

Ethics in Accounting – Guided Notes

- **What are ethics?**

- A sense of _____ in a society as to what is right and what is wrong
- Ethics represent a set of _____, rules of conduct or values.
- Ethics apply when an individual has to make a decision from various _____ regarding moral principles.

- **Objectives of Professional Accountants**

- Work to the highest standards of _____.
- Attain the highest levels of _____.
- Meet the public's _____.

- **5 Ethical Principles for Accountants**

- 1.
- 2.
- 3.
- 4.
- 5.



- **Integrity**

- Imposes an _____ on all professional accountants to be straightforward and _____ in performing professional services.
- It also implies fair dealing and truthfulness.
- Professional accountants should avoid the intentional opportunity to _____ and _____ financial information.

Name: _____

Date: _____

- **Objectivity**

- Imposes on all professional accountants not to compromise their professional or business judgment because of bias, _____ or undue influence of others.
- A conflict of interest arises in the workplace when an employee has competing _____ or _____ that either is or potentially can be, at odds with each other.
- A conflict of interest causes employees to struggle between diverging interests **True or False**

- **Professional Competence and Due Care**

- To exercise sound judgment, an accountant must stay _____ developments that could affect a decision's outcome.
- Due care simply refers to the _____ which is expected from a _____ person under the circumstances.



- **Confidentiality**

- A professional accountant should _____ the confidentiality of information acquired as a result of professional and business relationships
- Accountants should disclose all information to third parties, even without proper and specific authority **True or False**

- **Professional Behavior**

- A professional accountant should comply with relevant _____ and _____ and should avoid any action that discredits the profession.