SECTION 525
TEMPORARY PERSONNEL ASSIGNMENTS

Introduction
525.1 Firms are required to comply with the fundamental principles, be independent and apply the conceptual framework set out in Section 120 to identify, evaluate and address threats to independence.

525.2 The loan of personnel to an audit sustainability assurance client might create a self-review, advocacy or familiarity threat. This section sets out specific requirements and application material relevant to applying the conceptual framework in such circumstances.

Requirements and Application Material

General
525.3 A1 Examples of actions that might be safeguards to address threats created by the loan of personnel by a firm or a network firm to an audit sustainability assurance client include:

- Conducting an additional review of the work performed by the loaned personnel might address a self-review threat.
- Not including the loaned personnel as an audit sustainability assurance team member might address a familiarity or advocacy threat.
- Not giving the loaned personnel audit sustainability assurance responsibility for any function or activity that the personnel performed during the loaned personnel assignment might address a self-review threat.

525.3 A2 When familiarity and advocacy threats are created by the loan of personnel by a firm or a network firm to an audit sustainability assurance client, such that the firm or the network firm becomes too closely aligned with the views and interests of management, safeguards are often not available.

R525.4 A firm or network firm shall not loan personnel to an audit sustainability assurance client unless the firm or network firm is satisfied that:

(a) Such assistance is provided only for a short period of time;
(b) Such personnel will not assume management responsibilities and the audit sustainability assurance client will be responsible for directing and supervising the activities of the personnel;
(c) Any threat to the independence of the firm or network firm arising from the professional services undertaken by such personnel is eliminated or safeguards are applied to reduce such threat to an acceptable level; and
(d) Such personnel will not undertake or be involved in professional services that the firm or network firm is prohibited from performing by the Code.