

**EXHIBIT 2**  
Perceptions of CPA Firms' Independence

**Section A. General Statements**

(Scale: 1 for Strongly Disagree to 5 for Strongly Agree.)

1. Certified public accounting (CPA) firms should be independent of their audit clients.

Mean	(1)	(2)	(3)	(4)	(5)
4.93	0%	.7%	1.1%	3.4%	94.8%

2. CPA firms should be independent of their audit clients in fact.

4.89	.6%	1.1%	0%	5.2%	93.1%
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3. CPA firms should be independent of their audit clients in appearance.

4.63	2.9%	.6%	4.6%	14.9%	77.0%
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For statements 4–6, the former auditor, who is now employed by the audit client, served on the audit team that completed the prior year's audit.

4. A CPA firm's independence would be impaired on an audit engagement where a former senior-level auditor of the firm holds a supervisory accounting position.

3.07	17.2%	25.3%	13.8%	20.7%	23.0%
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5. A CPA firm's independence would be impaired on an audit engagement where a former staff auditor (nonsupervisory) of the firm holds a supervisory accounting position.

2.29	38.5%	25.9%	14.4%	10.9%	10.3%
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6. A CPA firm's independence would be impaired on an audit engagement where a former staff auditor of the firm (nonsupervisory) holds a nonsupervisory accounting position.

1.70	60.3%	20.1%	12.6%	3.5%	3.5%
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