

Ethics for CPAs

**Module 2 covers
Chapters 3 and 4**

Published and Distributed by
The CPE Store, Inc.
www.cpestore.com

Table of Contents

Chapter 1 - An Overview of Ethics.....	1
Learning Objectives	1
Introduction	1
Ethical Concepts	1
Ethical Surveys.....	3
Review Questions	12
Review Answers.....	13
Chapter 2 - Ethics for Accounting & Auditing Professionals	15
Learning Objectives	15
Introduction	15
Principles of Professional Conduct	15
Fraudulent Acts	22
Statistics Regarding Fraud.....	24
Types of Financial Statement Fraud	28
Noteworthy Accounting Scandals.....	31
Sarbanes-Oxley Act of 2002	34
Ethics & Independence Rules for Auditors.....	38
Review Questions	50
Review Answers.....	51
Chapter 3 - Accounting & Auditing Cases	53
Learning Objectives	53
Introduction	53
Corporate Fraud Cases.....	53
Auditor Violation Cases.....	59
Review Questions	74
Review Answers.....	75
Chapter 4 - Ethics for Tax Professionals	76
Learning Objectives	76
Introduction	76
Tax Fraud.....	76
Statements on Standards for Tax Services (SSTS).....	78
Tax Preparer Penalties under Title 26 – Internal Revenue Code	80
Abusive Tax Return Preparers	82
Statistical Data – Abusive Tax Return Preparers.....	83
Case Examples – Abusive Tax Return Preparers.....	83
Corporate Tax Fraud	85
Statistical Data – Corporate Tax Fraud.....	85
Case Examples – Corporate Tax Fraud.....	86
Abusive Tax Schemes.....	89

Statistical Data – Abusive Tax Schemes	91
Case Examples – Abusive Tax Schemes.....	91
Review Questions	94
Review Answers.....	96
Glossary.....	99
Index	109