



Disciplinary Orders and Regulatory Decisions

SETTLEMENT ORDER

17 MARCH 2021

BY CONSENT, IT IS ORDERED THAT:

Mr Peter Bancroft, of

ILKLEY, United Kingdom

1. The Respondent admits the Complaints

Complaint 1

On or around 15 December 2011, Mr Peter Linton Bancroft FCA issued an Accountant's Report to 'X' (the Administrator) and/or 'Y' Limited (the Operator) in relation to the following syndicates, which stated that the Administrator and Operator have confirmed that the loan arrangement fees have been paid in accordance with the Information Memorandum and the Limited Recourse Loan Agreement when he believed that the loan arrangement fees had not been paid in accordance with the Information Memorandum and/or the Limited Recourse Loan Agreement:

- a. 'A' Syndicate 1; and/or
- b. 'B' Syndicate 2; and/or
- c. 'C' Syndicate 3; and/or
- d. 'D' Syndicate 4; and/or
- e. 'E' Syndicate 5; and/or
- f. 'F' Syndicate 6

This conduct is contrary to paragraph 110.2(c) of the Code of Ethics (Integrity) because he knowingly associated himself with reports omitting information, which made them misleading.

Complaint 2

On 15 November 2011, Mr Peter Linton Bancroft FCA signed an unqualified audit report on behalf of 'G' LLP (formerly 'Z' LLP) on the financial statements of 'H' Limited for the period ended 30 June 2011 which stated that the audit had been conducted in accordance with International Standards on Auditing (UK & Ireland), when the audit was not conducted in accordance with:

- a. International Standard on Auditing 500 'Audit Evidence' in that the auditor failed to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions regarding:
 - i. The ownership, valuation and existence of leasehold land; and/or
 - ii. The existence and valuation of long term debtors; and/or
 - iii. Whether revenue was recognised in compliance with Financial Reporting Standard 5 'Reporting the substance of transactions';

And/or

- b. International Standard on Auditing 230 'Audit Documentation' in that the auditor failed to prepare audit documentation that was sufficient to enable an experienced auditor, having no previous connection with the audit, to understand the significant professional judgments made in reaching conclusions on significant matters arising during the audit, in respect of:
 - i. The ownership, valuation and existence of leasehold land; and/or
 - ii. The existence and valuation of long term debtors; and/or
 - iii. Whether revenue was recognised in compliance with Financial Reporting Standard 5 'Reporting the substance of transactions'.

And/or

- c. International Standard on Auditing 570 'Going Concern' in that the auditor failed to obtain sufficient and appropriate audit evidence about the appropriateness of management's use of the going concern assumption.

Complaint 3

On 20 December 2012, Mr Peter Linton Bancroft FCA signed an unqualified audit report on behalf of 'G' LLP ((formerly 'Z' LLP) on the financial statements of 'H' Limited for the year ended 30 June 2012 which stated that the audit had been conducted in accordance with International Standards on Auditing (UK & Ireland), when the audit was not conducted in accordance with:

- a. International Standard on Auditing 500 'Audit Evidence' in that the auditor failed to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions regarding:
 - i. The ownership, valuation and existence of leasehold land; and/or
 - ii. The existence and valuation of long term debtors; and/or
 - iii. Whether revenue was recognised in compliance with Financial Reporting Standard 5 'Reporting the substance of transactions';

And/or

- b. International Standard on Auditing 230 'Audit Documentation' in that the auditor failed to prepare audit documentation that was sufficient to enable an experienced auditor, having no previous connection with the audit, to understand the significant professional judgments made in reaching conclusions on significant matters arising during the audit, in respect of:
 - i. The ownership, valuation and existence of leasehold land; and/or
 - ii. The existence and valuation of long term debtors; and/or
 - iii. Whether revenue was recognised in compliance with Financial Reporting Standard 5 'Reporting the substance of transactions'.

And/or

- c. International Standard on Auditing 570 'Going Concern' in that the auditor failed to obtain sufficient and appropriate audit evidence about the appropriateness of management's use of the going concern assumption.

Complaint 4

On 2 April 2014, Mr Peter Linton Bancroft FCA signed an unqualified audit report on behalf of 'G' LLP (formerly 'Z' LLP) on the financial statements of 'H' Limited for the year ended 30 June 2013 which stated that the audit had been conducted in accordance with International Standards on Auditing (UK & Ireland), when the audit was not conducted in accordance with:

- a. International Standard on Auditing 500 'Audit Evidence' in that the auditor failed to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions regarding:
 - i. The ownership, valuation and existence of leasehold land; and/or
 - ii. The existence and valuation of long term debtors; and/or
 - iii. Whether revenue was recognised in compliance with Financial Reporting Standard 5 'Reporting the substance of transactions';

And/or

- b. International Standard on Auditing 230 'Audit Documentation' in that the auditor failed to prepare audit documentation that was sufficient to enable an experienced auditor, having no previous connection with the audit, to understand the significant professional judgments made in reaching conclusions on significant matters arising during the audit, in respect of:
 - i. The ownership, valuation and existence of leasehold land; and/or
 - ii. The existence and valuation of long term debtors; and/or
 - iii. Whether revenue was recognised in compliance with Financial Reporting Standard 5 'Reporting the substance of transactions'.

And/or

- c. International Standard on Auditing 570 'Going Concern' in that the auditor failed to obtain sufficient and appropriate audit evidence about the appropriateness of management's use of the going concern assumption.

Mr Peter Linton Bancroft is therefore liable to disciplinary action under Disciplinary Bye-law 4.1a¹.

¹Disciplinary Bye-law 4.1a (effective from 29 September 2011 to 23 July 2013 and effective from 24 July 2013 to 31 December 2015) states:

- 4.1 'A member or provisional member shall be liable to disciplinary action under these bye-laws in any of the following cases, whether or not he was a member or provisional member at the time of the occurrence giving rise to that liability
 - a. if in the course of carrying out professional work or otherwise he has committed any act or default likely to bring discredit on himself, the Institute or the profession of accountancy'.

Order

1. The Respondent is EXCLUDED from ICAEW membership forthwith by virtue of the above admissions.
2. The Respondent shall pay the Applicant's Costs in the sum of £9,000
3. Publication of this matter shall be in accordance with Disciplinary Bye-law 35.1.

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