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## Applying for a practising certificate

Members of the Association offering bookkeeping services to the public in the United Kingdom (hereafter known as members in practice) are required to apply for an appropriate level of practising certificate. Applying for, or renewing, a practising certificate will provide evidence that you are:

- **Complying with your obligations to follow best practice** as per the IAB's regulations
- **Complying with your obligations to the Anti-money laundering regulations**

Applying for a certificate will also grant anti-money laundering supervision as the Association is one of 22 bodies granted Supervisory Status in accordance with the The Money Laundering, Terrorist Financing, and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017).



**Important:** If you are already supervised by another supervisory body you should contact the IAB to notify them as you should not hold supervision with more than one body. You may still be required to hold a practising certificate.

New applicants will, upon proving compliance with the requirements, receive a Certificate of AML Supervision (if an Associate) or a Practising Certificate (if a Member or Fellow).

For the purpose of this document both the Certificate of AML Supervision and Practising Certificate will be referred to as a Practising Certificate as the compliance requirements are the same.

Members applying for a certificate must:

1. Be a fully paid-up member of the Association.
2. Implement and maintain procedures to a professional standard
3. Comply with the CPD requirements
4. Upon an initial application provide names and addresses of referees
5. Submit an application in the prescribed form and pay an annual fee
6. Ensure that upon application Professional Indemnity cover is in place



The form for applying for a **new** practising certificate can be accessed using the following link: [IAB Application form – New practising certificate](#)



The form for renewing an **existing** practising certificate can be downloaded using the following link: [Renewal of IAB practising certificate](#)

Before filling in the application form it is strongly recommended that you read the following guidance to ensure you understand your obligations to comply.



**Important:** You are committing an offence if you carry on a business activity that's covered by the Money Laundering regulations (such as bookkeeping) and you're not registered with a supervisory authority. You will also be breaching the IAB's Framework of Regulation and Code of Best practice if you are a member but do not register for a practising certificate.

## Providing evidence of compliance

There are several occasions when you will be required to provide evidence that you are complying with your obligations as a member in practice. These are:

- When applying for a practising certificate for the first time
- When renewing an existing practising certificate
- If selected for a compliance review or monitoring visit
- If the association has any concerns that the rules are not being followed

The most common of the above is when applying for, or renewing, a certificate. In this case an application form is filled out. In addition to providing information on the form you will also be asked to provide evidence of compliance. Evidence may be requested in the form of:

- Answering questions relating to the practice's procedures
- Giving details of registrations with other organisations
- Attaching documents used within the practice
- Attaching a record of CPD undertaken
- Attaching evidence of certificates gained

Guidance on complying with your [obligations to follow best practice](#) as per the IAB's regulations and complying with your [obligations to the Anti-money laundering regulations](#) can be found in the following sections.

## Complying with your obligations to follow best practice

All members of the IAB must:

- Operate within the IAB Framework for Regulation
- Abide by the IAB Bye-laws

Those members who start or run their own bookkeeping practice must:

- Follow and apply the IAB Code of Best Practice for members in practice
- Undertake the necessary CPD
- Comply with anti-money laundering legislation
- Fully understand your requirements under the Money Laundering Regulations 2017 by reading the CCAB Accountancy Sector Guidance.



The IAB regulations and bye laws can be found in the members' handbook which is available on the restricted area of the [IAB website](#) or by clicking on this link: [IAB Members' Handbook](#).

Members in practice should make themselves aware of their obligations to the association. It is important to understand these rules and your obligations as you will be required to provide evidence of your compliance.

## What evidence of best practice is required?

The IAB require a member in practice to provide evidence that:

- **Professional indemnity insurance** is in place
- An appropriate **letter of engagement** is being used when taking on new clients.
- The practice is registered under the data protection regulations if the **Information Commissioner's Office** consider it necessary
- Appropriate measures are in place to ensure client's data is not lost in the event of a **disaster**
- Appropriate measures are in place in the event you cannot **continue practising** due to illness or injury
- You are undertaking **continuing professional development** relevant to the nature of your work

Information relating to each of the above is listed below to assist in compiling the evidence required.

### PROFESSIONAL INDEMNITY INSURANCE (PII)

Professional Indemnity Insurance (PII) covers bookkeeping practitioners in the event of client claims of negligence, errors and omissions. PII protects the practice against compensation that may be sought by a client if the bookkeeper or their practice has made mistakes or is found to have been negligent in any aspect of their work relating to that client. PII is mandatory even if you are providing limited bookkeeping services to just one client and that person is a friend or relative.

The IAB do not need to see the entire policy – just the certificate showing the dates of cover.



PII is available from various specialist organisations, but members of the IAB have access to a preferential PII scheme, details of which can be found using the following link:  
[IAB PI Insurance partners](#)

### LETTER OF ENGAGEMENT

A letter of engagement formalises the business arrangement between you and a new client. It should set out the basis upon which business will be conducted and clarify any expectations on both parts.

At a minimum the letter should include details of:

- Services you will supply to the client
- Expectations of how and when the client should provide the necessary information in order for you to complete the services stated
- Fees and how to pay them and when billing will occur
- Reference to your obligations under the money laundering regulations to carry out due diligence on the client
- Reference to your continuity of practice arrangements
- A statement of acceptance and a place for the client to sign

The letter of engagement should be designed to avoid any misunderstandings between both parties and set out the framework for the provision of an efficient service. The contents should be carefully considered as it creates a contract between you and your client.



An example letter of engagement can be downloaded by clicking on the following link:  
[Example Letter of Engagement.](#)

## LETTER OF DISENGAGEMENT

A letter of disengagement should be issued when you cease to work with a client. The purpose of the letter is to avoid any future misunderstanding between the client and yourself. It allows you to set out which services will terminate and from what date. It also stipulates how any of the clients' documentation held within your practice will be passed over to the client or next bookkeeper.



An example letter of engagement can be downloaded by clicking on the following link:  
[Example Letter of Disengagement](#)

## REGISTRATION WITH THE ICO (DATA PROTECTION)

The ICO (Information Commissioner's Office) is the organisation that holds registrations concerning the data protection regulations. It is a legal requirement that you register with the ICO if you are (or will be) storing information about your clients on a computer (or in the cloud). The IAB strongly recommend you register. There is a self-assessment test on the ICO's website that determines if you are required to register. Our experience is that the questions are often misinterpreted and our members in practice are not registering when they should be. The only time you are not required to register is if 100% of your work is done at your clients' site using their computer system or if you work entirely on paper.



Click the following link to access the ICO website:  
<https://ico.org.uk/for-organisations/register/>



**Important:** You will be given a registration no. in a similar form to Z123456. You must provide this number to the IAB when applying for or renewing your practising certificate.

## DISASTER RECOVERY MEASURES

Disaster recovery is taking measures in advance of a disaster occurring to ensure you can continue your business activities. This could include:

- Access to premises
- Access to electronic data
- Access to paper records
- Continued use of office systems

Formal disaster recovery agreements can be taken out with specialist companies to ensure continuity of business activity. However, this could be too expensive for smaller practices or sole practitioners.

At a minimum the IAB expects that its members will take all necessary care to ensure that client details, documents are kept securely and bookkeeping data is backed up regularly and backups are stored in a different secure place (such as in a fireproof safe or in the cloud).

## CONTINUITY OF PRACTICE MEASURES

A continuity of practice agreement is an agreement made with another bookkeeper or accountant, where, in the event you are unable to carry out your work due to illness etc., they will take over the work.

It is recommended that the agreement is written and the terms of the arrangement stated, so that there can be no misunderstanding between the two parties.

Where a practice has five clients or less the IAB consider it acceptable that you may not have a formal continuity of practice agreement. However, there should be someone who has been given full details of how to access your clients' bookkeeping information. This nominated person will then pass the information to your clients so that they may take their accounts elsewhere. This could be a spouse, family member or friend.



**Important:** Your clients should always be made aware of your continuity of practice arrangements so they know who to contact if necessary.

### CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

All IAB Members in Practice are required to undertake CPD (continuing professional development) on an annual basis to fall in line with the start and end dates of their practising certificate. A completed CPD record must be provided to the IAB at the point of renewing the practising certificate. It is strongly recommended that you record your CPD regularly as the learning happens, rather than waiting until the point of renewal.



Read the IAB CPD requirements by following this link: [IAB CPD Requirements](#) or see the [IAB Members' Handbook](#)



To record your CPD you can use the IAB CPD record spreadsheet which can be downloaded to your PC using the following link: [IAB CPD Record spreadsheet](#).

Note: You can use any format to record CPD if you prefer, as long as it is clearly laid out and shows the necessary information as per the IAB requirements, including reactive and proactive totals.



**Important:** You must complete a minimum of 2 hours AML specific CPD per year.

You are currently required to evidence one unit of CPD by completing the AMLCC training video and test (certificate provided) on an annual basis.

If you are the firm's MLRO, you must complete both the 'staff' and 'MLRO' training input and test annually.

Further details of how to access this can be found in this guidance document.

## Complying with your obligations to Money Laundering Regulations

Money laundering is the process of transforming the profit of crime and corruption into legitimate assets.

Anti-money laundering (AML) is any measure taken to disrupt the process of laundering the proceeds of crime. All businesses and people employed in the accountancy sector could potentially be used as tools for laundering such funds and it is their obligation reduce the risk of this happening as much as possible. This applies whether you work in a large firm employing hundreds of staff or if you are a self-employed bookkeeper working alone.

As a self-employed bookkeeper you are required to comply with the legal anti-money laundering regulations (as set out in the legislation for [the Money Laundering, Terrorist Financing, and Transfer of Funds \(Information on the Payer\) Regulations 2017](#)).



For an introduction to the requirements read the following web page from the government's website: [HMRC - Money laundering Regulations: your responsibilities](#)

This webpage will then guide you through to other sources of information regarding your AML responsibilities.

### Registering for AML supervision

The IAB is a recognised supervisory authority. It is a legal requirement that you are registered with a supervisory authority before carrying out any bookkeeping work on a self-employed basis.



**Important:** You are committing an offence if you carry on a business activity that's covered by the Money Laundering regulations (such as bookkeeping) and you're not registered with a supervisory authority. You will also be breaching the IAB's Framework of Regulation and Code of Best practice if you are a member but do not register for a practising certificate.

By applying to hold a practising certificate with the IAB you are also applying for AML supervision. Your AML supervision will start immediately upon receiving the application form and payment being taken. Any compliance issues are dealt with after this but do not affect your supervised status.

Once the IAB become your AML supervisor, it is then the responsibility of the IAB to periodically monitor your compliance with your AML obligations, and obtain evidence of such.

### What evidence of AML compliance is required?

The Money Laundering, Terrorist Financing, and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR2017) require that a practice should "adopt appropriate internal controls depending upon the number of clients you have and the services you provide". The IAB recognise that many of its members are sole practitioners or small bookkeeping businesses and have therefore adjusted the required evidence appropriately, but it should be noted that even a practice with only one client must still comply with basic AML requirements.

The IAB require evidence of the following:

- That the practice has documented its [policy regarding anti-money laundering](#) and stated what procedures it follows to comply with the policy.

- That **client due diligence** is being carried out when a new client is taken on and periodically reviewed.
- That clients are **risk assessed** for potential money laundering
- That the firm has been risk assessed in relation to money laundering

All of these elements must be recorded in writing and kept up to date. The relevance of the process in place for each element must be assessed on an annual basis as a minimum, with a record of the review being documented.

Information relating to each of the above is listed below to assist in compiling the evidence required.

### AML POLICY AND PROCEDURES DOCUMENT

In order to comply with money laundering regulations and IAB regulations, members in practice must have an AML policy in place, with details of AML procedures followed. The policy and procedures document must be specific to your practice.

This is a document that should clearly state the procedures you carry out to guard against money laundering and to meet your requirements under the MLR2017. It is important that this document is available for any staff you have because it ensures each staff member is aware of their AML responsibilities. It is recommended that you have all relevant members of staff read and sign a declaration to confirm that they are aware of your policies and procedures. If you work alone you are still required to have this document in place.

You should ensure that the most up to date version of your policies and procedures are available to any staff, and should record the dates that policy updates take place, retaining previous versions of policy in use.

You must ensure that your policies and procedures meet all of the requirements of the Money Laundering Regulations 2017. Accountancy sector guidance, as approved by HM Treasury, is published [here](#) by the CCAB, and must be read by all Members in Practice.



For more information read the government's guidance on holding a policy and procedures document here: [HMRC Guidance: Complete a policy statement for your business](#)



You can download an example of policy and procedures document using the following link: [Example AML Policy and procedures](#). Use the example as a basis to create your own policy and procedures but take care to only include procedures that you actually do.

**Note: Whichever method you use, you must ensure that your policies and procedures meet all of the requirements of the Money Laundering Regulations 2017. Accountancy sector guidance, as approved by HM Treasury, is published [here](#) by the CCAB, and must be read by all Members in Practice.**

**Any template used must be customised to the specific requirements of the firm and reflect the actual process in place.**

## CLIENT DUE DILIGENCE

Client Due Diligence (CDD) comprises of three stages:

- Know Your Client/KYC (e.g. the new client checklist)
- Client Risk Assessment
- Verification (verifying the information you have been given by your client and based your risk assessment on)

You should consider if the circumstances for failing the CDD process are appropriate for reporting a SAR.



**Important: The Money Laundering Regulations 2017 require you to satisfactorily complete the whole CDD process.**

**All three stages must be completed before you start to conduct work for the client. If for any reason you can not complete the CDD process, you must not take the client on and/or terminate the existing business relationship.**

## KNOW YOUR CLIENT

The new client checklist is the list you use to ensure you record all of the necessary information about a new client. This is the starting point for your client due diligence process. You should identify information about your client and the services that you are going to provide them here.



For more information on client due diligence read the information the government's website: [HMRC Money Laundering Regulations – Customer Due Diligence](#).

Your checklist for a personal client will be different from your checklist for a business (or other business types). If you do not have any clients yet we recommend you create a checklist for the type of client you are hoping to take on.



You can download some examples of new client checklists here: [New client checklists \(all types\)](#) - although you may find creating your own from scratch will help you to follow the list more effectively.

The IAB do not require a completed list as we do not ask our members to divulge any details about their clients. An uncompleted checklist is acceptable evidence.

## CLIENT RISK ASSESSMENTS

Risk assessing your clients is one of the key components of your anti-money laundering procedures, and allows you to take a risk based approach.

In simple terms it means “What is the risk that this client is trying to use me (their bookkeeper) as a tool to launder money gained illegally, or that my client could be used by their clients to launder money?”

A few examples of questions you could ask to assess risk are:

- *Have we met the client face to face?*
- *Have we attended their home/place of work?*

- *Did the client provide all of the necessary client ID to carry out CDD?*
- *Does the client have a high turnover in cash?*
- *Is the source of any significant funds held by the client unclear?*
- *Is the income of the client – when compared against their business activity – appropriate?*
- *Are there any unexplained receipts or payments?*

After answering the risk assessment questions you should be able to determine whether a client is low or high risk, and identify any steps you can put in place to mitigate the identified risk.



Further information on risk assessments can be found at: [HMRC Money Laundering Regulations - Risk assessments](#)



An example risk assessment document can be downloaded here: [Client risk assessment \(AML\)](#)



**Important:** The IAB have partnered with the Anti-Money Laundering Compliance Company (AMLCC) to help its members with AML compliance and risk assessments. See information on the [AMLCC system](#) later in this guidance.

## VERIFICATION

You must use independent and reliable sources to verify the information that you have provided by your client. For example, you may verify the clients personal identity using a government issued photo document (passport or driving license).

Your policy and procedure document should identify which documents your firm accepts for this process – when making this choice, you should consider what method of verification would be required for the document to be issued.

You are required to verify the company structure and all Ultimate Beneficial Owners (UBOs).

You are able to take a risk based approach to verification – where you have identified potential risks during the client risk assessment, you may be able to mitigate these through verification activity. For example, if you have a distance client and will not be meeting them face to face, you may require additional verification of their personal identity and conduct additional checks to verify the validity of the information provided regarding their business.



You can take a risk-based approach to your AML activity. Where you have identified risk with a client, you can address this by using a combination of additional verification and/or the methods that you monitor for potential red flag indicators.

## FIRM RISK ASSESSMENT

You are required to conduct a risk assessment to identify the overall risks of money laundering that your firm is exposed to, taking into account :

- information made available to you by your supervisory authority, and
- risk factors including factors relating to—
  - Your customers;

- (ii) the countries or geographic areas in which you operate;
- (iii) Your products or services;
- (iv) Your transactions; and
- (v) Your delivery channels.

This assessment must be recorded and reviewed annually as a minimum, or at the time of any material change to your practice.

The IAB requires you to complete this firm risk assessment using the [AMLCC](#) firm risk assessment template.

## Other information that may be requested

As part of the monitoring process other information may be requested on application forms. Although they don't affect compliance the information provided by the member is essential to allow the IAB to get an overview of your practice.

### MATERIAL CHANGES TO YOUR BUSINESS

On applying for a renewal of a practising certificate you are required to declare any material to changes to your business since your last application. Examples of material changes are:

- Change of business address
- Change of business name
- Taking on staff
- Becoming incorporated
- Change in beneficial owner
- Significant increase in turnover/no. of clients

### BOOM DECLARATION

The Money Laundering Regulations 2017 (MLR2017) require the IAB to approve any Beneficial Owner, Officer or Managers (referred to as a BOOM – as defined below) of an IAB supervised firm/practice.

The IAB will not approve any BOOM who has been convicted of a relevant offence as defined by Schedule 3 of the MLR2017 (listed [here](#)). It is a criminal offence, punishable by up to a two year custodial sentence and/or financial penalty, to hold a position as a BOOM with a relevant unspent conviction.

An IAB supervised firm or practitioner must take reasonable steps to ensure that no one is appointed to be, or continues to act as, a BOOM who has a relevant unspent criminal conviction.

In order to comply, the IAB requires all BOOMs in supervised firms to complete a basic criminal record check via the relevant organisation, depending on where they live and work:

- [Disclosure and Barring Service](#) in England and Wales;
- [Access NI](#) in Northern Ireland; and
- [Disclosure Scotland](#) in Scotland.

Members in Practice have an ongoing duty to inform the IAB if a BOOM is appointed to their firm/practice, and to confirm that the appropriate criminal record check has been conducted with satisfactory result.

Members must take reasonable ongoing steps to ensure that BOOMs declare any subsequent relevant convictions to an appointed person within the firm.

Should a firm be made aware that a BOOM has a relevant conviction, the IAB must be notified of the fact within 30 days by emailing [Compliance@iab.org.uk](mailto:Compliance@iab.org.uk).

### Beneficial owner

This should include:

- a sole practitioner;
- a partner, or LLP member, in a firm who:
- holds (directly or indirectly) more than 25% of the capital, or profits or voting rights; or
- exercises ultimate control; and
- a shareholder in a limited company who:
- holds (directly or indirectly) more than 25% of the shares or voting rights; or
- ultimately owns, or exercises ultimate control.

### Officer

This should include:

- a sole practitioner;
- a partner in a partnership (including a Scottish Limited Partnership (SLP));
- a member in a limited liability partnership (LLP);
- a director or company secretary in a limited company; and
- a member of the firm’s management board or equivalent.

### Manager

This should include:

- the nominated officer (the MLRO);
- the member of the board of directors (or if there is no board, of its equivalent management body) or of its senior management as the officer responsible for the relevant person’s compliance with MLR17); and
- any other principal, senior manager, or member of a management committee who is responsible for setting, approving or ensuring the firm’s compliance with the firm’s Anti-Money Laundering policies and procedures, in relation to the following areas:
  - client acceptance procedures;
  - the firm’s risk management practices;
  - internal controls, including employee screening and training for AML purposes;
  - internal audit or the annual AML compliance review process;
  - customer due diligence, including policies for reliance; and
  - AML record keeping.

## REPORTING SARs (SUSPICIOUS ACTIVITY REPORT)

The National Crime Agency (NCA) is the agency to whom suspicions of money laundering are reported by your practice’s MLRO. Although you are not required to register with the NCA, you should consider registering your account so that you can be ready to report if and when needed.



Failure to report suspicious activity when operating in a regulated sector (including accountancy) is a criminal offence.



Further information on reporting SARs can be found at:  
[HMRC Money Laundering Regulations: Report Suspicious Activities](#)



To register or report a SAR click the following link to be redirected to the NCA website:  
[NCA - Reporting a SAR](#)

## Using AMLCC – the Anti-Money Laundering Compliance Company

The IAB have partnered with the Anti-Money Laundering Compliance Company (AMLCC) to provide a tool to our members to help risk assess their clients.

AMLCC is an online system that also aids in the compliance with the regulations and provides training for all staff members to help them become acquainted with, and stay up-to-date with any changes in the AML regulation.

The AMLCC system is **free** to use for all IAB members in practice.

Using AMLCC to risk assess clients is not compulsory but some members in practice – particularly those new to being in practice – will be asked to complete the AML training.



Click here to download instructions on registering with AMLCC: [AMLCC How to register.](#)



Please note that the IAB does not have access to your AMLCC account and cannot see any information about your practice or your clients

The process of set up has two stages:

- **Login as the firm (practice)**

Once you have completed the registration process you will be sent login details to enter AMLCC at firm level. Here you will enter details about your firm, including the services offered to clients.

You will also need to set up the staff who work in the practice. This will include the person who will act as the MLRO within the firm. If you are a sole practitioner this will be yourself or if you have staff you must decide who will act as the MLRO within the practice.

- **Login as a staff member or MLRO**

Once your firm (practice) and all staff have been set up you must then login as yourself with the login details generated when you were added as a staff member or MLRO.

Using this login will allow you to:

- Complete the AML training
- Add client details
- Risk assess clients

## Completing the AMLCC training

AMLCC has two training programmes that educate on money laundering and your responsibilities in the prevention of money laundering.

- Staff training
- MLRO training

### STAFF TRAINING

This is the basic training that all staff should watch whether they are a standard staff member or appointed as the MLRO. If you are a sole practitioner this is the first video you should watch.

The training video lasts about 50 minutes and provides invaluable information about money laundering and how all staff members working within the accountancy sector have a role to play in the prevention of money laundering.

- Login to AMLCC using login details created when registering yourself as a staff member or MLRO (not the firm login)

On the left hand side of the screen there is an Online training section

- Click **Staff**
- Click **Video**



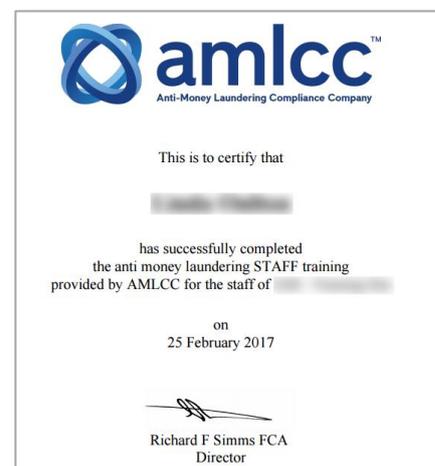
After watching the video there is a 15 question multiple choice test that should be taken to check understanding.

- Click **Test**



Once the test has been successfully completed a certificate will be available to view, print or save.

This certificate is proof of complying with your obligation that all staff members should receive AML training on an annual basis and will also count towards CPD.



## MLRO TRAINING

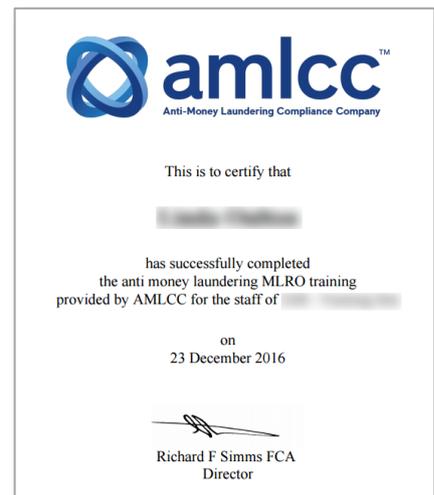
If you are the appointed MLRO within your practice you should also complete the MLRO training programme.

This follows the same format as the staff training programme but specifically relates to the responsibilities of the MLRO. The training video lasts about 30 minutes and the test contains 10 questions.



Once the test has been successfully completed a certificate will be available to view, print or save.

This certificate is proof of complying with your obligations that MLRO's should receive additional AML training on an annual basis and will also count towards CPD.



## Using AMLCC to risk assess clients



Please note that the IAB does not have access to your AMLCC account and cannot see any information about your practice or your clients

AMLCC can be used to risk assess your clients.

Risk assessments are free of charge as they are included in the benefit of being a member in practice of the IAB. The only cost that may be incurred is if you decide to carry out Equifax checks on a client.

If you are unsure how to carry out a client risk assessment contact AMLCC for assistance.

It is not compulsory to use AMLCC to risk assess your clients, but if you are not, you should be able to provide the IAB with a copy of the risk assessment you are using in your practice (as described above in [Client risk assessments \(taking a risk based approach\)](#)).

## DBS checks

Rules have been introduced relating to sole traders, officers, managers and beneficial owners needing to provide basic information and proof of identity so that a Disclosure and Barring Service (DBS) check can be carried out. This is to ensure you don't have any criminal convictions which are unspent and which could impact on your ability to practice under the Money Laundering Regulations.

For Accountancy Service Providers the requirements are set out in [Regulation 26 of the MLRs](#). This stops a person with criminal convictions who is listed in Schedule 3 of the regulations from being a sole proprietor, manager, officer or beneficial owner.

In line with the other supervisors, as a member in practice you will be required to have a DBS check when you renew or apply for your practising certificate or certificate of AML supervision. You will need to make an application for a DBS check before we can issue you with your practising certificate.

Once you have had the DBS check we will only be able to continue to supervise those members who do not have a relevant criminal conviction.

Please find below some FAQs and the action which you will need to take in relation to this.

### **ACTION TO TAKE:**

When you apply for or renew your practising certificate or certificate of AML supervision there will be a question asking whether you have made an application for a DBS check. We are only asking members to have the DBS check once and if you are currently supervised by the IAB you don't need to do this until your supervision is due for renewal.

You can make the application through the government website. The system will automatically verify your ID and carry out the DBS check. Once the check has been completed you will then receive confirmation which you would then need to send to us when you renew your practising certificate or certificate of AML supervision so that we can update our records.

To make the application for a basic DBS check via the Government website please click on the relevant link below:

If you live in England or Wales please see: <https://www.gov.uk/request-copy-criminal-record>

If you live in Scotland please see: <https://www.mygov.scot/basic-disclosure/apply-for-basic-disclosure/>

If you live in Northern Ireland please see: <https://www.nidirect.gov.uk/campaigns/accessni-criminal-record-checks>

### **FAQs:**

#### **If I have previously had a DBS check do I still need to have another check carried out?**

If you have had a DBS check carried out in the past 12 months then you will not need to have another check. You will just need to provide us with a copy of the document confirming that you have had a DBS check.

#### **How often does the DBS check need to be carried out?**

We only require members to have the DBS check once so you won't have to renew it each year, unless there are any changes. Moving forward the DBS check will need to be completed when you renew or apply for your practising certificate or certificate of AML supervision on or after the 26<sup>th</sup> June.

**If I only have a small handful of clients will I still need to have a DBS check?**

Yes, no matter how many clients you have you will still need to have a DBS check. The regulations state that any sole proprietor, manager, officer or beneficial owner will need to go through this process.

## Trust and Company Service Provider (TCSP) Register

Following the implementation of the Money Laundering Regulations 2017 there is a requirement for the details of all UK businesses that act as Trust and Company Service Providers (TCSPs) to be held on a register. HMRC will be hosting the register for TCSPs supervised by professional bodies, including IAB members, as well as the TCSPs that it supervises.

Below is further information about the register and what being a TCSP involves.

### **Q. What is the Trust and Company Service Provider (TCSP) register?**

The TCSP register is a register held by HMRC of all relevant persons in the UK that act or may potentially act as TCSPs, except for relevant persons that are registered with the FCA.

### **Q. What is a TCSP?**

TCSP activity is set out in [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(the “MLR 2017”\) at Regulation 12 \(2\)](#). It includes:

- company formation
- acting or arranging for someone to act as a director or secretary of a company, a partner of a partnership or in a similar capacity in relation to other legal persons
- providing a registered office, business address, correspondence or administrative address or other related services
- acting or arranging for someone to act as a trustee of an express trust or nominee shareholder for someone not listed on a regulated market.

HMRC's TCSP registration guidance provides further information about what constitutes a TCSP: <https://www.gov.uk/guidance/money-laundering-regulations-trust-or-company-service-provider-registration>

### **Q. What does this mean for my business?**

Businesses must be registered with HMRC prior to undertaking any TCSP activity.

If you have a practising certificate with the IAB and you have confirmed with us that your business undertakes TCSP activity, or that your business may potentially undertake TCSP activity in the future, then the IAB will have registered your business with HMRC so that you are legally able to continue to act as a TCSP, or so your business may potentially undertake TCSP activity in the future.

If you have an IAB practising certificate and offer TCSP services, but have not yet made the IAB aware you must do so as soon as possible by emailing: [compliance@iab.org.uk](mailto:compliance@iab.org.uk).

### **Q. Why am I now required to register with HMRC and what information has been passed to HMRC?**

The Money Laundering Regulations 2017 introduced a requirement for businesses that undertake TCSP activity to register with HMRC, unless they are already registered with the FCA.

In order to register your business with HMRC, the professional bodies who are approved supervisors, including the IAB, have listed the following information about your business on HMRC's TCSP register:

- your business name (or your name if you are a sole proprietor)
- your registered address
- confirmation that the beneficial owners, officers and managers of your business are fit and proper.

### **Q. I only undertake TCSP activity very occasionally. Do I still need to be registered with HMRC?**

Yes. Any business undertaking any TCSP activity as defined in the MLRs 2017 must be registered with HMRC before undertaking any TCSP activity – even if only on an occasional basis.

**Q. What if I don't want to be registered with HMRC for TCSP activity?**

You must be registered with HMRC before undertaking TCSP activity, unless you are already registered with the FCA.

If your details are not in the TCSP register, you must not act as a TCSP. If you act as a TCSP without being registered with HMRC or the FCA, you will have committed an offence and may be liable to civil or criminal action.

**Q. Can my professional body supervisor legally pass HMRC this information?**

Yes. [Regulation 52 \(1\) of the MLR 2017](#) provides legal authority for professional body supervisors to disclose relevant information to HMRC for the effective exercise of their functions under the regulations. [Regulation 54 \(2\) \(c\)](#) gives HMRC a duty to maintain a register of relevant persons who are TCSPs.

**Q. Will I now have two supervisors?**

No. Being registered with HMRC as a TCSP is not the same as being supervised for anti-money laundering by HMRC. You will continue to be supervised for anti-money laundering by your professional body only, unless an existing dual supervision agreement is in place.

**Q. Will HMRC get in contact with me?**

HMRC is very unlikely to need to contact you directly about your TCSP registration and you can expect to receive communications about your registration via your professional body. If you have any questions about your TCSP registration, you should contact your professional body.

If HMRC does need to contact you directly, it will do so by letter to your registered address.

**Q. What will HMRC do to protect our data?**

HMRC will only use your information for relevant purposes within the law, and only disclose it further when permitted to do so in the law.

HMRC will store all of your data in accordance with their data retention policies, which means they will keep it for the duration of your registration plus five years, as allowed in the law. HMRC will also store all of your data securely and in accordance with central government standards.

**Q. Is there anything I need to do?**

You don't need to do anything unless the details of your business change, for example, you change the name of your business, your registered address or your beneficial owners, officers or managers.

You should notify your professional body if any of your information changes, including any information that may impact on the fit and proper status of your beneficial owners, officers or manager. Your professional body will then update your registration information with HMRC if required.

**Q. Will I be charged for this?**

HMRC is not currently charging for your registration with HMRC through professional bodies.