

# **Ethics for Florida CPAs**

---

# Table of Contents

---

<b>Chapter 1 – Ethics and Ethical Reasoning .....</b>	<b>1</b>
Learning Objectives .....	1
Introduction.....	1
Ethical Reasoning and Accountants .....	2
Conclusions and Implications.....	3
Ethical Dilemmas in Accounting .....	4
Example .....	4
Solutions.....	4
Perceptions of Ethics across Different Professions .....	4
Quotes on Ethics and Integrity .....	5
Review Questions.....	7
Review Answers .....	8
<b>Chapter 2 – AICPA Code of Professional Conduct.....</b>	<b>9</b>
Learning Objectives .....	9
Introduction.....	9
AICPA's Code of Professional Conduct.....	9
Applying Threats and Safeguards Approach to Ethics Violation Cases .....	13
Ethical Conflicts Unrelated to Threats .....	14
Summaries of the Eleven Rules of Conduct .....	14
1.100 – Integrity and Objectivity Rule.....	14
1.200 – Independence Rule .....	18
1.300 – General Standards Rule .....	28
1.310 – Compliance with Standards Rule.....	29
1.320 – Accounting Principle Rule.....	29
1.400 – Acts Discreditable Rule .....	29
1.510 – Contingent Fees Rule.....	32
1.520 – Commissions and Referral Fees.....	33
1.600 – Advertising and Other Forms of Solicitation Rule .....	33
1.700 – Confidential Client Information Rule.....	34
1.800 – Form of Organization and Name Rule.....	34
Review Questions.....	38
Review Answers .....	39
<b>Chapter 3 – Florida Ethics.....</b>	<b>41</b>
Learning Objectives .....	41
Introduction.....	41
61H1 – Board of Accountancy Rules.....	41
Independence (61H1-21.001) .....	41
Integrity and Objectivity (61H1-21.002) .....	41
Contingent Fees (61H1-21.005) .....	41
Communication with Client of another Certified Public Accountant (61H1-21.006) .....	42
Competence (General Standards) (61H1-22.001) .....	42
Confidential Client Information (61H1-23.001).....	42
Records Disposition Responsibility (61H1-23.002).....	42
Advertising (61H1-24.001) .....	43
Form of Practice and Name-Shared Office Space (61H1-26.001).....	44
Licensure of Florida Certified Public Accountant Firms (61H1-26.003).....	45
Changes by Firms (61H1-26.004) .....	45
Change of Address of Record (61H1-26.005).....	46
Florida 473: Regulation of Professions and Occupations – Public Accountancy.....	46
Definitions (473.302(8)).....	46
Board of Accountancy (473.303).....	47
Licensure (473.308).....	47

## Table of Contents

Practice requirements (473.309) .....	47
Licensure of firms or public accounting firms (473.3101) .....	48
Continuing education (473.312) .....	48
Peer review (473.3125).....	50
Certified public accountants licensed in other states (473.3141).....	50
Independence and technical standards (473.315) .....	51
Communications between the accountant and client are privileged (473.316).....	51
Ownership of working papers (473.318).....	52
Commissions or referral fees (473.3205).....	52
Fictitious names (473.321).....	52
Prohibitions and penalties (473.322) .....	52
Disciplinary Proceedings – Chapter 455 and Chapter 473 .....	53
Disciplinary proceedings (455.225) .....	53
Grounds for discipline and enforcement (455.227 and 473.323) .....	54
Criminal proceedings against licensees (455.2274).....	56
Penalty for giving false information (455.2275).....	57
Review Questions.....	58
Review Answers .....	59
<b>Appendix – AICPA Ethics FAQ .....</b>	<b>61</b>
<b>Glossary.....</b>	<b>67</b>
<b>Index .....</b>	<b>71</b>