

**INCULCATING ISLAMIC ETHICS ON AUDITORS:  
BEYOND THE OFFICIAL CODE OF CONDUCT**

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**NAME : RAHMAT BIN HUSSIN  
STUDENT NO : 90651917  
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## ABSTRACT

This project paper was created to see whether the trust of the public can be enhanced if the auditors adopt Islamic ethics and values into their work.

Ethics is one of the most important aspect in an auditor that must be upheld in any circumstances. The public trusts in auditors is mainly due to the impartiality of the auditors in performing their duties. However, now there are signs of dishonesty by the auditors especially in giving reports. Although there is no need to change the existing code of ethics, the inculcation of Islamic ethics into the auditors' work may help to redeem the public trust in them.

Islamic ethics should be practiced by all muslim auditors as an example to the non-muslims. The present education programme can also provide a foundation for the teaching of Islamic values and ethics. By this way a supply of manpower with strong Islamic ethical knowledge can be produced.

## CHAPTER ONE

### INTRODUCTION

#### Introduction

Ethics is an issue that have been regularly debated in the wake of the rising in the number of commercial crimes in Malaysia.

Ethics can be defined as a system of moral principles. A defination given by Goetz (1985) :

" Ethics is the branch of philosophy that is concern with what is morally good and bad, right and wrong : a synonym for it is moral philosophy" <sup>1</sup>

However there is no obvious or clear-cut defination of professional ethics but it can be described as a set of common social norms/values/behaviour or the conscience of the profession.

The government and the professionals are taking serious thought on this area. Recently ,on the 20th-21st of October 1992 a National Seminar on Professional Ethics was organized by Universiti Teknologi Malaysia