Flowchart: Inducements Offered by or to an Immediate or Close Family Member

This flowchart describes how a professional accountant (PA) should address threats to compliance with the fundamental principles in relation to the offering or accepting of an inducement by an immediate or close family member of the PA A PA shall remain alert of potential threats to compliance with the FPs created by offering of inducement by or to an immediate or close family member (R250.12; R230.12) When the PA becomes aware of an inducement offered to or made by an immediate or close family member, assess if there is intent to improperly influence behavior (R250.13; R340.13) Consider the list of relevant factors when determining intent (250.9 A3; 340.9 A3) as well as the nature or closeness of the relationship between the PA, immediate or close family member and the counterparty/client (250.13 A1; 340.13 A1) Is there intent to Advise immediate or close family member not to offer or accept the inducement improperly influence (R250.13; R340.13) behavior? Threats to compliance with the fundamental principles might be created. (R250.14 A1; R340.14 A1) Did the immediate Apply the conceptual framework to identify, evaluate and or close family member address any threats to compliance with the FPs created. follow the advice? The application material in 250.11 A1-A6 or 340.11 A1-A6 and 250.13 A1 or 340.13 A1 is relevant (120; 250.11 A1-250.11 A6, 250.13 A1; 340.11 A1-340.11 A6, 340.13 A1) Even if the immediate or close family member followed the advice, threats might still be created. The application material in 250.10 A2 is relevant. (250.10 A2, 250.13 A1 - 250.13 A2; 340.10 A2, 340.13 A2 - 340.13 A2) Apply the conceptual framework to identify, evaluate and address any threats to compliance with the FPs created (120)