**Statement of independence and confidentiality and confirmation of fit and proper status – individual (audit firm)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Firm name:** | Click or tap here to enter text. | | |
| **Audit Compliance Principal:** | Click or tap here to enter text. | | |
| **This form should be completed and returned to** | Click or tap here to enter text. | **by** | Click or tap to enter a date. |
| **If you have any queries please contact:** | Click or tap here to enter text. | | |

A fundamental principle of the ICAS Code of Ethics is independence. We therefore need to ensure that this is considered when undertaking certain work. As a result, we need to be aware of any connections with clients which could impact on our ability to be independent.

We are also required under the Money Laundering Regulations, to assess all principals, staff, sub-contractors and consultants as being ‘fit and proper’.

Part V of the Criminal Justice Act 1993 also requires confirmation from all principals, staff, sub-contractors and consultants that they understand and will comply with the restrictions against insider dealing.

The ICAS Audit Regulations also require the firm to obtain confirmation from all principals, staff, sub-contractors and consultants involved in audits that they:

* are independent;
* will adhere to the rules of confidentiality;
* are fit and proper individuals.

A list of clients is attached at [**Appendix 1**](#Appendix1)**.**

**Name of person completing the form**: Click or tap here to enter text.

1. **Independence and confidentiality**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | ***Yes / No*** | | |
| 1 | Do you or your immediate family have any direct or indirect financial interests[[1]](#footnote-2) in any clients of the firm?  Where the answer is ‘yes’, please list below the investments held: | Choose an item. | | |
|  |  |  |  |
|  |  |  |  |
|  | Click or tap here to enter text. |  |  |  |
| 2 | Do you or your immediate family[[2]](#footnote-3) hold voting rights in any other registered auditors? If ‘yes’, give details:  Click or tap here to enter text. | Choose an item. | | |
|  |  |  |  |
|  |  |  |  |  |
| 3 | Do you or your immediate family have a mutual business interest with any client or with a director of any client? If ‘yes’ give details:  Click or tap here to enter text. | Choose an item. | | |
|  |  |  |  |
|  |  |  |  |  |
| 4 | Have you been employed, seconded to or otherwise involved in the management or business of any client other than as part of the work of this firm during the last two years? If ‘yes’, give details:  Click or tap here to enter text. | Choose an item. | | |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |  |
| 5 | Are you intending to join, or currently in substantive negotiations with a view to joining, any client?If ‘yes’, give details:  Click or tap here to enter text. | Choose an item. | | |
|  |  |  |  |  |
| 6 | Have you accepted any material goods or services on favourable terms, or received undue hospitality from any client? If ‘yes’, give details:  Click or tap here to enter text. | Choose an item. | | |
|  |  |  |  |  |
| 7 | Do you act as a trustee, cheque signatory or in any management or shadow management role for any client or entity that holds shares in any client? If ‘yes’, give details:  Click or tap here to enter text. | Choose an item. | | |
|  |  |  |  |  |
|  |  |
| 8 | Do you have any immediate family, close family[[3]](#footnote-4) or other personal connections with any clients?If ‘yes’, give details:  Click or tap here to enter text. | Choose an item. | | |

**Confidentiality**

Your attention is drawn to the need for confidentiality throughout your engagement with the firm, in particular:

* working papers and client information including that held in an electronic form must always be kept secure so that unauthorised access is not gained by either the client's staff or third parties;
* the firm's procedures should not be disclosed to third parties without proper approval from the principal in charge;
* information about the client should not be disclosed to either the client's staff or third parties without proper approval from the principal in charge or the client.
* Information about a client must not be discussed where it could be overheard by the client’s staff or third parties.

Breach of the rules regarding confidential information will be considered as gross misconduct and normally, subject to investigation, will result in instant dismissal and, in certain circumstances, legal action.

Please place a cross in this box to confirm that you understand these requirements.

1. **‘Fit and proper' status**

|  |  |  |
| --- | --- | --- |
| ***Financial integrity and reliability*** | | ***Yes / No*** |
| 1 | In the last 10 years, has a court, in the United Kingdom or elsewhere, given any judgement or decree against you about a debt? | Choose an item. |
| 2 | In the last 10 years have you made any voluntary arrangement or compromise arrangement with your creditors? | Choose an item. |
| 3 | Have you ever been declared bankrupt or been the subject of a bankruptcy court order in the United Kingdom or elsewhere, or has a bankruptcy petition ever been served on you? | Choose an item. |
| 4 | Have you ever signed a trust deed for creditors, made an assignment for the benefit of creditors, or made any arrangements for the payment of a composition to creditors? | Choose an item. |

***Convictions or civil liability***

*NB There is no need to mention any offences committed before the age of 17 (unless committed within the last ten years) and road traffic offences that did not lead to a disqualification or prison sentence*

|  |  |  |
| --- | --- | --- |
|  |  | *Yes / No* |
| 5 | Have you at any time pleaded guilty to or been found guilty of any offence? If so, give details, at the end of this form, of the court which convicted you, the offence, the penalty imposed and date of conviction. | Choose an item. |
| 6 | In the last five years have you, in the United Kingdom or elsewhere, been the subject of any civil action relating to your professional or business activities which has resulted in a finding against you by a court or a settlement being agreed? | Choose an item. |
| 7 | Have you ever been disqualified by a court from being a director, or from acting in the management or conduct of the affairs of any company? | Choose an item. |

***Good reputation and character***

8 Have you, in the United Kingdom or elsewhere, ever been:

|  |  |  |
| --- | --- | --- |
|  |  | ***Yes / No*** |
|  | * refused the right or been restricted in the right to carry on any trade, business or profession for which a specific licence, registration or other authority is required? | Choose an item. |
|  | * investigated about allegations of misconduct or malpractice in connection with your professional activities which resulted in a formal complaint being proved but no disciplinary order being made? | Choose an item. |
|  | * the subject of disciplinary procedures by a professional body or employer resulting in a finding against you? | Choose an item. |
|  | * reprimanded, excluded, disciplined or publicly criticised by any professional body to which you belong or have belonged? | Choose an item. |
|  | * refused entry to or excluded from membership of any profession or vocation? | Choose an item. |
|  | * dismissed from any office (other than as auditor) or employment or requested to resign from any office, employment or partnership? | Choose an item. |
|  | * reprimanded, warned about future conduct, disciplined, or publicly criticised by any regulatory body, or any officially appointed enquiry concerned with the regulation of a financial, professional or other business activity? | Choose an item. |
|  | * the subject of a court order at the instigation of any regulatory body, or any officially appointed enquiry concerned with the regulation of a financial, professional or other business activity? | Choose an item. |
| 9 | Are you currently undergoing any investigation or disciplinary procedure as described in 8 above? | Choose an item. |

Please detail below the circumstances surrounding any 'yes' answer

Click or tap here to enter text.

1. **Co-operative, Community Benefit and Friendly Societies**

The Co-operative and Community Benefit Societies Act 2014 and the Friendly Societies Act 1974 preclude a firm from acting as auditor or reporting accountant for a society where it employs an officer or servant of the society. A list of all such societies acted for by the practice is attached at [Appendix 2](#Appendix2). Please confirm below that you do not act as an officer or servant (employee) of any of these societies, whether on a paid or unpaid basis. This means in any capacity whether on the financial side or otherwise.

|  |  |
| --- | --- |
| Please place a cross in this box to confirm that you are not not employed by nor am I an officer or servant of any of the societies listed at Appendix 2. |  |

1. **Insider dealing**

You are required to be aware of the statutory provisions against insider dealing. These are listed in Part V of the Criminal Justice Act 1993. In summary, you must not buy or sell shares when you have unpublished information about the company, which is likely to be price sensitive. You must also not advise anybody else to buy or sell shares when you hold such information.

Please place a cross in this box to confirm that you understand these requirements.

1. **Outside business interests**

The firm must be independent in its dealings with business clients. Please list below any business interests, directorships, etc., that you have.

If you have none, please place a cross in this box to confirm.

*Business interests:*Click or tap here to enter text.

*Directorships:*Click or tap here to enter text.

*Appointed representative for Investment Business authorised firms:* Click or tap here to enter text.

*Other:*Click or tap here to enter text.

1. **Confirmation**

I have answered the questions above truthfully and honestly, to the best of my knowledge and belief.

Should any of the circumstances above change, I shall inform the audit compliance principal immediately.

|  |  |  |  |
| --- | --- | --- | --- |
| Signed: | Click or tap here to enter text. | Date: | Click or tap to enter a date. |

1. **Review**

I have considered the answers given on the statement of independence and confidentiality and confirmation of fit and proper status. I am satisfied that the above person is eligible to carry out work for this firm.

(Detail below the reasoning behind the above statement where the answer to any of the above questions is `yes'.)

Click or tap here to enter text.

|  |  |  |  |
| --- | --- | --- | --- |
| Signed: | Click or tap here to enter text. | Date: | Click or tap to enter a date. |

Audit Compliance Principal

**Appendix 1 – List of clients**

**Appendix 2 – Co-operative, Community Benefit and Friendly Societies**

1. Indirect interest includes interests held as the beneficiary of a trust, or as an investor in a fund that holds such investments [↑](#footnote-ref-2)
2. Immediate family comprise an individual’s spouse and dependents. [↑](#footnote-ref-3)
3. Close family comprise parents, non-dependent children and siblings. [↑](#footnote-ref-4)