

Q3 Perception of auditor's independence In your opinion, what matters impact, either favourably or unfavourably, an auditor's independence?

Answered: 46 Skipped: 2

#	RESPONSES	DATE
1	Audit partner's relationship with company, its director and KMP, including longevity in role. Provision or potential provision of non-assurance services - both potential \$ reward and takeup of advice/strategy.	12/14/2021 4:13 PM
2	The provosion of any advice or consulting service that is not an audit/assurance service	12/3/2021 11:30 AM
3	Unfavourably - the provision of any non-assurance services to audit clients. Unfavourably - ex-partners and senior staff being on the board or employed by an audit client.	12/3/2021 10:42 AM
4	Size of audit client in terms of overall fees. Level of management oversight, like from an audit committee.	11/28/2021 1:22 PM
5	Fees	11/24/2021 11:44 AM
6	Favourably - audit partner and firm rotation and public disclosures. Unfavourably - audit client advocacy	11/23/2021 11:25 AM
7	The key matters that impact an auditors perceived independence unfavourably are if they advocate on behalf of their PIE audit client or if they promote their PIE audit client in any way.	11/19/2021 3:18 PM
8	Extensive reinforcement of independence requirements ingrains that mindset in auditors from early in their careers.	11/16/2021 8:47 AM
9	Per above it all come down to what suits the argument at a particular time. I have been an auditor for c30 years. Not once, not ever has another service line or arrangement influenced positively or negatively on my work. Yet if i cannot convince the market of that beyond any doubt then where do we go. The matters with impact depend on the position you bring to the discussion. Non audit \$ is a red herring but of course one that can be abused.	11/15/2021 9:20 AM
10	Firm culture has the most impact either way	11/14/2021 4:40 AM
11	The connection between the auditor and the client	11/13/2021 9:29 PM
12	Unfavourable - dependence on fees from additional services and the provost of the additional services by the same team or partner responsible for the Audit.	11/13/2021 6:26 PM
13	Value of other non assurance services provided	11/13/2021 4:55 PM
14	Commercial relationships, personal relationships, opinion shopping	11/13/2021 10:40 AM
15	When taken in its entirety, the Code is essentially designed to provide a framework that addresses the potential impact arising from the relationship between the auditor and the client. As stated in 100.1 A1, the purpose of the requirements and application material in the Code – which includes the framework for performing independent audits – is to enable a professional accountant to meet their responsibility to act in the public interest and not exclusively satisfy the needs of an individual client. There are always inherent threats that may be perceived to impact independence but these are already reduced to an acceptable level when the auditor complies with the independence standards and meets its responsibility to act in the public interest.	11/12/2021 4:55 PM
16	Unfavorable - providing accounting services Favorable - partner rotation	11/12/2021 4:08 PM
17	Perception and facts	11/12/2021 9:37 AM
18	The nature of the services that the auditor provides to their audit client can have a negative impact. Having audit partner roles rotating positively impacts	11/10/2021 7:08 PM
19	Services that involve a direct self review threat, however, this is addressed with the	11/10/2021 3:38 PM

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	restrictions and safeguards in the current professional standards	
20	there must have compelling reason to believe why providing NAS definitely will impact auditor's independence - perception is very subjective.	11/9/2021 12:58 PM
21	Fees relative to firm	11/9/2021 12:12 PM
22	Business/personal relationship with the client when providing any accounting services and advise.	11/9/2021 9:46 AM
23	Disclosure of the split of audit and non-audit fees provides me sufficient comfort	11/9/2021 8:51 AM
24	unfavourably	11/4/2021 7:03 PM
25	Multitude of factors, each needing to be considered in isolation and then in aggregate. Where an auditor provides NAS then overall fees certainly impact unfavourably on independence. The existence of any arrangements covered by Part 4A of APES 110 would also impact unfavourably on auditor independence. The converse would impact favourably. Essentially, an auditor of a PIE should just stick to auditing and ensuring the audit is appropriately resourced with set rotational requirements to mitigate familiarity and bias.	11/4/2021 3:31 PM
26	Transparency. I believe simply stating in the auditor report that any non-assurance services provided were in compliance with APES 110 and do not impair independence should be sufficient.	11/4/2021 11:36 AM
27	Disclosure	11/4/2021 5:19 AM
28	Level of Fees, Nature of Services	11/3/2021 9:26 PM
29	The amount of non-audit work. The lines have been blurred by the cowboy nature of PwC and Deloitte in this respect	11/3/2021 8:36 PM
30	I think it's important that we don't remunerate audit partners on their sales of servicesto audit clients but all Big 4 firms already have policies in place that manage this risk. I think it important to manage self-review threats and taking on management responsibilities. We take this seriously and ensure we as auditors, don't offer design or implementation of subject matters that we audit which helps maintain our objectivity. Auditors take this very seriously and have heavily invested in processes that manage our compliance with the requirements.	11/3/2021 8:35 PM
31	Making large revenue on non-assurance activities	11/3/2021 1:52 PM
32	Auditor being the audit partner, remunerating the audit partner for winning advisory / consulting services work will unfavourably impact on the audit partner's independence of mind and appearance	11/3/2021 11:20 AM
33	Revenue sharing	11/2/2021 5:27 PM
34	Revenue and profit sharing Performance measurement Clients perception of you as one firm	11/2/2021 5:22 PM
35	Provision of non-audit services Any measure of auditors performance by reference to work referred to other areas Sharing of revenue with non audit areas	11/2/2021 5:16 PM
36	Unfavourably - instances of multiple years of non-audit fee income significantly exceeding audit fee income (less concern if it is in one year but not pervasive). Favourably - Consideration of the independence risk, and steps taken to manage perception of lack of independence such as ethical dividers.	11/2/2021 3:55 PM
37	Commercial terms for non- audit related work. The fairness of the process non-audit work is allocated. The length of time an auditor has been in position versus the volume of non audit work undertaken	11/2/2021 2:18 PM
38	Favourably: a declaration by the auditor that they are independent; the reporting provided by the auditor; attendance and questions answered at an AGM. Unfavourably: a clear conflict of interest between audit team members and the client (e.g., familial relationships; a lack of appropriate reporting or declaration of independence.	11/1/2021 5:22 PM
39	Public technical understanding of independence can sometimes make a difference.	11/1/2021 12:54 PM
40	There is no question that audit firms, devoted to the highest of quality – need to be mindful of the prohibitions and restrictions on the services they may provide to audit clients. Yes, they need to be very careful that they do not perform prohibited services for their audit clients. And	10/31/2021 12:14 PM

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they also need to be aware of other restrictions that may be imposed by a client's audit committee and by standards such as APES 110 & the Corporations Act. However, this does not mean that auditors cannot provide any non-audit services to an audit clients, in fact the opposite is true – there are many non-audit services that auditors may and should provide audit clients. As auditors, they are often in the best position to provide non-audit services due to their extensive and in-depth knowledge of the audit client's operations, systems and processes. This is a strong reason that Auditors are often in the best position to provide other services to their clients, and while it is not a permission to perform a prohibited service, it is a reason why auditors should be invited to propose on providing non-audit services to audit clients. And, if the services are permissible for an auditor, it is a great reason why the auditor should be chosen to provide the non-audit service. Accordingly, an audit firm should not be limited in the provision of non-audit services to an audit client by the arbitrary imposition of restrictions on NAS's that go beyond IESBA where such risk/benefit analysis has already been assessed. In Australia, what evidence is there that the Audit/NAS risk profile is different?

41	Yes	10/30/2021 8:06 PM
42	Type of services and quantum of non audit services	10/30/2021 7:07 PM
43	Remuneration structure of audit partners. From personal experience, I know how much pressure is on audit partners to sell additional services. As I was once told by my assessor, "you realise revenue is the only thing that matters?".	10/30/2021 1:05 PM
44	Unfavourably - engagement and fee dependence (both of audit firm and of engagement partner), desire to sell additional services, involvement in transaction design or assisting client to achieve a client-desired outcome	10/29/2021 10:35 PM
45	Key Audit Findings noticed and re-portable to the stakeholder, are compromised.	10/29/2021 5:32 PM
46	1. Fee dependence 2. Provision of Non Assurance Services, which increases the fee dependence 3. Reputation competition - firms vying to attain and maintain the audit of large companies	10/29/2021 5:21 PM