

Accountant's Ethics in Texas

Table of Contents

Learning Objectives.....	1
Introduction	3
Chapter 1 Ethics and the Accounting Profession	5
Introduction.....	5
Developing Ethical Decision-Making Skills.....	5
The Texas Board and Ethics Education	7
Public Perception of the Profession	8
Reasoning Skills	9
Chapter 1 Review Questions	13
Chapter 2 Developing Ethical Reasoning Skills.....	15
Introduction.....	15
A Psychological Model	15
The Six Stages of Moral Development.....	15
Heinz's Dilemma	17
Learning from Kohlberg.....	18
Additional Guidance.....	19
Right Choices Versus Right Choices	19
The Shareholder Approach.....	20
The Kew Gardens Principle	21
An Analytical Approach	21
The Rotarian Model.....	22
The Parent Test	22
Finding Answers	23
Chapter 2 Review Questions	25
Chapter 3 The Rules of Professional Conduct.....	27
Introduction.....	27
Selected Rule Review.....	28
Attestation Engagements	28
Independence	29
Firm License Requirements.....	30
Professional Standards.....	31
Integrity and Objectivity	33
Confidential Client Communication.....	34
Compensation Issues	36
Discreditable Acts.....	39
Records and Work Papers.....	41
Reportable Events.....	43
Withdrawal or Resignation.....	43
Chapter 3 Review Questions	47

Chapter 4 Case Studies	49
Introduction.....	49
Case Study: Earnings Manipulation.....	49
Case Study: Errors in Due Diligence.....	57
Case Study: Accounting Estimates.....	63
Case Study: Client Confidentiality.....	71
Appendix 1 Words of Wisdom	75
Review Question Answers	77
Index	81
Final Examination	83