meet consensus among the majority of participants to the study. At the same time, the mediation between criteria and their re-ranking represent the main elements of dissension. The authors conclude that the trust generated by defending the public interest is reflected upon strengthening the legitimacy of the profession.

Keywords: ethics, public interest, private interest, evaluation criteria, ethical conduct

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