Threats to fundamental principles – APES 110, para. 100.12

(Advanced Audit and Assurance Module 1, page 26)

Semester 2, 2016

- Self-interest
  - Example: owning shares in the audit client

- Self-review
  - Example: preparing and auditing the same financial statements

- Advocacy
  - Example: acting as the audit client's expert witness in a legal dispute

- Familiarity
  - Example: the CEO of the audit client is married to the audit partner

- Intimidation
  - Example: the audit client threatened to fire the auditor if the opinion is not favourable

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