



## EXAMINATION OF PROFESSIONAL ETHICS OF INDEPENDENT AUDITORS IN THE LIGHT OF IMMANUEL KANT'S ETHICAL PRINCIPLES

### KANT'IN ETİK İLKELERİ İŞİĞINDA BAĞIMSIZ DENETÇİLERİN ETİK İLKELERİNİN İNCELENMESİ

İlkay Ejder ERTURAN<sup>1</sup>

#### ABSTRACT

Independent auditors assume a great responsibility towards information users with the report they submit at the end of the audit. With this sense of responsibility, the independent auditor must act in accordance with the ethical principles of the profession while performing the audit work. The basic professional ethical principles of independent auditors have been determined as integrity, impartiality, professional competence and care, confidentiality and professional behavior. In the study, the professional ethical principles of independent auditors have been examined in the context of the principles of good will, categorical imperative and freedom that constitute the moral ethical principles of German philosopher Kant. The purpose of this study is to examine the compatibility of Kant's ethical principles with the ethical principles of today's independent auditors. In the study, the professional ethics of independent auditors have been examined in the light of Kant's ethical principles, aiming to provide a perspective to these principles. For this purpose, domestic and foreign literature has

1- Dr. Öğr. Üyesi, Düzce Üniversitesi Çiilimli Meslek Yüksekokulu, Muhasebe ve Vergi Bölümü, ilkayerturan@düzce.edu.tr, ORCID: 0000-0003-2478-5634

**Submitted/ Gönderim Tarihi:** 26.12.2024

**Revision Requested/ Revizyon Talebi:** 26.01.2025

**Last Revision Received/ Son Revizyon Tarihi:** 17.02.2025

**Accepted/ Kabul Tarihi:** 04.03.2025

**To Cite/Atıf:** Erturan, İ. E., (2025). Immanuel Kant'ın Etik İlkeleri Işığında Bağımsız Denetçilerin Etik İlkelerinin İncelenmesi. Sayıştay Dergisi, 36 (136): 125-144. <https://doi.org/10.52836/sayistay.1608142>.

been scanned, and the obtained study findings have been tabulated and presented as a result. Kant's moral ethical principles have been examined in many scientific fields but have not been addressed in the field of auditing. Therefore, this study is significant as it is the first to address these principles in the field of auditing.

## **ÖZ**

Bağımsız denetçiler, denetim sonucu sundukları raporla, bilgi kullanıcılarına karşı büyük bir sorumluluk yüklenirler. Bu sorumluluk bilinciyle bağımsız denetçi denetim işini yaparken mesleğin etik ilkelerine uygun davranmalıdır. Bağımsız denetçilerin temel mesleki etik ilkeleri dürüstlük, tarafsızlık, mesleki yeterlilik ve özen, gizlilik ve mesleki davranış olarak belirlenmiştir. Çalışmada, bağımsız denetçilerin meslek etik ilkeleri Alman filozof Kant'ın ahlaki etik ilkelerini oluşturan iyi isteme, kategorik buyruk ve özgürlük ilkeleri bağlamında incelenmiştir. Bu çalışmanın amacı, Kant'ın etik ilkelerinin günümüz bağımsız denetçilerinin etik ilkeleriyle uyumluluğunu incelemektir. Çalışmada, bağımsız denetçilerin meslek etiği, Kant'ın etik ilkeleriyle incelenmeye çalışılmış ve bu ilkelere felsefi bir bakış açısı getirilmesi amaçlanmıştır. Bu amaçla yerli ve yabancı literatür taranmış ve elde edilen çalışma bulgular tablolaştırılmış ve sonuç olarak sunulmuştur. Kant'ın ahlaki etik ilkeleri birçok bilim alanında çalışmalara konu olmuş fakat denetim alanında ele alınmamıştır. Bu nedenle çalışma denetim alanında ilk olması nedeniyle önem taşımaktadır.

**Keywords:** Audit, Auditor, Ethics, Kant, Kant's Ethical Philosophy.

**Anahtar Kelimeler:** Denetim, Denetçi, Etik, Kant, Kant'ın Etik Felsefesi.

## **1. INTRODUCTION**

Kant's moral philosophy continues to be discussed in various fields today. The universal principles of Kant's philosophy serve as a guide for individuals and institutions facing complex ethical dilemmas because ethical rules form the essence of professional groups. As in every profession, ethical rules have been determined for auditors who undertake the task of auditing.

For auditors, ethics represents a set of professional responsibilities and values that guarantee correct and honest behavior in all situations they encounter in their professional lives. Simply put, auditing ethics includes a set of principles and rules that ensure that auditors work independently and objectively while serving the public interest. It is an accounting audit that increases the reliability of accounting information by examining the compliance of financial statements produced by accounting with accounting standards, again according to auditing standards (Uzay, Tanç and Erciyas, 2009: 127).

Auditors play a critical role in verifying the accuracy and reliability of financial reports and guiding the decision-making processes of investors and other stakeholders. Therefore, the ethical behavior of auditors is essential to protect the integrity of the financial system. In addition, auditors ensure transparency in companies' financial conditions. Ethical behavior helps maintain this transparency and ensures accountability. It protects the reputation of the profession and increases public trust in auditors. Auditing ethics represents a set of values that ensure that auditors are aware of their professional responsibilities, act in the public interest, and comply with ethical principles.

Kant's ethical philosophy has been studied and applied in various fields of study. In our research, we aimed to compare it with the ethical values of auditors and explore its applicability. There is a strong connection between Kant's moral philosophy and auditing ethics. Auditors can draw inspiration from Kant's philosophy to achieve a more ethical and reliable auditing process.

In summary, Kant's moral philosophy is compatible with many of the fundamental principles of the auditing profession. Both Kant and auditing ethics emphasize values such as universality, integrity, respect for human rights, and personal responsibility. Auditors can improve the ethical and reliable nature of their auditing processes by utilizing Kant's philosophy.

## 2. KANT'S VIEW ON ETHICS

Before discussing Kant's ethical philosophy, it would be appropriate to briefly discuss the concept of ethics. The concept of ethics is defined as the status of moral values, derived from the Greek word "ethos," which means "character that expresses a way of behaving." In Greek, "ta" and "éthé" refer to customs. In Latin, "mores" is used to describe the same concept of customs. In Turkish, the term "etic" can be used both as an adjective and as a noun (Türk Dil Kurumu. <https://sozluk.gov.tr/>). When used as an adjective, it indicates the degree of conformity of an attitude or behavior to rules; when used as a noun, it refers to a field of study or discipline (Keleş and Hamamcı, 2002: 232-233).

Ethics is an in-depth discussion of human interaction and human nature. The relationship between humanity and ethics can be approached in different ways concerning what it means to be human. According to Kant, a person is *"a member of both the empirical realm and the intelligible realm. The intelligible*

*realm is defined as the domain that makes a person free, guiding them towards ethical values and actions."*

In Kant's ethical principle, human freedom plays an important role because human free will forms the basis of ethical actions. The concepts of "good" and "bad", which are seen as a positive value in evaluating people's actions, have an important place in Kant's ethical philosophy (Gökberk, 1993: 406). Kant argues that "nothing in the world or even outside of it can be considered unconditionally good except good will" (Kant, 2013: 8). According to Kant, what is unconditionally good is to comply with the moral law. In Kant's ethical principle, he says that the factor that determines the moral value of actions is the principles behind the actions, and defines it as two actions may seem similar, but what determines the value of actions is the principles and will on which the actions are based. This view, which forms the basis of Kant's moral philosophy, includes several important points (Kant, 2013: 9). These are:

- **Principles of Actions:** Kant argues that it is not sufficient to merely look at the consequences or effects of actions; instead, the underlying principle of the action should be evaluated. Actions may have the same external forms but can be opposite based on the principles behind them. Therefore, when assessing actions, it is crucial to consider what the principle behind the action is and whether this principle conforms to ethical standards.
- **The Nature of the Will:** According to Kant, the will behind a good action must be good because it is independent of the effects or results of the action. Good will is valuable solely due to the act of willing itself, regardless of whether it is suitable for achieving a particular end. In Kant's terms, good will must be based on a principle that is good.
- **Formal and Material Principles:** In Kant's ethical principle, a distinction is made between formal principles (a priori principles) and material motivations (a posteriori motivations). Formal principles are universal and valid, not dependent on any specific situation, and they form the foundation of ethical behavior. Material motivations, on the other hand, may be personal, situational, or based on experiences. A good action should be determined by formal principles, meaning that the action is performed out of a sense of duty.

- **Duty and Moral Obligation:** According to Kant, the moral value of an action arises from it being done as a duty. The correctness of the action stems from acting with a sense of duty, which means conforming to moral principles. Good will is defined as a will that is determined by the command of pure practical reason and is based solely on formal principles.

Kant's ethical principle emphasizes the importance of the principle and will behind actions when evaluating actions. This means that actions should be evaluated not only according to their consequences, but also according to the moral principles and sense of duty that guide them. This approach aims to ensure that ethical evaluations are consistent and objective by advocating universal and valid principles at the core of moral decisions (Kant, 2015: 15). Therefore, Kant's ethical principle focuses not only on the consequences of actions, but also on the internal motivations and intentions of the person performing the actions. It emphasizes that moral actions should be based not only on their external consequences, but also on adherence to an internal moral law. Therefore, internal "good will" is valuable regardless of various natural abilities or personal characteristics.

Qualities such as intelligence, courage, moderation, perseverance, strength and wealth that an individual possesses cannot be considered good in and of themselves. These qualities gain moral significance only when guided by "good will". Otherwise, these abilities can be used for harmful or evil purposes and can even lead the person astray (Kant, 2013: 8). Therefore, Kant's concept of good will focuses on the intention behind actions rather than their results or effects. According to Kant, an action can only be considered "good will" if it is governed by pure practical reason and not by any natural inclination or necessity. In other words, good will is a will determined by the principles of reason and independent of natural inclinations. In this context, a moral action should only obey the voice of reason and should not be influenced by any personal inclination or emotional motivation. To determine good will, Kant refers to the concept of duty, basing the moral value of an action on the consciousness of duty. If we do an action because it is our duty, and if what drives us to do this action is not any inclination but the duty itself, then the action has moral value (Akarsu, 1987: 42).

Duty is the voice of reason and reason, which is the highest value in people, is expressed through duty. In Kant's moral system, the concept of duty is the determinant of good will. Duty refers to a principle that guides our actions and defines our moral obligations. If an action is based on a sense of duty and is not guided by any inclination, it is morally valuable. Duty and inclinations can conflict or overlap with each other. When there is a discrepancy between duty and inclinations, a situation arises in which a person's moral obligations conflict with their personal inclinations. In such cases, moral value is based on the difference between the action required by duty and the action desired by the inclinations (Kant, 1999: 28). While duty is defined as "the necessity of an action done out of respect for the law" (Kant, 1999: 15), law consists of universal and necessary commands that must have the same reason for determining good will for all rational beings (Kant, 201: 15). If duty and inclinations overlap and desire the same action, this is considered a coincidence. In other words, the moral value of the action does not arise from this overlap. For an action to be considered morally good, it must originate solely from duty.

According to Kant, for an action to be considered morally good, it must arise from duty; a mere coincidence of inclinations does not confer this value. In this context, duty is defined as "the necessity of an action performed out of respect for the law." The law prescribes universal and obligatory commands for all rational beings, and good will derives from this universal principle. Thus, the moral law has this universal and obligatory nature and acting in accordance with the moral law is unconditionally good (Kuçuradi, 1998: 115).

According to him, the purest form of moral action is an action that is independent of external influences, desires, and personal interests and is performed solely because reason dictates it. For example, a grocer's refraining from deceiving an inexperienced customer can be seen as a moral action. However, according to Kant, for this action to have moral value, the grocer must do it only out of a sense of duty. If the grocer believes that being honest will attract more customers, the action is not moral. In this case, the determining factor of the action is self-interest rather than duty (Kant, 2013: 12-13). According to Kant's moral theory, for an action to have moral value, the primary reason behind the action must be a "sense of duty." This means that the person performs the action solely because they feel a moral obligation to do what is right based on an internal principle. However, in practice, it is

difficult to determine with certainty whether a person acts out of a genuine sense of duty or for some other reason.

The human inner world is complex, and actions can be driven by more than one motivation. Therefore, while Kant's theory of morality has a strong theoretical framework, its application in real life is not always straightforward. Kant argues that a moral action is one that is performed independently of external influences, because it is dictated by reason alone. The primary motivation for such an action should be a sense of duty rather than personal gain. However, due to the complexity of human psychology, it is not always possible to determine with certainty whether an action is truly moral. However, due to the complexity of human psychology, it is not always possible to determine with certainty whether an action is truly moral. Kant explained his ethical philosophy with the concepts of good faith, categorical imperative, and freedom, considering the complexity of human psychology. These concepts are:

- **Good Will**

Kant describes the concept of "good will" as an imperative to design a principle that is as objective as possible and binding in its requirement (Kant, 2013: 29). A good will is aligned with objective laws (laws of the good) in every respect, but it cannot be compelled by laws to act in a certain way, as it can only be determined by the design of the good according to its inherent subjective nature. Therefore, divine and sacred imperatives are invalid for good will. All imperatives are issued either conditionally or unconditionally. According to Kant, good will is the foundation of moral worth. For an action to be morally good, the intention and desire of the person performing the action are important. Kant argues that moral values arise not from the outcomes of actions but from the intention behind the action (Kant, 2013: 29). According to Kant, an action is only morally valuable if it is performed with good will. Good will is the desire and intention of an individual to fulfill their moral duty. This intention determines the moral value of the action. In other words, good will is the desire to act in accordance with the requirements of moral laws. Good will involves having a consciousness of acting according to moral duties. Kant argues that moral actions should be based on the obligation to fulfill these duties, independent of personal inclinations or outcomes (Kant, 2002: 30).

- **Categorical Imperative**

The first imperatives reveal the necessity of an action to achieve or desire something else. However, the categorical imperative is an imperative that presents an action as objectively necessary without relating it to another purpose (Kant, 2013: 30). The categorical imperative is the basic principle of Kant's moral philosophy. It is accepted as a universal and mandatory principle in evaluating the morality of actions (Kant, 2015: 25). The universal principle involves accepting actions as a principle and examining whether this principle can be applied by everyone. In other words, it seeks an answer to the question of whether actions can be universalized into a general law. If universalizing the action would be harmful to society, then the action is not morally valid. In actions, a person should see others not only as a means, but as an end in themselves. Kant emphasizes respect for individuals and their evaluation according to their intrinsic value (Kant, 2013: 31).

- **Freedom**

Within Kant's ethical framework, freedom is the foundation of moral responsibility. Freedom refers to the ability of individuals to rely on their own will when making moral decisions. Moral responsibility, according to Kant, depends on the free will of individuals to fulfill moral obligations. In other words, individuals have the capacity to freely choose their actions in accordance with moral principles. If a person can choose their actions according to their own will, they are morally responsible. Kant argues that free will supports the validity of moral laws. If individuals have free will, then moral laws must be applicable to these individuals to regulate themselves. This freedom is also fundamental to fulfilling moral duties (Kant, 2013: 32).

When evaluating whether ethical rules are accepted and internalized by an auditor and whether actions follow these rules, important issues arise according to Kant's understanding of morality. Auditors are responsible for ensuring compliance with auditing standards, as well as ethical and legal standards.

### **3. PRINCIPLES OF ETHICAL CONDUCT FOR INDEPENDENT AUDITORS**

Ethical principles that should be applied to audits and auditors have been established to ensure the integrity, transparency, and trustworthiness of the auditing profession. These rules are designed to guide auditors in maintaining professionalism, objectivity, and independence throughout the audit process. Ethical guidelines are essential to prevent conflicts of interest, protect confidential information, and uphold the credibility of audit reports (International Federation of Accountants, 2021). Ensuring the application of ethical principles not only contributes positively to the auditing profession and the audited institutions, but also to the wider business world. Adherence to ethical principles is of critical importance, especially in order to avoid audit failures and the financial crises that result from them.

#### **3.1. Main Principles and Code of Ethics for Auditing and Auditors**

Recent major corporate scandals have made the independence of auditors even more critical. An auditor must be independent when performing auditing duties. An independent auditor must have sufficient technical and educational knowledge as well as independence and experience. Given these scandals, it has become even more important to follow ethical guidelines for auditing. Allegations of “exchange of views” between client companies and audit firms have increased the need to emphasize auditor independence and professional ethical standards (Uzay, 2004: 435-485). This need explains the obligation of auditors to work in full compliance with the basic professional principles defined as standard behaviors.

The updated version of the ethical standards was published in the Official Gazette numbered 30896 in 2019. In the update made in 2019, a detailed regulation was introduced under the titles of “Compliance with Ethical Rules, Basic Principles and Conceptual Framework” and “Independence Standards”. The basic principles of ethical standards in 2019 were determined as integrity, impartiality, professional competence and care, confidentiality and professional behavior (Ethical Rules for Independent Auditors 110.1 U1). The explanation of the five basic ethical principles for auditors in 2019 is as follows (KGK, 2024):

- **Integrity:** Integrity means that independent auditors do their jobs correctly and are reliable. Independent auditors must be open and accurate without compromising integrity and reliability while performing their work. Within the scope of this principle, independent auditors must not associate information they have obtained with other documents if they believe that the information they have obtained contains false or carelessly presented statements and is misleading.
- **Impartiality:** According to the principle of impartiality, independent auditors must avoid conflicts of interest and prejudices while performing their duties and must not allow others to influence their decisions. In such cases, the independent auditor must not perform the relevant duty.
- **Professional competence and care:** Independent auditors must have and maintain the necessary professional knowledge and skills within the framework of relevant legislation and professional standards. They must act in accordance with the standards and within the framework of the principle of care.
- **Confidentiality:** Independent auditors must take care to keep confidential the information they obtain from clients, both during and after their work. They should not disclose or use in any way the information they obtain because of their business relationships, considering it as confidential information.
- **Professional Behaviour:** Independent auditors must avoid any actions that are contrary to the law and that may damage the reputation of the auditing profession. They must not engage in any activities that may lead to these results. In addition, they must avoid exaggerated claims about themselves and the services they provide, and they must avoid giving references that will make them look bad about the activities of others.

At the global level, the International Federation of Accountants (IFAC) and the International Organization of Supreme Audit Institutions (INTOSAI) are the most respected standard-setting organizations in the auditing field. They include ethical standards among the comprehensive auditing standards they set. The fundamental principles in the Code of Ethics published by IFAC (2024) are integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Code of Ethics (ISSAI 130) of INTOSAI is based on five fundamental values (INTOSAI, 2024a):

a) Integrity – to act honestly, reliably, in good faith and in the public interest;

b) Independence and objectivity – to be free from circumstances or influences that compromise, or may be seen as compromising, professional judgement, and to act in an impartial and unbiased manner;

c) Competence – to acquire and maintain knowledge and skills appropriate for the role, and to act in accordance with applicable standards, and with due care;

d) Professional behaviour – to comply with applicable laws, regulations and conventions, and to avoid any conduct that may discredit the SAI;

e) Confidentiality and transparency – to appropriately protect information, balancing this with the need for transparency and accountability.

At the national level, national authorities also determine and publish separate or joint ethical principles for internal and external auditors. In Türkiye, the Internal Audit Coordination Board has determined these standards for public internal auditors as independence, impartiality, competence, utmost professional care and attention (İDKK, 2017). The “Ethical Principles and Rules for TCA Auditors” published by the Turkish Court of Accounts (TCA) contains a longer list of principles including: independence, neutrality and objectivity, integrity, equality, refraining from conflict of interest, competence and professional care, confidentiality etc. (TCA, 2024).

### **3.2. Importance of Ethical Principles for Auditing**

Audit reports prepared by independent auditors in accordance with ethical principles give confidence to investors, creditors and other stakeholders in making important decisions. Another important element is the principle of transparency. Transparency provides clarity to information users about the financial status of the company audited by independent audit firms. Independent audit increases the accountability of company managements because they need to show the correctness of their actions through independent audits. It is a requirement for auditors to act in accordance with ethical rules. Ethical rules increase compliance with basic principles and reliability in the audit

process. Therefore, there is a strong relationship between the auditor's ethical understanding and compliance with professional ethical principles. Therefore, for the audit to be carried out healthily, it is also mandatory for the auditor to comply with ethical principles and rules (Demir and Çiftçi, 2016: 96).

An independent auditor is a person who has completed a certain education, gained professional experience, adopted auditing activity as a profession under the guidance of the principles of independence and impartiality, and carries out auditing services alone or in an auditing company (Sağlar and Tuan, 2009: 350). To maintain the reputation of the independent auditing profession, it is essential to comply with professional ethical principles (Karacan, 2014: 70). In addition to ensuring the accuracy and reliability of financial statements, auditors are also expected to develop ethical awareness to protect the interests of all stakeholders (Çetin and Tiryaki, 2023: 168).

As evident from these studies, the primary reason for auditors not adhering to ethical standards is their inability to act independently. Additionally, various factors such as age, gender, culture, and experience can influence deviations from ethical rules. The nature of ethical behavior and the concept of ethics have been extensively debated throughout history.

From the public sector perspective, auditing is expected to have a strong impact on ensuring that values such as honesty, integrity and fairness prevail in public administrations and employees, prioritizing the general interests of society and developing an ethical management approach in the public in general (Köse, 2023: 47). INTOSAI-P 12, one of the basic standards of INTOSAI, titled "The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens", states that one of the main conditions for SAIs to make a difference in the lives of citizens is to promote good governance and compliance with ethical rules in public administration (INTOSAI, 2024b). In future projections, it is stated that ethical issues will come to the fore in auditing, as well as areas such as digitalization, cyber security, and artificial intelligence (Özen and Damar, 2023: 242; Tuğaç, 2023: 83).

The application of these ethical principles also plays a significant role in fostering public confidence in financial reporting, which is crucial for the functioning of capital markets and the economy as a whole. By adhering to established ethical standards, auditors help ensure that the financial

statements they review reflect a true and fair view of the organization's financial health, which in turn supports informed decision-making by investors, regulators, and other stakeholders (Jones, 2018: 135-148). Furthermore, ethical rules set clear boundaries for the behavior of auditors, ensuring that they remain impartial and free from external pressures that could compromise their judgment. These guidelines also provide auditors with a framework for dealing with complex situations that might involve ethical dilemmas, ensuring that they take actions that align with the public interest and the broader goals of accountability and transparency in business practices (American Institute of Certified Public Accountants, 2020).

Ultimately, the establishment and enforcement of ethical standards in auditing not only protect the interests of the public but also reinforce the reputation and legitimacy of the auditing profession itself. Ethical conduct is therefore a cornerstone of effective, reliable, and trusted auditing (International Auditing and Assurance Standards Board, 2021).

#### **4. EXAMINATION OF THE ETHICAL PRINCIPLES OF INDEPENDENT AUDITORS IN THE LIGHT OF KANT'S ETHICAL PRINCIPLES**

Kant's ethical philosophy evaluates the concepts of good will, categorical imperative and freedom together, emphasizing that moral actions must be based on a universal and mandatory basis. These concepts help individuals understand and implement their moral responsibilities at both personal and social levels. In other words, it is an attempt to establish professional ethics with these three methods. Given Kant's emphasis on universal ethical principles, it is valuable to explore their application in modern professional ethics, particularly in auditing. With this in mind, Kant's ethical philosophy can be understood to rest on three main foundations.

In this article, which aims to examine the relationship between Kant's ethical principles and the ethical principles of independent auditors, the basic ethical principles set out in the latest version of the "Standard of Ethical Rules for Independent Auditors" published in the Official Gazette dated 22/09/2019 and numbered 30896 are stated as integrity, impartiality, professional competence and care, confidentiality and professional behavior.

#### **4.1. The relationship between the principle of good will, the principle of Integrity and the principle of confidentiality**

In the study, it was determined that there is a connection between Kant's principle of good faith and the principle of integrity and confidentiality, which are the ethical principles of independent auditors. According to Kant, the basis of good faith is based on moral values. The moral goodness of an action depends on the intention and will of the person performing the action. The moral values of the action performed arise not only from the consequences of the actions, but also from the intention behind the action (Kant, 2013: 29). According to Kant, an action is morally valuable only when it is done with good faith. Good faith is the desire and intention of an individual to fulfill their moral duty. This intention is the determinant of the moral value of the action. In other words, good faith is the desire of a person to perform their actions in accordance with the requirements of moral laws.

Kant (2013: 15) argues that moral actions should be based solely on the obligation to fulfill this duty, regardless of personal inclinations or consequences. For example, it is a duty for an independent auditor to perform his auditing duty in accordance with the ethical principles of his profession and to act honestly and impartially towards the client business and information users. This is because duty is an action taken out of respect for the law (Kant, 2013: 15). In this case, an independent auditor, who respects his duty and professional ethics, acts in accordance with the ethical rules of his profession in the same way towards all the businesses he audits and serves information users honestly. According to Kant, the independent auditor does not do this action out of duty and integrity. He does it because it is appropriate for the duty (Kant, 2013: 15). Therefore, the action is not done out of duty or direct inclination, but for completely selfish purposes (Kant, 2013: 16). In cases where the independent auditor does not perform his auditing duty in accordance with the ethical rules of his profession and acts devoid of moral values, the main reason for this is "self-love or the general principle of one's own happiness".

It is emphasized that independent auditors should use clear language while carrying out their professional activities and be honest in their relations with clients and employers. Integrity is a necessary condition for doing business that is accurate and reliable. This principle is compatible with Kant's good faith. The independent auditor should be honest while doing his job, that is, he should do his job sincerely and in good faith in accordance with the duty. The principle of secrecy or confidentiality includes the auditor's care for the

confidentiality of the information obtained during the audit. It is consistent with the principle of good faith not to disclose such information to third parties without appropriate and specific authority and not to use it for the benefit of himself or third parties if there is a legal or professional right or duty to disclose such information. It represents the trust that the auditor gives to the audited organization that he will not use the information obtained during the audit, thanks to the good faith and duty ethics he will show. Confidentiality requires the auditor to act with good faith and moral obligations. Kant's principle of good faith also emphasizes that actions are performed with internal intention. While confidentiality refers to a specific rule of conduct, good faith refers to a broader moral motivation.

#### **4.2. The Relation of the Categorical Imperative (Universality) Principle with the Principle of Behavior Appropriate to the Profession and the Principle of Professional Competence and Care**

The categorical imperative or the principle of universality is another basic principle of Kant's moral philosophy. The categorical imperative is considered a universal and mandatory principle in the moral evaluation of actions. In the categorical imperative, the actions performed are accepted as a principle, and it is checked whether this principle can be applied by everyone. In short, universalization is sought in such a way that the actions become a general law. It is important to see the purpose as human in this action. Kant emphasizes the importance of respecting people and evaluating them according to their own internal values (Kant, 2013: 30).

Kant's categorical imperative principle is associated with the principle of acting in accordance with the profession and the principle of professional competence and diligence, which are among the ethical principles of independent auditors. The principle of acting in accordance with the profession includes the obligation of the auditor to comply with the legislation related to his profession and to avoid any attitude and behavior that he knows or should know will harm the reputation of the profession. The principle of professional competence and diligence is defined as keeping professional knowledge and skills at a level that will ensure that customers receive adequate professional service, considering current developments in practice, legislation and techniques, and acting diligently in accordance with technical and professional standards in practice. These two principles are related to Kant's categorical imperative relationship. The categorical imperative defends universally accepted principles and advocates that these principles become law and be applicable to everyone.

The auditor will also protect his professional reputation with the principle of acting in accordance with the profession and will exhibit behaviors that are applicable to everyone. Professional competence and diligence determine the quality of the service, and the auditor must be competent in both technical and legal matters and must not have any doubts about the correctness and universality of the decisions he makes in the face of changing situations because strict necessity defends the correctness of principles and decisions that are applicable to everyone (Biçer, 2017: 197-206).

### **4.3. The relationship between the principle of freedom and the principle of neutrality**

In Kant's ethical understanding, freedom is the basis of moral responsibility. Freedom refers to individuals' ability to rely on their own will when making moral decisions. According to Kant, moral responsibility is based on the free will of individuals to fulfill moral obligations. In other words, individuals have the capacity to freely choose their actions in accordance with moral principles. If a person can choose their actions by their own will, this person is morally responsible. Kant argues that free will supports the validity of moral laws. This freedom is also the basis for fulfilling moral duties (Kant, 2015: 30). Kant's principle of freedom has been found to be compatible with the principle of impartiality of auditors.

Impartiality is not allowing the auditor to influence their judgments and decisions related to the profession or job due to prejudices, conflicts of interest or the abuse of influence of others. The auditor's personal interests, establishing a close relationship with the client and the client's efforts to have the auditor adopt their own views may affect the auditor's ability to make fair decisions. In this case, the auditor's professional activities will have violated the principle of impartiality, which is one of the principles of professional ethics. The auditor's inability to make impartial, i.e. free, decisions will result in the auditor's failure to fulfill their moral responsibilities. In this case, it will not be compatible with both the principle of impartiality from professional ethics and Kant's principle of freedom. The principle of impartiality is not to allow prejudices, tendencies, conflicts of interest or others' abuse of their influence to affect their judgments and decisions regarding the profession or job. If the auditor plans the audit process by considering the client's special requests while performing the audit work, they will not have applied Kant's principle of freedom and the principle of impartiality and independence. The principle of impartiality and independence expects the auditor to be free in their actions.

The auditor must act in accordance with their free will and professional ethics.

As a result, when examining the compliance of the independent auditor's ethical rules in the light of Kant's moral philosophy, the independent auditor must accept and internalize professional ethics. The independent auditor's behavior according to professional ethics will be in accordance with the free principle of Evidence and the neutrality principles of professional ethics. Designing and implementing ethical rules in accordance with these principles can also contribute to the creation of a fair and ethical environment both personally and professionally. The table below summarizes the compliance of the ethical principles of independent auditors with Kant's ethical principles.

**Table 1:** Compatibility of independent auditor ethical principles with Kant's ethical principles

Kant's Ethical Principles	The Ethical Principles of the Independent Auditor
Good Will	The Principle of Integrity
Categorical imperative (Universality)	The Principle of Professional Conduct The Principle of professional Competence Diligence
The Principle of Freedom	The Principle of Neutrality

## CONCLUSION

Our study investigates the compatibility of Kant's ethical principles with the ethical principles of independent auditors. According to Kant, the *principle of categorical imperative* (Command Principle, Universal Laws) suggests that an action is morally valid only if it is based on a universally acceptable principle. To apply this principle, auditors must evaluate their decisions and actions as if they were universal laws. Auditors must determine whether they can transform their actions into a principle that dictates how everyone should behave under the same conditions or whether they can guarantee that their actions will be applied and accepted by others in the same way. Kant's categorical imperative has been found to be compatible with the ethical principles of independent auditors, such as professional conduct and professional competence and diligence (Billington, 1997: 176).

The auditor has an obligation to act in accordance with his profession during the audit process and must fully apply the ethical principles of the profession. For this application to be universal, he must have sufficient knowledge, skills and equipment, in other words, professional competence.

Another ethical principle of Kant is *good will*. It has been seen that this principle is compatible with the integrity and confidentiality principles of independent auditors. In terms of the honest integrity principle, the reports and evaluations of auditors should be honest and accurate. Auditors should ensure that their financial reports and evaluations are complete, accurate and presented in accordance with the principle of transparency. The principle of good will includes the auditor presenting accurate and honest information without any interest in the benefit of information users. The auditor cannot disclose confidential information acquired during the practice of his profession to a party outside the audit firm without a legal or professional duty or right or appropriate and special authority to disclose such information. Therefore, the auditor will have a lot of information about the business during the audit. This information should be protected in accordance with the principles of good faith and confidentiality and should not be shared with third parties. In terms of the principle of integrity, auditors' reports and evaluations must be honest and accurate.

Kant's *principle of freedom* has been found to be compatible with the principle of impartiality, which is one of the ethical principles of independent auditors. The auditor must act in accordance with the principle of impartiality, which requires not allowing prejudices, tendencies, conflicts of interest or undue influence of others to influence professional or business judgments and decisions. This is only possible if the auditor can make decisions freely and independently. It requires auditors to be impartial in their judgments and actions while performing their jobs. According to Kant's ethical perspective, personal interests or prejudices should not influence decisions. No external pressure or personal interest should influence the audit process. Auditors should respect all stakeholders and citizens. According to Kant, everyone should be considered an end in themselves. Auditors should respect businesses and the public and prioritize the public interest. Auditors' actions should be fair and equitable. According to Kant's ethical perspective, all individuals should be treated equally.

As a result, in order for auditors to benefit from the reliability of audit results, members of the profession must comply with ethical principles (Demir, 2015: 341-252). It has been observed that Kant's ethical principles and ethical understanding are compatible with the ethical principles and ethical understanding of today's independent auditors.

## REFERENCES

- Akarsu, B. (1987). *Çağdaş Felsefe: Kant'tan Günümüze Felsefi Akımlar*. İstanbul: İnkılap Kitabevi.
- American Institute of Certified Public Accountants. (2020). *Code of professional conduct*. <https://www.aicpa.org/research/standards/codeofconduct.html>
- Biçer, A. A., Akarçay, V. and Mülküt, U. (2017). Etik Değerlerin Muhasebe Mesleğinin İtibarı Üzerindeki Rolü. *İstanbul Ticaret Üniversitesi Sosyal Bilimler Dergisi* (31), 197-206.
- Billington R. (1997). *Felsefeyi Yaşamak, Ayrıntı Yayınları*, İstanbul. P.176
- Çetin, A. and Tiryaki, G. (2023). Bankacılık Sektörünün Denetiminde Kurumsal Yapı ve Uygulamalar. Eds. Önder, M. and Köse, H. Ö., *Kamu Yönetiminde Denetim: Temel Paradigmalar, Değişim ve Yeni Yönelişler*, pp. 159-188. T.C. Sayıştay Başkanlığı, Ankara.
- Demir, B. (2015). Muhasebe ve Denetim Mesleğinde Etik. *Eğitim ve Öğretim Araştırmaları Dergisi*, 4(4), 341-352.
- Demir, E. and Çiftçi, Y. (2016). Denetçi Bağımsızlığının Etik İlkeler Çerçevesinde İncelenmesi: Bir Denetim Firması Uygulaması. *KMÜ Sosyal ve Ekonomik Araştırmalar Dergisi* 18(31), 88-97.
- Demirtaş, M. (2013). Kant'ın "İnanca Yer Açmak İçin Bilgiyi İnkâr Ettim" Sözü'nün İman ve Bilgi Açısından Değerlendirmesi. *Cumhuriyet Üniversitesi İlahiyat Fakültesi Dergisi*, 17(1), 289-303.
- Gökberk, M. (1993). *Felsefe Tarihi*. İstanbul: Remzi Kitabevi.
- İDKK (2017). *Kamu İç Denetim Standartları*. <https://www.hmb.gov.tr/kamu-ic-denetim-standartlari%E2%80%8B%E2%80%8B>, Access: 15.12.2024.
- IFAC (2024). *2024 Handbook of the International Code of Ethics for Professional Accountants*. The International Federation of Accountants.
- International Auditing and Assurance Standards Board. (2021). *International standards on auditing and ethical requirements for auditors*. International Federation of Accountants. <https://www.ifac.org/>
- International Federation of Accountants. (2021). *International ethics standards board for accountants (IESBA) code of ethics for professional accountants*. International Federation of Accountants. <https://www.ifac.org/>
- INTOSAI (2019). INTOSAI-P 12: The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens. International Organization of Supreme Audit Institutions.
- INTOSAI (2024a). ISSAI – 130: Code of Ethics. [www.issai.org](http://www.issai.org). Access: 14.12.2024.

- INTOSAI (2024b). The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens. <https://www.issai.org/pronouncements/intosai-p-12-the-value-and-benefits-of-supreme-audit-institutions-making-a-difference-to-the-lives-of-citizens/> Access: 14.12.2024.
- Jones, M. (2018). *The role of ethics in auditing and assurance services*. *Journal of Business Ethics*, 145(1), 135-148. <https://doi.org/10.1007/s10551-015-2859-2>
- Kant, I. (1999). *Pratik Aklın Eleştirisi*. Ankara: Türkiye Felsefe Kurumu Yayınları, 3-4.
- Kant, I. (2002). *Theoretical Philosophy after 1781*. ed. & trans. by Henry Allison & Peter Heath, Cambridge University Press.
- Kant, I. (2013). *Ahlak Metafizığının Temellendirilmesi*. Ankara: Türkiye Felsefe Kurumu Yayınları.
- Kant, I. (2015). *Groundwork of the Metaphysics of Morals*. Cambridge University Press.
- Karacan, S. (2014). *Etik Kavramı ve Muhasebe Meslek Etiği*. Kocaeli: Umuttepe.
- Keleş, R. and Hamamcı, C. (2002). *Çevre Bilim*, Ankara: İmge Kitapevi.
- KGK (2024). *Bağımsız Denetçiler İçin Etik Kurallar*. Erişim Adresi: <https://www.kgk.gov.tr/DynamicContentDetail/5165/Etik-Kurallar>. (Access Date:18.10.2024).
- Köse, H.Ö. (2023). *Kamu Yönetiminde Denetimin İşlevleri, Dinamikleri ve Geleceği*. Eds. Önder, M. and Köse, H. Ö., *Kamu Yönetiminde Denetim: Temel Paradigmalar, Değişim ve Yeni Yönelişler*, pp. 37-68. T.C. Sayıştay Başkanlığı, Ankara.
- Kuçuradi, I. (1998). *İnsan ve Değerleri*. Ankara: Türkiye Felsefe Kurumu Yayınları.
- Özen, A. and Damar, M. (2023). *Sayıştay Denetiminde Akıllı Raporlama: Büyük Veri ve İş Zekası Teknolojisi*. Eds. Önder, M. and Köse, H. Ö., *Kamu Yönetiminde Denetim: Temel Paradigmalar, Değişim ve Yeni Yönelişler*, pp. 247-270. T.C. Sayıştay Başkanlığı, Ankara.
- Sağlar, J. and Tuan, K. (2009). *İşletmelerde İç Denetim Fonksiyonunun Bağımsız Dış Denetim Maliyeti Üzerindeki Etkileri*. *Ç.Ü. Sosyal Bilimler Enstitüsü Dergisi*, 18(19), 343-358.
- TCA (2024). *Ethical Principles and Rules for TCA Auditors*. <https://www.sayistay.gov.tr/pages/175-ethical-principles-and-rules-for-tca-audi?lang=en>. Access: 29.11.2024.
- Tuğaç, Ç. (2023). *Birleşmiş Milletler Sürdürülebilir Kalkınma Amaçlarının Gerçekleştirilmesinde Yapay Zekâ Uygulamalarının Rolü*. *Sayıştay Dergisi*, 34 (128), 73-99.
- Türk Dil Kurumu. <https://sozluk.gov.tr/>
- Uzay Ş. (2004). *Türkiye’de Denetçi Bağımsızlığı*. MÖDAV, The First Annual International Accounting Conference, 3-5 November 2004, İstanbul Bildiri Kitabı.
- Uzay, Ş., Tanç, A. and Erciyes, M. (2009). *Türkiye’de Muhasebe Denetimi: Geçmişten Geleceğe-1*. *Mali Çözüm Dergisi*, 95, 125-140.