Independence

Accounting & Finance

The threats to auditor objectivity, and the safeguards.

Threat and safeguard.

Threat	Arises from	Safeguard
Self-interest	Fee dependence	Cap fees from one client
Self-review	Auditing your own work	Separate teams or decline
Advocacy	Representing the client	Decline the role
Familiarity	Long tenure, personal ties	Partner rotation
Intimidation	Threat of dismissal	Governance channels

Educational reference. Rules on non-audit services and rotation differ by jurisdiction and are tighter for listed entities.