## CONTENTS

**Preface**  
**About the Authors**

### 1 Introduction to Applied Professional Research

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is Research?</td>
<td>2</td>
</tr>
<tr>
<td>Research Questions</td>
<td>3</td>
</tr>
<tr>
<td>Nature of Professional Research</td>
<td>5</td>
</tr>
<tr>
<td>Critical Thinking and Effective Communication</td>
<td>7</td>
</tr>
<tr>
<td>Economic Consequences of Standards Setting</td>
<td>7</td>
</tr>
<tr>
<td>Role of Research in the Accounting Firm</td>
<td>7</td>
</tr>
<tr>
<td>Skills Needed for the CPA Exam and Practice</td>
<td>9</td>
</tr>
<tr>
<td>Overview of the Research Process</td>
<td>11</td>
</tr>
<tr>
<td>Step One: Identify the Relevant Facts and Issues</td>
<td>11</td>
</tr>
<tr>
<td>Step Two: Collect the Evidence</td>
<td>12</td>
</tr>
<tr>
<td>Step Three: Analyze the Results and Identify the Alternatives</td>
<td>13</td>
</tr>
<tr>
<td>Step Four: Develop a Conclusion</td>
<td>14</td>
</tr>
<tr>
<td>Step Five: Communicate the Results</td>
<td>14</td>
</tr>
<tr>
<td>Data Analytics in Accounting and Auditing Research</td>
<td>14</td>
</tr>
<tr>
<td>Summary</td>
<td>16</td>
</tr>
<tr>
<td>Discussion Questions</td>
<td>16</td>
</tr>
<tr>
<td>Exercises</td>
<td>17</td>
</tr>
<tr>
<td>Appendix: Research Focus on the CPA Exam</td>
<td>17</td>
</tr>
</tbody>
</table>

### 2 Critical Thinking and Effective Writing Skills for the Professional Accountant

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical Thinking Skills</td>
<td>21</td>
</tr>
<tr>
<td>Levels of Thinking</td>
<td>23</td>
</tr>
<tr>
<td>Universal Elements of Reasoning</td>
<td>26</td>
</tr>
<tr>
<td>An Example of Using Critical Thinking Skills</td>
<td>27</td>
</tr>
<tr>
<td>Effective Writing Skills</td>
<td>28</td>
</tr>
<tr>
<td>Writing as a Process</td>
<td>29</td>
</tr>
<tr>
<td>Punctuation Primer</td>
<td>30</td>
</tr>
<tr>
<td>Improved Writing Skills Required</td>
<td>33</td>
</tr>
<tr>
<td>Active Voice</td>
<td>33</td>
</tr>
<tr>
<td>Short Sentences</td>
<td>33</td>
</tr>
<tr>
<td>Definite, Concrete, Everyday Language</td>
<td>34</td>
</tr>
<tr>
<td>Tabular Presentation</td>
<td>34</td>
</tr>
</tbody>
</table>
5 The Environment of International Research 86

International Accounting Environment, 86
International Accounting Standards Board (IASB), 88
   IASB Authorities, 90
   IASB Due Process, 91
   Interpretations Committee Due Process, 92
   IASB’s Conceptual Framework, 92
   Principles-Based Accounting Standards, 93
IFRS Funding, Regulation, and Enforcement, 94
International Financial Reporting Standards (IFRS) Research, 95
   IFRS Hierarchy, 95
   Electronic International Financial Reporting Standards (eIFRS), 96
Summary, 100
Discussion Questions, 100
Exercises, 101
Knowledge Busters, 102

6 Other Research Databases and Tools 103

Other Database Research Strategies, 103
   Step One: Define the Information Needed, 104
   Step Two: Determine the Sources to Search, 104
   Step Three: Use Search Techniques and Tools, 105
   Step Four: View the Results and Manage the Information, 105
U.S. Accounting Research Tools, 106
   Leading Publishers of Global Financial Information, 106
   Commercial Accounting Databases, 107
   AICPA’s Reference Sources, 108
U.S. Government Accounting Databases, 108
   GASB’s Government Accounting Research System™ (GARS Online), 109
   Federal Accounting Standards Advisory Board Handbook of Authorities, 109
Financial Research Databases, 109
   S&P Capital IQ, 111
CONTENTS

Mergent Online, 112
Thomson ONE, 113
Other Financial Databases and Sources, 113
Financial Research Challenges, 114
Business Research Databases and Tools, 115
Article Index Databases, 115
International Business Sources, 116
Specialized Research, 116
Massive Legal Research Databases, 117
LexisNexis and its Lexis Advance, 117
Nexis Uni™ Replaces LexisNexis Academic, 118
Westlaw, 119
Emerging Legal Databases: Bloomberg Law and Fastcase, 119
Summary, 120
Discussion Questions, 120
Exercises, 121
Appendix 6A-1: Website Addresses, 122

7 TAX RESEARCH FOR COMPLIANCE AND TAX PLANNING 124

Tax Planning Concepts and Tax Research Goals, 124
Tax Research Goals, 125
Tax Research Challenges, 126
Specialized Tax Research Databases, 127
Thomson Reuters Checkpoint®, 128
Primary Tax Authorities, 128
The Code, 129
Treasury Regulations, 131
Steps in Conducting Tax Research, 137
Step One: Investigate the Facts and Identify the Issues, 137
Step Two: Collect the Appropriate Authorities, 137
Step Three: Analyze the Research, 140
Step Four: Develop the Reasoning and Conclusion, 142
Step Five: Communicate the Results, 143
Evolving Professional Concerns and Changes, 145
Professional Standards for Tax Services, 147
Data Analytics in Tax Research, 149
Summary, 150
Discussion Questions, 150
Exercises, 150
Knowledge Busters, 153
Appendix 7A-1: Website Addresses, 154

8 ASSURANCE SERVICES AND AUDITING RESEARCH 155

Assurance Services, 156
Consulting Services and Standards, 156
Attestation Services and Standards, 158
Auditing Standard-Setting Environment, 160
Auditing Standard-Setting Process, 161
   Auditing Standards Board (ASB), 161
   Public Company Accounting Oversight Board (PCAOB), 165
   International Auditing & Assurance Standards Board (IAASB), 167
   AICPA Online Professional Library, 167
AICPA Code of Professional Conduct, 169
Auditing Standards in the Public Sector, 171
RIA Checkpoint, 172
Compilation and Review Services, 174
Role of Judgment and Professional Skepticism in Accounting and
   Auditing, 175
Economic Consequences, 175
Data Analytic in Auditing Research, 176
Summary, 177
Discussion Questions, 177
Exercises, 178
Data Analytics Cases, 178
Appendix: CPA Exam Audit Simulation, 179

9 Refining the Research Process 181
Method for Conducting Research, 181
   Step One: Identify the Issues or Problems, 183
   Step Two: Collect the Evidence, 184
   Step Three: Analyze the Results and Identify Alternatives, 188
   Step Four: Develop a Conclusion, 188
   Step Five: Communicate the Results, 189
Lessons Learned for Professional Practice, 190
Remain Current in Knowledge and Skills, 190
International Complexities in Practice, 192
Developing Professional Skills Needed for Practice, 192
Summary, 193
Discussion Questions, 193
Exercises, 193
Appendix 9A-1: Sample Brief Memorandum Using IFRS, 194
RE: Sony’s Goodwill and Segment Reporting, 194
   Facts, 194
   Issues, 194
Conclusions, 195
Authorities on goodwill, 195
Authorities on segment disclosure, 195
Application of authorities, 196
Appendix 9A-2: Abbreviations and Websites for Accounting, Auditing,
   and Tax, 196
CONTENTS

10  FORENSIC ACCOUNTING RESEARCH  202

Definition of Fraud,  203
Types of Fraud,  204
The Fraud Triangle,  206
Overview of a Financial Statement Fraud Examination,  207
  Step One: Identify the Issue and Plan the Investigation,  209
  Step Two: Gather the Evidence and Complete the Investigation
    Phase,  209
  Step Three: Evaluate the Evidence,  210
  Step Four: Report Findings to Management or Legal Counsel,  210
Business Investigations,  211
Computer Technology in Fraud Investigations,  212
  Data-Mining Software,  212
Data Analytics,  213
  Public Databases,  214
  The Internet,  217
Fraud Investigation Regulations,  217
Summary,  218
Discussion Questions,  218
Exercises,  218

INDEX  219