

Fund Name		Prepared By		Reviewed By	
Year End		Date		Date	

Objective

1. To assist with the identification, evaluation and treatment of threats to compliance with the independence requirements;
2. To determine whether accepting any new client engagement or continuing any existing engagement would create any threats to compliance with the independence requirements.

Instructions

1. Prior to accepting any new engagement, or commencing any recurring engagement, consider the existence of any situation(s) that would create, or possibly create, a threat(s) to the independence requirements contained within APES 110.
2. Review **APPENDIX 1: Independence Threats (Below)** and consider the existence of any threats to independence resulting from the acceptance of the engagement.
3. Review **Client Cover sheet** and the fund's **trust deed** to determine the identity of the fund's trustees and members to assist in identifying any threats to independence.
4. Review **sections 290+ of APES 110** and consider whether any of the sample threats are present within this particular engagement.
5. List any identified situation(s) below along with the type of threat(s) resulting from the situation(s), evaluate each threat, and document the appropriate safeguard(s) to reduce the threat to an acceptable level.

Identified Situation 1:

Type of Threat	Evaluation	Treatment (Safeguard)
<input type="checkbox"/> Self Interest <input type="checkbox"/> Self Review <input type="checkbox"/> Familiarity <input type="checkbox"/> Advocacy <input type="checkbox"/> Intimidation	<input type="checkbox"/> Significant <input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low	

Identified Situation 2:

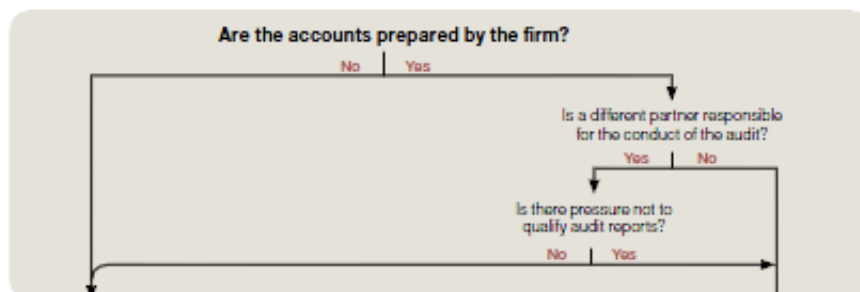
Type of Threat	Evaluation	Treatment (Safeguard)
<input type="checkbox"/> Self Interest <input type="checkbox"/> Self Review <input type="checkbox"/> Familiarity <input type="checkbox"/> Advocacy <input type="checkbox"/> Intimidation	<input type="checkbox"/> Significant <input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low	

- (Tick if applicable) We have reviewed APPENDIX 1 of this document along with the examples of
- ☐ threats contained within section 290+ of APES 110 and have not identified any independence threats associated with the acceptance or continuance of this engagement.

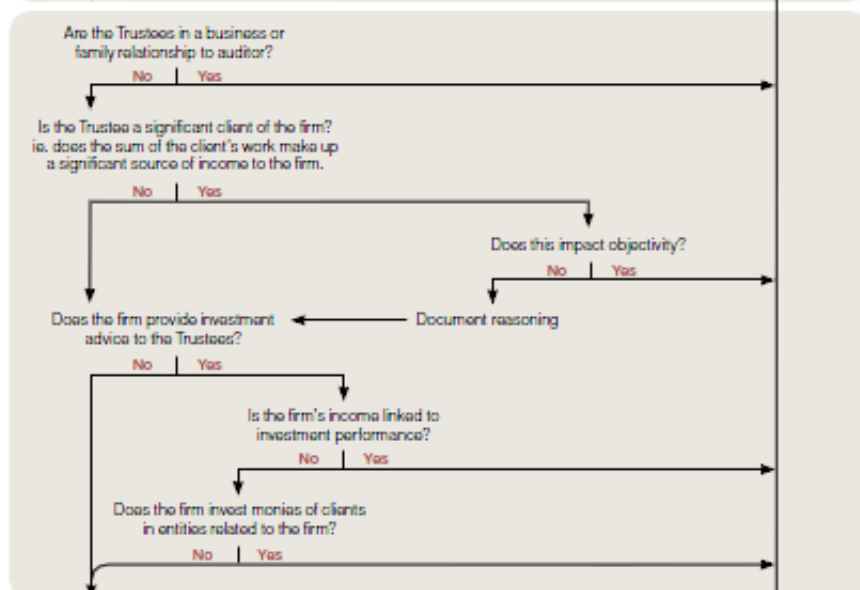
APPENDIX 1: Independence Threats

Identify threats

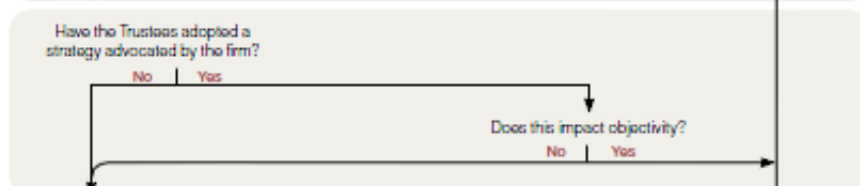
Self Review Threat



Self Interest Threat



Advocacy Threat



Intimidation Threat



No threats identified

Outsource audit to another firm.
Put in place safeguards to address threat.

Source: Independence Guide – Interpretations in a co regulatory environment (Joint Accounting Bodies)