

Appendix B

Example of a 'fit and proper' form for individuals

Set out below are the questions that a firm should ask each principal, employee or other individual involved in or connected with audit work to allow the firm to assess the individual's fit and proper status. The answers will be 'yes' or 'no' but a 'yes' will need further explanation.

	Yes	No
Financial integrity and reliability		
1 In the last ten years have you made any compromise arrangement with your creditors or otherwise failed to satisfy creditors in full?	<input type="checkbox"/>	<input type="checkbox"/>
2 Have you ever been declared bankrupt or been the subject of a bankruptcy court order in the United Kingdom, Republic of Ireland or elsewhere, or has a bankruptcy petition ever been served on you?	<input type="checkbox"/>	<input type="checkbox"/>
3 Have you ever signed a trust deed for a creditor, made an assignment for the benefit of creditors, or made any arrangements for the payment of a composition to creditors?	<input type="checkbox"/>	<input type="checkbox"/>
Civil liabilities		
4 In the last five years have you been the subject of any civil action relating to your professional or business activities which has resulted in a judgement or finding against you by a court, or a settlement (other than a settlement consisting only of the dismissal by consent of a claim against it and the payment of its costs) being agreed?	<input type="checkbox"/>	<input type="checkbox"/>
Good reputation and character		
Note: There is no need to mention offences which are spent for the purposes of the Rehabilitation of Offenders Act 1974, similar legislation in the Republic of Ireland, offences committed before the age of 17 (unless committed within the last ten years) or road traffic offences that did not lead to a prison sentence.		
5 Have you at any time pleaded guilty to or been found guilty of any offence?	<input type="checkbox"/>	<input type="checkbox"/>
If so, give details of the court which convicted you, the offence, the penalty imposed and date of conviction.	<input type="checkbox"/>	<input type="checkbox"/>
6 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?	<input type="checkbox"/>	<input type="checkbox"/>
7 In the last ten years have you been:		
• 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?	<input type="checkbox"/>	<input type="checkbox"/>
• 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?	<input type="checkbox"/>	<input type="checkbox"/>
• the subject of disciplinary procedures by a professional body or employer resulting in a finding against you?	<input type="checkbox"/>	<input type="checkbox"/>
• reprimanded, excluded, disciplined or publicly criticised by any professional body which you belong to or have belonged to?	<input type="checkbox"/>	<input type="checkbox"/>
• refused entry to or excluded from membership of any profession or vocation?	<input type="checkbox"/>	<input type="checkbox"/>

- dismissed from any office (other than as auditor) or employment or requested to resign from any office, employment or firm?
 - 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?
 - 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?
- 8 Are you currently undergoing any investigation or disciplinary procedures as described in 7 above?