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THREATS OF PERSONAL TIES TO AUDITOR INDEPENDENCE IN SAUDI ARABIA: AN EMPIRICAL INVESTIGATION

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Abstract: As "social animals," auditors rely on the data and the social influences of their clients (Kleinman & Palmon, 2001, 10), putting their independence at risk. While conducting an audit, an auditor is not working alone. The auditor must communicate with the client management while performing the audits, which may negatively impact the auditor's independence in a number of ways. Only the auditor can determine whether the audit was conducted objectively or if its independence has been compromised. The survey respondents agree that, in their experience, 15 of the 20 personal ties-related factors that were included in the study had an impact on the independence of Saudi Arabia's auditors. Despite the fact that respondents agreed that auditors can keep their personal feelings distinct from their professional judgement, they were confused about whether or not ties with client management had a detrimental impact on objectivity and independence. Auditors have the option to refuse to let personal relationships compromise their objectivity. They may reply in real-time to the seduction of their client management.

Keywords: Independence; Personal Ties; Auditing; Threats.

1. INTRODUCTION

After Saudi Arabia joined the G-20, one contends that the Saudi capital market has become an area of interest for investors. Investors depend on accurate and reliable financial statements to make informed decisions to supply corporations with the capital they demand (Harris, 2016).[1] Corporate reporting conveys information needed for rationalizing investors' decisions because companies do not voluntarily supply information that the public needs (*The Economist*,

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2000), the law holds certified public accountants responsible for assuring all members of sociality have equal access to dependable information (Moehler *et al.*, 2006, xxii, 6). Apparently, the accountancy profession is the most trusted in the world (Moehler *et al.*, 2006, xxii, 6).

Auditors are in a social contract with their society (Previts, 1992). Auditors play a role in ensuring the quality of financial reports and are key information sources for many important economic decisions (Guan *et al.*, 2016). By certifying such reports for users, external auditors build confidence in the capital markets.

A licenced external party who has sufficient experience to examine and attest the company's financial statements (Brink & Witt, 1982) is essential for the effectiveness of the corporate model. The auditor's report is the final output of this organised and multi-step process, as it must contain the auditor's opinion regarding the audit that has been performed. There are many important qualities that the external auditor must possess, among which are honesty, integrity, and independence. Objectivity and neutrality are assumed so that external auditors are impartial when performing their audits and, more importantly, when the leading partner reports the findings of the audit team. "Independence enhances the auditor's ability to act with integrity and objectivity and maintain an attitude of professional skepticism" (ISA 200, 2009).

There is a plethora of research studies on doubt in the objectivity of paid self-biased professionals (e.g., Al-Adeem, 2015; 2022; Aveh *et al.,* 2016; Bazerman *et al.,* 1997; Bazerman *et al.,* 2002; Bazerman & Moore, 2011; Belkauoi, 2017; Brehmer; 2013; DeZoort *et. al.,* 2012; 2015; Green, 2008; Kleinman & Palmon, 2001; Kleinman *et. al.,* 2012; Livne, 2013; Lowenstein *et al.,* 2002; Mautz, & Sharaf, 1961/2006; McKenna, 2013; Murnighan & Bazerman,1990; Nouri & Lombardi, 2009; O'Connor, 2002; Reiter & Williams, 2004; Shockley, 1981; Taylor *et. al.,* 2013; Tinker *et al.* 1982; Tinker & Sy, 2017; Turnbull, 2006). Some of such studies proposed alternative models for auditor independence and possible remedies (Al-Adeem, 2022; DeZoort *et. al.,* 2012; 2015; Ronen, 2006; 2010; Ronen & Sagat, 2007; Taylor *et. al.,* 2003).

The auditor's relationships with the audit client serve as an appropriate yardstick for evaluating his independence (Olson, 1980). Auditor independence can only be openly disclosed by auditors (Schneider *et al.*, 2006). According to the definition of a judge in a courtroom, auditors who partially perform their audits independently of the senior management may "lie" about their independence (Turnbull, 2006). According to Kleinman & Palmon (2001), auditors are "social animals" that really rely on information. For access to shared knowledge (Eilifsem *et al.*, 2001, as quoted in Fontaine, 2010) and authentic information, auditors are dependent on others, especially the client (Kleinman & Palmon, 2001). Auditor dependencies on data and client social pressures put them at risk of losing their independence because they are "social animals" (Kleinman & Palmon, 2001).

This study on the independence of the auditor sheds light on a possibility that may affect the auditor's independence. Specifically, this paper mainly investigates whether personal ties between auditors and company employees affect their independence. Saudi Arabia is suitable to test such a proposition of social ties and the norm in Saudi society.

The remainder of the paper is constructed as follows: Section 2 reviews related literature. Section 3 presents the research instrument used for data collection. Section 4 shows the findings and discusses them. Section 5 concludes that the majority of auditors agree that personal relationships affect their independence. Section 5 also highlights limitations that constrain such conclusions and provides directions for future research.

2. LITERATURE REVIEW

2.1. Personal relationships in the work environment

Interpersonal relationships among managers have their pros and cons. For example, in coalition operations, interpersonal relationships enable the building and strengthening of trust and the reduction of uncertainty, as well as speeding up the process (Adobor, 2006). Personal relationships between a CEO and members of the board of directors are found to have a negative impact on the accounting reserve and the quality of internal control (Yin *et al.*, 2020).

On the other hand, these relationships can cause conflicts of interest as they tie the fate of business to these relationships (Adobor, 2006). Personal relationships within supply chain relationships have many advantages for developing trust (Gligor & Holcomb, 2013, as cited in Butt, 2019). Personal relationships with purchasing companies are positive because these relationships are necessary for reaching a large group of suppliers (Butt, 2019).

Conflicts of interest increase among managers who develop personal relationships with their counterparts (Butt, 2018). Relationships between managers facilitate the flow of data and information (Fracassi & Tate, 2012).

A balance in using these relationships is needed to minimise negative aspects (Adobor, 2006). Organisations must set policies to limit the negative impact of personal relationships; these policies need to be clear to all employees, and there must be penalties for those who violate these policies (Butt, 2018).

2.2. Effects of personal relationships on auditor independence

Favourable client relations "are the source of professional satisfaction and sustained billing that provide a strong power base with which to influence internal affairs" (Hinings *et al.*, 1991: 377). Client relationships for the firm and the necessity to better understand the type of relationship the client needs to develop with the auditor are important (Fontaine & Pilote, 2012, p. 2). Therefore, an internal policy governing "social relationships with clients" (Ference, 2013) should be implemented in the workplace.

Researchers report contradicting evidence regarding the effect of personal relationships on auditor independence. The positive relationship between the external auditor and members of the audit committee facilitates the exchange of information, reduces errors, and enables dialogue when there are contentious problems (Kown & Yi, 2018; He *et al.*, 2017; Gibbons, 2004).

On the other hand, personal relationships with the management may pressure the auditor to state impartial opinions considering the client's reaction to the relationship being affected or limit the necessary and strict scrutiny (He *et al.*, 2017). For an auditor, serving the relationship with a client may not lead to benefits to the public (Al-Adeem, 2015; Kown & Yi, 2018), including intended users, mainly shareholders, and other beneficiaries of the audited financial statements (Al-Adeem, 2022). Examining the relations between auditors and executive management, Guan *et al.* (2016) reported the possibility of collusion between them, which weakens the quality of auditing. Such relationships hinder the work of auditors as they reduce their ability to report deficiencies (Bruynseels & Cardinaels, 2014). Arthur Andersen represents a case where "the size of the partnership had gone beyond the ability of its members to maintain personal relationships and personal trust" (Squires *et al.*, 2003).

2.3. Auditor's independence

The superiority of completed audits is enhanced by the awareness of auditing's relevance (Institute of Chartered Accountants in England and Wales 2011, as referenced in Francis 2011, 321). If the intended recipients of the auditor's opinions are not self-sufficient, the audit function does not contribute value to the market players, who are considered third (non-contracting) parties (George, 1992), as well as to the auditors' society at large (Fogarty, 2003). The lack of independence renders the accounting and auditing professions worthless (Salehi, 2009a; 2009b). For the general public, it is crucial to understand that auditors are impartial towards their customers (Shockley, 1981). This view is largely what determines the position of auditors in society.

Independence assures the existence of auditing and supports its status as a profession (Jenkins, 1999). "Independent auditing" (Mautz & Sharaf, 1961/2006) is what the public assumes that certified accountants conduct. "Without auditor independence, an engagement is not an audit but, rather, a consulting engagement conducted on behalf of the management" (Jeanette Franzel, as quoted in Kranacher 2012, 80). [2].

Independence is the perfect state for the audit function to be in (Al-Adeem, 2022), the foundation stone of the audit profession and its dear quality (Hemraj, 2002), and "the bedrock of auditors claims to professional status and public stewardship" (Kleinman & Palmon, 2001). Independence is identical to "objectivity and the ability of the auditor to resist auditee pressure" (Sahnoun & Zarai, 2011).

However, the notion that auditing is a methodical and objective process is contested (Power, 1996). According to Mautz and Sharaf (1961/2006), Xu & Wang (2004), and others, the auditing profession lacks any "built-in" qualities that would reassure sceptics of its objectivity. Instead, the auditing function has "built-in anti-independence factors" (Mauts & Sharaf, 1961/2006). According to Power (1996), the audit role is "far from being objective and neutral." Additionally, the nature of accounting may enable experts to be "neutral" or "independent" (Tinker & Sy, 2017). No one is an island unto themselves, and independence is always a relative phrase, according to Vanasco (1996). Auditor independence is impacted by a variety of circumstances (Appelman, 2017). As a result, the idea of independence is an ideal that does not work well in a world devoid of ideals (Al-Adeem, 2022).

The extent to which an independent audit can be provided surrounded by "inherited independence-impairing conditions" similar to those between auditors and their clients is a concern (Kranacher, 2012). Such a concern affects how to define auditing. Carey (2008, 302) argued that

> *"Independence should not be defined liberally as to permit relationships that would be likely to erode public confidence in the CPAs' objectivity, but it should not be defined so strictly as to inhibit the rendering of useful services when the likelihood of such erosion is remote."*

Green (2008) emphasised the improperness of using complete and literal independence from the client's definition of independence. Apparently, independence cannot be rigorously well defined in some measure for the reason that auditees compensate auditors (Green, 2008). Being independent is a matter of choice for an individual auditor. An auditor is the only one who can tell if his independence has been compromised (Schneider *et al.*, 2006). Independence is a state of mind. Fornelli (2012) [3], who is the executive director of the Centre for Audit Quality, noticed that

> *"It is up to each individual on the audit team to discharge his or her professional responsibilities to perform a quality audit and for their firms to cultivate an environment where independence, objectivity, and skepticism are visibly valued attributes, reinforced by their internal systems of quality control".*

Additionally, while auditing the financial statement data, auditors employ professional scepticism in order to improve the quality of financial information provided to clients (Joshi, 2020).

Arguably, the independence of the auditor has no single and agreed-upon definition. As a result, the best that can be achieved is that the auditor is far from everything, which could harm the objectivity of his opinion and avoid relationships that may lead to a conflict of interest (Carey& Doherty, 1966).

3. RESEARCH METHOD

The accounting literature has somewhat established that auditors are the only ones who can determine whether they are objective (Schneider *et al.*, 2006; Fornelli, 2012). The best tool for examining auditors' perceptions of the potential influence of interpersonal relationships on auditor independence is a questionnaire.

Twenty items make up the two halves of the survey. The survey items for this study were created using data from earlier studies. Table 1 lists all items' origins and any modifications that have been made to them.

Table 1: Measures Used in the Survey

Statements	*Source*	*Originally appeared in the source as*
If auditors maintain friendly relationships with their clients, their reliability will be questioned	Albaqali & Kukreja, 2017	Same in the original
Receiving gifts from clients compromises auditor independence and objectivity	Albaqali & Kukreja, 2017	Same in the original

Statements	*Source*	*Originally appeared in the source as*
A lengthy relationship between an auditor and a client is a threat to auditor independence and objectivity	Albaqali & Kukreja, 2017	Same in the original
Auditor Independence is impaired if one of the audit client's directors was the audit partner in charge of the audit last year	Tempone & Richardson, 2006	Same in the original
Auditor Independence is impaired when the auditor performs the audit for the client for more than five years	Tempone & Richardson, 2006	Same in the original
The implementation of audit partner rotation enhances auditor independence and objectivity	Albaqali & Kukreja, 2017	Same in the original
The rotation requirement of audit partners can replace the rotation requirement of the audit firm	Albaqali & Kukreja, 2017	Same in the original
The existence of an audit committee safeguards auditor independence if its members are composed of a majority of independent and non-executive directors	Albaqali & Kukreja, 2017	Same in the original
The auditor can separate his/her feelings from his professional judgment	Developed by the authors	
Auditor independence is impaired if the audit partner in charge of the audit regularly plays football or entertains with the managing director	Tempone & Richardson, 2006	Auditor independence is impaired if the audit partner in charge of the audit regularly plays golf with the managing director.
Auditor independence is impaired if the auditor has purchased a new car from the audit client at a discount available to the employees of the audit client	Tempone & Richardson, 2006	Same in the original.
Auditor independence is weakened if one of the auditor's closest relatives is the client's financial controller	Tempone & Richardson, 2006	Auditor independence is impaired if the auditor's sister is the financial controller for the audit client.
Socio-cultural factors are inversely correlated with auditor independence and objectivity	Albaqali & Kukreja, 2017	Socio-cultural factors are positively correlated with AI& objectivity

Statements	*Source*	*Originally appeared in the source as*
Auditor independence is impaired by the auditor's previous dealings with the client	Khayrani,2020	The independence of the review is weakened if there was a previous interaction with the client
Auditor independence is impaired by the presence of financial interests and business relationships	Khayrani,2020	Audit independence is weakened when the auditor has financial interests and business relationships with the client
Auditor independence is impaired if the auditor obtains excessive privileges or hospitality	Khayrani,2020	Audit independence is weakened when the auditor receives excessive hospitality and privileges
The fear that personal relationships could be negatively affected prevents the auditor from expressing his/her opinion objectively and impartially	Developed by the authors	-----
Family relations negatively affect impartiality and independence	Senan& Sharma, 2017	Influence independence and neutrality by Family relation
Personal relationships negatively affect impartiality and independence	Senan& Sharma,2017	Influence independence and neutrality by Personal relation
Relationships with clients negatively affect impartiality and independence	Senan& Sharma, 2017	Influence independence and neutrality by relationship with clients

The items of the questionnaire were translated from Arabic to English and vice versa. Necessary modifications have been made to some items to make them suitable in the Saudi context.

To ensure the validity of the research tool and the accuracy of the translation, three evaluators reviewed, evaluated, and decided upon the accuracy of the translations of the items.

A pilot study was conducted that included at least fifteen people who have experience in accounting research. There were no fundamental issues, and all the suggested comments were taken into consideration.

A web-based survey in Arabic and English was distributed to increase the participation of subjects. While Arabic is the mother tongue in the country, English is the language of business. The questionnaire was sent to auditors via social media platforms like WhatsApp, Twitter, and LinkedIn. In addition, the email addresses of some accounting firms are listed on the website of the Saudi Organisation for Certified Public Accountants.

4. FINDINGS AND DISCUSSION

4.1. Demographic Data of the sample

Table 2 provides demographic data for the sample. 124 subjects responded to the survey. 81.5% of the subjects are Saudis, while 83.9% of them are male. Out of the sampled individuals, two are non-residents of Saudi Arabia. 45.2% of the sampled subjects report that they are 25 years or older but less than 30 years old, while 16.9% of them report that they are less than 25 years old. The remaining sampled subjects are older than 30 years.

43.5% of the sampled accountants work for one of the Big Four accounting firms, while 56.5% work for other organisations. Generally, the subject's accumulated work experience is also reviewed. Their experiences vary from 1 year to more than 10 years. 16.9% of them reported that they have one-year experience; 19.4% of them indicated that they have two-year experience; 12.9% revealed that they have as many as three-year experience; 10.5% reported that they have four-year experience; and 20.2% of them possessed 10 years of experience or more. Overall, the subjects have work experience in their respective fields. 55% of the respondents are auditors, and 3% of the surveyed subjects are partners.

Table 2: Demographic Data of the Sample

Category	*Description*	*Frequency*	*Percent*
Nationality	Saudi	101	81.5%
	Non-Saudi	23	18.5%
Geographic Location	Saudi	122	98.4%
	Egypt	1	0.8%
	Yemen	1	0.8%
Gender	Female	20	16.1%
	Male	104	83.9%

Age	Less than 25 years	21	16.9%
	25 years or more but less than 30 years	56	45.2%
	30 years or more but less than 35 years	20	16.1%
	35 years or more but less than 40 years	8	6.5%
	40 years or more but less than 45 years	5	4.0%
	45 years or more but less than 50 years	4	3.2%
	50 years or more but less than 55 years	3	2.4%
	55 years or more but less than 60 years	5	4.0%
	60 years or more	2	1.6%
Working Place	One of the Big Four	54	43.5%
	Not one of the Big Four	70	56.5%
Years of Experience	No experience	3	2.4%
	1 year	21	16.9%
	2 years	24	19.4%
	3 years	16	12.9%
	4 years	13	10.5%
	5 years	5	4.0%
	6 years	5	4.0%
	7 years	4	3.2%
	8 years	1	0.8%
	9 years	7	5.6%
	10 years or more	25	20.2%
Current Position	Auditor	68	54.8%
	Supervisor	24	19.4%
	Manager	20	16.1%
	Partner	4	3.2%
	Other	8	6.5%

4.2. Descriptive statistics

The descriptive statistics for the data are displayed in Table 3. The responses to the survey questions were computed to determine their mean and standard deviation. The values of the five class intervals and the scale points from the questionnaire are shown in Table 4 and were determined using the following formulas: Class width is equal to (maximum value minus minimum value)/the total number of scale points. According to this equation, it produced a class width of 0.80 (Al-Amri, 2011).

As shown in Table 3, the grand mean of all items equals 3.66, which indicates the overall agreement of the sampled individuals on the items included in the survey. They agree on 15 items, representing 75% of all items included in the survey, out of which they agree on 12 items and strongly agree on 3 items. They agree at the baseline of the investigation that socio-cultural factors are inversely correlated with auditor independence and objectivity. Three more items in the survey explore the threats of personal ties on auditor independence, namely the fear that personal relationships could be negatively affected, which prevents the auditor from expressing his or her opinion objectively and impartially; family relations negatively affect impartiality and independence; and personal relationships negatively affect impartiality and independence.

Several factors that are related to personal ties impair independence: auditor independence is impaired by the presence of financial interests and business relationships; auditor independence is impaired if the auditor obtains excessive privileges or hospitality; receiving gifts from clients; and a lengthy relationship between an auditor and a client are threats to auditor independence and objectivity. Also, auditor independence is impaired if one of the audit client's directors was the audit partner in charge of the audit last year and when the auditor performs the audit for the client for more than five years. Also, auditor independence is impaired if the auditor has purchased a new car from the audit client at a discount available to the employees of the audit client. Lastly, auditor independence is weakened if one of the auditor's closest relatives is the client's financial controller.

The independence of auditors can be improved by certain corporate governance practises. The respondents concur that an audit committee's presence protects auditor independence if the majority of its members are independent and non-executive directors. They also concur that changing audit partners improves the independence and objectivity of auditors.

Only 25% of the total items are still subject to disagreement among the survey subjects. Subjects disagree that having cordial ties with clients calls into question their credibility and that an auditor's prior interactions with clients compromise independence.

They were unsure whether the rotation requirement of audit partners replaces the rotation requirement of the audit firm, whether auditor independence is impaired if the audit partner in charge of the audit regularly plays football or entertains with the managing director, and whether relationships with clients negatively affect impartiality and independence.

Table 3: Descriptive Statistics

#	*Statements*	*Mean*	*SD*	*Max*	*Min*
1	If auditors maintain friendly relationships with their clients, their reliability will be questioned.	2.40	1.07	5	1
2	Receiving gifts from clients compromises auditor independence and objectivity.	4.25	0.89	5	2
3	A lengthy relationship between an auditor and a client is a threat to auditor independence and objectivity	3.57	1.20	5	1
4	Auditor Independence is impaired if one of the audit client's directors was the audit partner in charge of the audit last year.	3.48	1.23	5	1
5	Auditor Independence is impaired when the auditor performs the audit for the client for more than five years.	3.51	1.30	5	1
6	The implementation of audit partner rotation enhances auditor independence and objectivity.	3.85	1.23	5	1
7	The rotation requirement of audit partners can replace the rotation requirement of the audit firm.	3.35	1.19	5	1
8	The existence of an audit committee safeguards auditor independence if its members are composed of a majority of independent and non-executive directors.	4.04	0.96	5	1
9	The auditor can separate his/her feelings from his professional judgment.	4.05	0.95	5	1
10	Auditor independence is impaired if the audit partner in charge of the audit regularly plays football or entertains with the managing director.	3.28	1.21	5	1
11	Auditor independence is impaired if the auditor has purchased a new car from the audit client at a discount available to the employees of the audit client.	3.92	1.04	5	1
12	Auditor independence is weakened if one of the auditor's closest relatives is the client's financial controller.	4.31	0.89	5	1
13	Socio-cultural factors are inversely correlated with auditor independence and objectivity.	3.56	0.98	5	1

14	Auditor independence is impaired by the auditor's previous dealings with the client.	2.59	1.07	5	1
15	Auditor independence is impaired by the presence of financial interests and business relationships.	4.42	0.84	5	2
16	Auditor independence is impaired if the auditor obtains excessive privileges or hospitality.	3.89	1.20	5	1
17	The fear that personal relationships could be negatively affected prevents the auditor from expressing his/her opinion objectively and impartially.	3.58	1.13	5	1
18	Family relations negatively affect impartiality and independence.	4.15	0.80	5	2
19	Personal relationships negatively affect impartiality and independence.	3.89	1.01	5	2
20	Relationships with clients negatively affect impartiality and independence.	3.12	1.23	5	1
Grand Mean		3.66			

Table 4: Weighted Values of 5-point Likert scale

	Strongly Disagree	*Disagree*	*I Do Not Know*	*Agree*	*Strongly Agree*
Values of the scale points	1	2	3	4	5
Class intervals	1-1.80	1.81-2.60	2.61-3.40	3.41-4.20	4.21-5

Source: Al-Amri (2011)

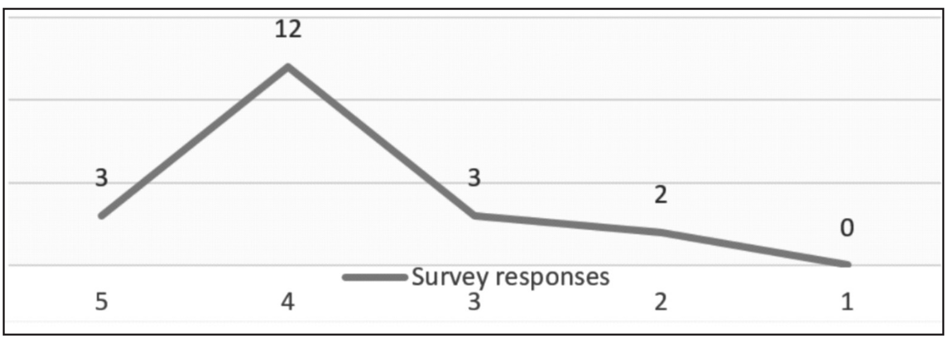

Figure 1: Distribution of Respondents' Agreement toward Survey Items

Interacting with clients affects auditors' independence in several ways. Even though respondents concur that auditors can separate their feelings from their professional judgement, they are unsure that relationships with clients negatively affect impartiality and independence. Auditors can choose not to permit personal ties to threaten their independence. At the same time, they can respond to their client management's seduction. That is because, as Brandies (1914, p. 56) once stated, "No man can serve two masters". Probably obeying the master with whom the auditor personally interacts, particularly with the weak corporate governance mechanism, and paying the fees is economically optimal (Al-Adeem, 2015). Recently, the auditor-client relationship has been conceptualised as a partnership where the auditor can cooperate with the client management by creating an ally that may not be in the best interest of stakeholders, mainly shareholders (Al-Adeem, 2022).

5. CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

After reviewing some prior studies that were consistent with the existence of some threats that arise from relationships between the auditor and the employees of the client company, a questionnaire was developed and distributed to auditors in Saudi Arabia with the aim of examining threats of personal ties on the independence of the auditor. Surveyed subjects concur that personal relationships impair auditor independence. For instance, remuneration for services rendered to the client company is one threat that arises from relationships between the auditor and the employees.

Investors and society at large need to be educated on the idea of the auditor's independence in light of the possibility that the existence of some dangerous variables related to interpersonal relationships and socialising with their auditors may have an impact on independence. Early on in their educational journey, auditors should be made aware of the implications of establishing social connections with customers. Students studying accounting in particular should be exposed to situations that demonstrate the effects of auditors who violate their independence by failing to be sceptical of the distance they must maintain from their customers.

There are certain limitations to this study, which may prevent some generalisations from being made. The likelihood of generalising the study's findings may be impacted by the sample's modest size. Second, the majority of respondents to the survey were younger than 35. This would suggest that they are still rather young. This could be as a result of the survey's social media publication.

The distribution of the research instrument in future studies that aim to replicate this one may ensure that elders who practice audit participate. They could contribute instinctively to accounting studies with their experience. The sample size should also grow as a result of this.

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Conflict of Interest

There is no conflict of interest involved in the publication of this paper.

Notes

[1] A speech delivered at the International Corporate Governance Network (ICGN) Annual Conference. San Francisco, USA. Retrieved: https://pcaobus.org/news-events/speeches/speech-detail/auditor-independence-and-the-role-of-the-pcaob-in-investor-protection_616 last visit 11/24/2020.

[2] A talk delivered in March 2012 at the public meeting held by the Public Company Accounting Oversight Board (PCAOB) to deliberate possible ways to evaluate the independence concept

[3] In a statement Cindy Fornelli wrote to the PCAOB Public Meeting on Auditor Independence and Audit Firm Rotation, Washington, D.C., on Thursday, March 22, 2012, Retrieved from https://www.thecaq.org/news/written-statement-cindy-fornelli-pcaob-public-meeting-auditor-independence-and-audit-firm-rotation-2/, last visit: 1/24/2021.

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