



July - August - September 2025

# connect

The Institute of Accountants and Bookkeepers



**Building a Practice  
that Passes the  
AML Test**

**What now for the  
mandating  
of payrolling?**

**IT ALL  
STARTS  
WITH YOU:**

**THE TRANSFORMATIONAL  
POWER OF SELF-AWARENESS**



**Video for  
bookkeepers**

**Director  
duties and  
responsibilities  
when insolvent**



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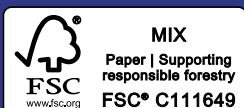
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# Welcome

As we reach the midpoint of the year, it's a perfect moment to reflect on the incredible momentum building within our profession. It was wonderful to connect

with so many of you at Accountex-events like these always remind me of the scale of opportunity that exists in our sector and how increasingly diverse and dynamic our profession has become.

At the end of May I visited our partners and centres in Malaysia and India. I was truly inspired by the energy and appetite for progression I witnessed. In Malaysia, we're collaborating closely with AutoCount, a leading software provider, to ensure professionals are continuously upskilling in technology.

Meanwhile, in India, our partnership with the government is opening new doors for individuals to gain meaningful

employment. This initiative closely mirrors our approach in the UK-focusing on 'job-ready' qualifications that equip people with the skills and confidence to thrive in the workplace.

Continuing to support our members through educational development and in business remains our central mission. Bringing our professional framework to life has been a deeply personal achievement for me. Having experienced firsthand what it takes to run your own practice, I know just how valuable structured, practical support can be. As an organisation, helping people take those steps with confidence is exactly what we are here to do.

Together, we're shaping a future that is more inclusive, tech-enabled, and filled with opportunity.

**Sarah Palmer**  
Chief Executive Officer

# Did you know?

## New AML Complete Feature

✔ You can now filter your client details with ease!

✔ Use the search bar to look up clients by name

✔ New filterable columns to refine your results

✔ Quick

✔ Easy

✔ Efficient

**aml**complete



# What now for the mandating of payrolling?



The move to mandatory payrolling of benefits has been a topic of discussion for a long time in the UK. With the current retrospective reporting of P11D forms being labelled a 'legacy' process, it was only a matter of time. In the last year or so, we have been told the move would take place in April 2026. However, as that date drew closer, no additional information was forthcoming. This was leaving software developers and employers none the wiser regarding the key details on how the changes would work in practice.

On 28 April 2025, several announcements were made by the Exchequer Secretary to the Treasury, James Murray, regarding a range of tax administration and simplification measures. Of those updates, the one most payroll professionals may have been expecting – it was confirmed that the mandatory payrolling of benefits is being delayed until April 2027.

The Government cited that the rationale behind this was to give more time for software providers, employers, tax agents and other stakeholders to prepare for the change. So, there's now an additional year before they'll be required to report income tax and Class 1A National insurance contributions (NICs) on most benefits in kind (BiKs) and expenses. Some have commented that they believe the reason for the delay in the announcement was so that many were fully prepared to payroll benefits from April 2026 already and will proceed in this way despite the delay. Subsequently, the process can be tested and monitored by HM Revenue and Customs (HMRC) throughout 2026/27, and any issues ironed out before it becomes a legal requirement.

A technical note was released alongside the announcement and, as always, the

devil is in the detail. We now have further operational information concerning how it will all work. The technical note can be accessed with the QR code below.



**A technical note was released alongside the announcement and, as always, the devil is in the detail. We now have further operational information concerning how it will all work. The technical note can be accessed with the QR code above**

Following the lack of information previously, we now have a more structured timeline to follow, detailing when each key stage will be reached:

### Action Dates



**HMRC will consider all feedback received from impacted stakeholders to support HMRC's drafting of legislation, guidance and technical specifications**  
April – Autumn 2025



**Draft legislation to be published alongside draft guidance for consultation**  
Autumn 2025



**Initial software technical information to be made available to software developers for feedback**  
December 2025



**Responses to the consultation of draft legislation and guidance to be considered**  
February 2026 to April 2026



**Updated legislation and guidance to be published**  
July 2026



**Primary and secondary legislation to be laid before Parliament**  
In line with 2026 Finance Bill timings



**Real Time Information (RTI) technical specifications to be published.**  
Second half of 2026



**Voluntary registering for the payrolling of loans and accommodation in**  
April 2027 to 2028  
to go live November 2026



**Voluntary registering for the payrolling of loans and accommodation in**  
April 2027 to 2028  
to close April 2027

## Mandating Payrolling of BiKs planned to go live April 2027

But what does this mean for the current state of payrolling? Well, for the 2026/27 tax year the rules will stay as they are right now. You can voluntarily payroll most benefits, but you must register to do so if you haven't previously. Once this is mandatory, registration will not be necessary.

There are two exceptions to this – employment related loans and accommodation. Currently these cannot be voluntarily payrolled and the P11D process must be used. The end plan is for these to be processed through payroll along with all other benefits. However, due to the calculations currently required in legislation, this is burdensome and complex for many businesses. As such, additional legislation is required to change the process, partly contributing to the delay. From April 2027, these benefits can be payrolled voluntarily with a view to making the process mandatory in the future.

Calculations will remain unchanged for those who currently use voluntary payrolling. In most cases, the annual cash equivalent of the BiK must be divided by the number of pay periods in the year. This figure is then processed as a notional pay element through the payroll for the purposes of tax and Class 1A NICs.

Where the BiK value isn't known at the start of the tax year, a reasonable estimate must be made as to the taxable value, and this should then be apportioned to the number of pay periods in the year. Where the cash equivalent changes mid-year, a revised taxable amount must be calculated to process through payroll for the remainder of the tax year.

HMRC has confirmed that the planned easement on inaccuracy penalties will still be in place for the first year of mandatory payrolling (now 2027/28) for non-deliberate non-compliance. Late filing and late payment penalties and interest will still be applicable. However, this may be of some comfort to employers as they get used to the new processes.

HMRC recognises there are nuances to reporting BKs and expenses in real time and addresses several issues in the technical note, such as:



**first year cashflow impacts for employees**



**the 50% overriding regulatory limit**



**employees and directors who receive no income**



**employees who receive BiKs and expenses after leaving their employment**



**retaining the P11D and P11D(b) for some cases**



**interaction with student loans**



**annual, quarterly, weekly, fortnightly and four-weekly payrolls**



**payslip information and end-of-year notification**



**fuel cards for cars**

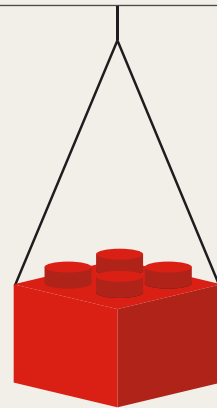


**coding adjustments**

Full details on how the Government intends to address these issues can be found in the technical note.

The Government has committed to considering all feedback on the mandatory payrolling of benefits received between now and the autumn Budget later this year. At this point, HMRC will put together draft legislation, guidance and technical specifications.

# Building a Practice that Passes the AML Test



Kathy, centre of picture

**W**hen Kathy Hams first opened the doors of her own bookkeeping practice, she never imagined that mastering AML compliance would become such a defining part of her journey. But as with any successful business, it's the systems you put in place and your commitment to running them well that determine whether you sink or sail.

Kathy, founder of **Kathy Hams Bookkeeping and Accountancy Services** based in Andover, speaks candidly about her experience:

"We're a small practice and the AML inspection can be quite overwhelming. It's a bit like an exam – you want to know you're doing things properly."

For Kathy, that first inspection three years ago wasn't just a check – it was a turning point. It coincided with her transition from operating as a (stage 2) Successful Practice into (stage 3) a Business, a key inflection point in the Institute's Practice Scalability Framework.

Guided by the IAB, who "explained the process in layman's terms," she came away with clarity and confidence. Having already stepped away from AMLCC, a platform she found overly complicated, she began implementing more intuitive tools. "It's vital to stay up-to-date and remain fully compliant as you grow," she says. That early focus on systems gave her the infrastructure to scale smoothly.

And grow she did. In the last 18 months alone, her client base doubled to more than 150, fuelled by a focused marketing campaign, a confident pricing strategy and a robust onboarding system using Veriphy. But this wasn't blind expansion. Kathy was clear on her boundaries and values.

"AML is an onerous task but vital. You've got to keep up with it. It's become intrinsic to running the business – it's a major part of your business toolkit."

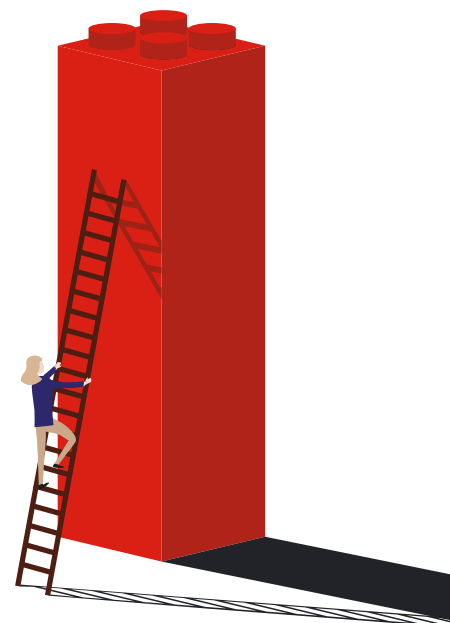
That mindset – treating compliance as a strategic asset rather than an afterthought – is what allows firms to scale sustainably. And it's why IAB's *AML Complete* has become a cornerstone for practices like Kathy's. "We had a few teething issues," she admits, "but we're getting used to it now. It's helping us make sure we stay on top of everything."

Today, Kathy leads a team of six who are all working mums, with a range of professional qualifications. Her approach is built on trust, empowerment and clear leadership.

"I'm very happy being the captain and sailing the ship. I'd like to think of myself as an empowering boss."

But that leadership came from experience, not ego. "When I first set up in practice 13 years ago, I had a core of clients but worked for other firms. I had a little bit of imposter syndrome." Her decision to go fully independent three years ago marked the start of a shift – from operator to business owner, and from doer to leader.

Now based just off Andover's town centre, Kathy's practice receives two to three enquiries a week and has the confidence to cherry pick clients who align with their culture and capacity. That balance of *profit and leverage* – earning well while maintaining control over growth - is at the heart of the IAB's scalability model.



## Her top three AML tips for fellow professionals?

- 1 Get proper systems and processes in place from the start and take time to understand how to get the most out of them
- 2 Don't wing it – there's absolutely no point. If you need help, ask for it
- 3 Tap into peer support like the IAB Ambassador groups

Kathy's story is a reminder that AML isn't just a regulatory hurdle – it's a fundamental part of running a responsible, respected and scalable practice. It speaks to all five pillars of sustainable growth: Finance (charging properly), Systems (automated onboarding), Marketing (targeted outreach), Recruitment (hiring a skilled team) and Mindset (growing with purpose).

Whether you're just starting out or building momentum in Stage 2 of your journey, baking AML into your practice from day one isn't just smart – it's strategic. As Kathy proves, the right systems don't slow you down. They help you scale with confidence.

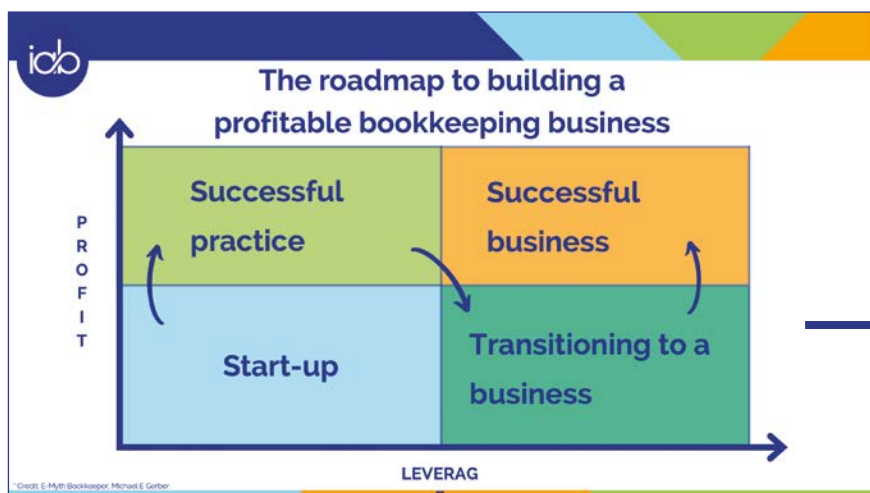
# It's here!



## The roadmap to building a profitable bookkeeping business



Sarah Palmer shares the proven framework that helped her grow a successful bookkeeping business - Whether you're just starting out or looking to take your practice to the next level, this course will equip you with insights, strategies, and real-life experience to fuel your growth journey.



Watch the trailer now



## What do you get?

- 6 video chapters
- 4 stage-by-stage planners
- 4 non-verified CPD
- points upon completion
- 12-month access

All for £100

Visit the IAB shop to purchase





# It All Starts with You: The Transformational Power of Self-Awareness

In a profession grounded in precision, consistency and trust, it is easy to become so focused on clients, deadlines and figures that we overlook one vital element in the equation: ourselves.

We are the constant in every interaction, decision and project. It really does begin with us. That is why investing in understanding, renewing and when necessary, managing our internal world is essential if we are to unlock our full potential and increase our external impact.

“

**Our thoughts shape our internal narrative, which in turn shapes our reality. Emotions are not distractions, but signals to be acknowledged and understood. Beliefs, often inherited or unexamined, can quietly set limits unless we explore them**



## The Inner Operating System

It may seem unusual to consider our inner world - our thoughts, emotions, beliefs, values, behaviours and energy - as part of a kind of internal operating system.

Yet the body-mind connection is extraordinary. It learns to function so seamlessly that much of what it does happens without conscious effort. From healing and responding to experiences to managing vital processes like breathing, circulation and digestion, all these systems work together to keep us going.

This internal intelligence runs quietly in the background, guiding how we respond, communicate, make decisions and lead. The more aware we are of this system and its processes, the more deliberately we can influence them.

Our thoughts shape our internal narrative, which in turn shapes our reality. Emotions are not distractions, but signals to be acknowledged and

understood. Beliefs, often inherited or unexamined, can quietly set limits unless we explore them. Our energy affects those around us more than our words. And our behaviours are the outward expression of all these elements combined.

If we are not aware of this system, it continues to operate - but unconsciously, often based on outdated habits.



## The Ripple Effect: How We Affect Others

Whether we are conscious of it or not, we influence others simply by being present. Our tone of voice, energy, facial expressions and emotional state all have an outward ripple effect.

When we feel tense, rushed or frustrated, those around us sense it - even if we insist we are fine. Fear, stress or emotional distance within a team or client relationship can create similar feelings in others. Our internal state is communicated subtly, often through energy rather than words.



withdrawn, micromanage or disconnect - often as a way of coping with unresolved internal discomfort.

Even well-meaning individuals can inadvertently cause harm if they are not attuned to their own behaviour and its impact.



### A Practice, Not a Project

Self-awareness is not a one-off insight. It is a lifelong practice - subtle, continuous and sometimes

uncomfortable, but ultimately transformative. Every challenge, every difficult conversation and every disappointing outcome is an opportunity to learn. And it is one of the most valuable investments you can make in yourself.

Projection is one common unconscious defence mechanism. It involves attributing your own thoughts or feelings to someone else, instead of recognising them in yourself. For instance, if you are feeling insecure about your competence, you may perceive others as being critical, even if they are not. It is like looking into a mirror and thinking you are looking through a window.

### It All Starts with You

Making space for regular reflection, even just once a week, can lead to profound, lasting change. Set aside at least fifteen minutes to ask yourself: What is working? What is not? What is one small thing I can change?

Small, consistent reflections lead to small improvements. And over time, these build into significant shifts - in how you present yourself, serve clients, manage your time and lead your team. The impact may not be immediately obvious, but it becomes clearer with time.

It is not about dramatic change. It is about consistent noticing and adjusting. That is what makes the real difference.

To explore this further, book your free 60-minute IAB Clarity Call with Kim through the IAB Member Benefits section on the website.



**Often, it is not what we do that matters most, but how we show up - mentally, emotionally and energetically. As Maya Angelou famously said, 'people may forget what you said, but they will remember how you made them feel'.**

By contrast, a grounded and self-aware presence helps build trust and psychological safety. People tend to be drawn to those who are calm and centred.

Often, it is not what we do that matters most, but how we show up - mentally, emotionally and energetically. As Maya Angelou famously said, 'people may forget what you said, but they will remember how you made them feel'.

This is why emotional self-regulation is not just a personal asset; it is a leadership and relational necessity.



### Emotional Intelligence Starts Within

Emotional intelligence, or EQ, is not just about managing others. It starts with understanding yourself. Self-knowledge creates space for deeper understanding of those around you.

### The foundations of EQ include:



**Self-awareness:** recognising what you are feeling and why.



**Self-regulation:** managing your emotional responses.



**Empathy:** connecting with others by feeling with them, not just for them.



**Social skill:** managing relationships with care and insight.



### The True Cost of Unawareness

Lack of self-awareness has real consequences. It can lead to miscommunication, repeated conflict, burnout due to misaligned values or neglected emotions and leadership that demotivates rather than inspires.

When we do not pause to check in with ourselves, we fall back into unhelpful habits. We may overreact, become

# In Loving Memory of Angie Fisken



Normandy Memorial Trust, demonstrating once again her generous spirit and commitment to making a difference.

What made Angie truly special was her unshakable belief that there was always time for everyone. Whether it was a five-minute chat or a deep conversation about business challenges, she made each person feel seen, heard, and valued. Her ability to listen without judgement, to offer practical help without hesitation, and to share her knowledge so freely left a lasting impact on every life she touched.

In an industry that often focuses on numbers, Angie never forgot that it is people who truly matter. Her legacy lives on not only in the businesses she helped nurture, but in the spirit of kindness, support, and collaboration she championed so effortlessly.

Sadly, Angie Fisken passed away in April 2025. But the light she brought into so many lives continues to shine through the people she supported, the businesses she strengthened, and the hearts she touched.

This is a heartfelt thank you from Joyce, Jennifer and Mohammed, to a truly wonderful lady who taught us all that success is even sweeter when it is shared – and that a generous heart can make all the difference.

We will remember you forever, Angie. Keep shining bright.

**“What made Angie truly special was her unshakable belief that there was always time for everyone. Whether it was a five-minute chat or a deep conversation about business challenges, she made each person feel seen, heard, and valued.”**



**Angie’s enthusiasm was infectious, she brought a special energy to every event**

As her own career in bookkeeping reached a point where she was beginning to reduce her workload, Angie chose not to simply wind down quietly. Instead, she made it her mission to lift others up. She saw the struggles that small bookkeeping businesses faced and decided to share her success – and her clients – with those just finding their feet. Her generosity wasn’t just in words but in real, tangible support that helped many fledgling bookkeepers build strong foundations.

Beyond her own business, Angie volunteered as an IAB Ambassador, a role she embraced with open arms and an even bigger heart. In this voluntary position, she nurtured her group of fellow bookkeepers, offering advice, encouragement, and the wisdom gathered from years of experience. She wasn’t just a representative; she was a true advocate for her peers. She was equally devoted to supporting her fellow Ambassadors, always willing to lend an ear, a hand, or a piece of guidance whenever it was needed.

Over the years, we shared many wonderful moments together. We had great fun at Accountex London, celebrating and learning alongside our peers. We also shared some unforgettable times at the IAB Awards at the House of Commons – moments filled with pride, laughter, and friendship. Angie’s enthusiasm was infectious, and she brought a special energy to every event. She also took part in the IAB charity cycle ride in 2021, riding alongside IAB Staff and members to raise money for



Very sadly we recently lost one of our most loved members, Angie Fisken. Angie was an incredible lady who really embodied all that is good about the bookkeeping profession. Dedicated not only to her clients and her fellow IAB members, she loved to help people whether through her Ambassador Group, events, charity fundraising or just reaching out one to one. We send our deepest condolences to Angie’s wonderful family and many friends inside and outside of IAB.

Fellow IAB Ambassadors and friends of Angie - Joyce O’Leary, Jennifer Barker and Mohammed Karolia asked whether they could prepare a written tribute.

In the world of bookkeeping, where precision and deadlines often dominate, it is rare to find someone whose greatest focus was on people. Yet one remarkable lady stood out – not for how much she achieved for herself, but for how much she gave to others. That lady was Angie Fisken, whose kindness and generosity touched everyone she met.



## Video for bookkeepers



**N**ot so long ago, it would have been unthinkable for your average finance professional to appear in a video – let alone actually create one themselves.

We had neither the technology nor the knowledge to use this form of communication.

Fast forward to today, and just as in the worlds of accountancy and bookkeeping, there has been a total transformation in what can be achieved with just a basic modern phone and a little ingenuity.

Even solo practitioners with next to no marketing budget can shoot well-constructed videos for use on their websites, LinkedIn profiles or as QR code links on leaflets or business cards.

But I hear you cry: “We’re accountants and bookkeepers. What on earth would we talk about and this all sounds a long way from balance sheets, AML and tax returns.”

Fear not as again, technology rides to the rescue. Using AI, free apps on your phone and some very low-cost accessories it is perfectly possible for even the most camera-shy IAB member to record something passable.

### Basic kit

Let’s start with the basic kit you will need. You obviously all have a modern ‘smart’phone but it would be worth investing in a basic tripod or phone stand. You can also buy a cheap clip-on mic which plugs into your phone and gives you almost studio-like sound.

### Software

All phones come complete with an in-built video as well as very basic editing tools. You can download all sorts of clever apps which essentially turn your phone into a sophisticated high-definition video camera and editing suites.

But the most useful tool to download has to be one of the free teleprompter apps which gives you the luxury of not having to remember words!

### Location

It is perfectly acceptable to record something in your office, study or even your garden – weather, pets and kids permitting! You just need good lighting, little outside noise and somewhere you feel completely comfortable.

And don’t forget that it is perfectly passable to record something on Zoom. You can even add your own branded background and logo.

### Script

Here is where things get really clever. Jot down a few bullet points about what you want to say.

- **Introduce yourself** – who you are, what you do and what your business is called
- **Explain what this video is about** – promoting your business, a new service, appearance at an event, educating people on a particular subject or talking about one of your clients
- **Give a few simple facts to back these up** – date of event, name of client, story relating to a piece of new legislation
- **Finish off with a simple call to action** – what would you like people to do after listening to your video.

Then pop this all into an AI programme like ChatGPT or Gemini and ask it to create you a simple script. You can go back and forth with this a few times until you’re happy then download it and save it as a document on both your computer and your phone (there is of course a ChatGPT app!).

### Shooting the video

Just upload your script into the teleprompter app, play about with the speed until you are happy and pop your phone onto the stand or tripod.

Position yourself slightly to the left or right of centre of the frame, make sure you have no distractions in the shot then try a test run. Play it back, show it to a friend and if needs be make the necessary adjustments. Then you are ready to shoot for real. Just make sure you leave a full five seconds at the start and the end so it gives you a little wiggle-room when editing.

### Editing your work

Most smartphones will have a video editing facility built into the bundled software. You may want to ‘prune’ the start and end (as above) so they look smooth. Depending on how brave you feel you can then add text, branding, images and even music to your video.

### What next?

You should now have a video file on your phone which you can use in a multitude of ways. I would certainly advise uploading it to a YouTube channel, if you have one. This makes it really easy to share plus you get more brownie points from Google who own YouTube.

Then you can add it natively (i.e. you load the actual file rather than a link) to social media sites such as LinkedIn or Instagram.

If you send out a newsletter, then you can embed the link so that the video plays once delivered to your recipients – making your marketing much more engaging.

Or you simply may want to create your own QR code directing people to your video on YouTube. This can be added to fliers, posts or business cards.

Don’t be scared. You have very little to lose



and having video as part of your marketing mix may be the difference between you converting new clients or missing out.

# Director duties and responsibilities when insolvent

## Director Responsibilities when a company is trading while insolvent

Once you become aware your company is insolvent, it is your duty as director to act in the best interests of creditors. This often means ceasing trading to protect your creditors from incurring further losses. Your company is classed as insolvent if it cannot afford to keep up with its outgoings and pay creditors the money they are owed.

## Director duties and responsibilities when insolvent

As a company director, if you continue trading after your business has knowingly become insolvent, you are running the risk of breaching your legal duties and responsibilities as a company director.

If your company is unable to meet its financial obligations as and when they fall due, and/or its liabilities exceed its assets, it may be classed as balance sheet or cash flow insolvent.

As the director of an insolvent company, your duties and responsibilities change once the business has run out of cash and has become insolvent. If you fail to uphold these responsibilities, you could be accused of wrongful trading and held personally liable for the repayment of certain company debts.

Once a company becomes insolvent, its directors owe a legal duty to creditors to minimise their losses. In many cases this means ceasing trading immediately, however, this is not always the case. If your company becomes insolvent, you should make it a priority to seek the services of a licensed insolvency practitioner who will be able to assess the situation and provide advice as to your next steps.

“

**Once a company becomes insolvent, its directors owe a legal duty to creditors to minimise their losses.**

## Who is considered a director during insolvency?

You do not have to be a registered director in order to be held responsible for acting in the best interest of creditors. If you actively participate in controlling the direction of company affairs, or you give instruction to directors (commonly known as “shadow directing”) you are legally responsible for ensuring that the company takes the steps necessary to repay outstanding debts.

For example, if you control the direction of the company and you take part in most of the important decision-making, you would be considered a director from the perspective of the court even if you are not registered as such with Companies House.

## What are directors not allowed to do while insolvent?

A director who controls the affairs of an insolvent company may be held personally liable for company debts if they engage in any of the following practices:

### ***Taking on borrowing with no intention of repaying***

If you continue to enter into new contracts, take customer deposits, or obtain finance or funding with no intention of repaying or fulfilling the

orders, you may be found guilty of fraudulent trading. This is a serious crime that could result in a penalty of up to 7 years in prison, as well as incurring personal liability for creditor losses.

### ***Continuing to trade while knowingly insolvent***

Continuing to trade when you know your company is insolvent and is unlikely to be able to turn its fortunes around, is known as wrongful trading. By continuing to trade, you run the risk of worsening the position of your creditors and causing them further financial losses. Once you know your company is insolvent, or is likely to become insolvent, you must seek the services of a licensed insolvency practitioner for advice as to your next steps.



### **Partaking in Transactions at Undervalue**

If you sell any assets of the company at a price considerably below market value - or gift them to another party for no payment whatsoever - the court has the power to reverse these transactions to put the company back into the position it was in prior to these transactions being made. By depleting the company's assets, you are reducing the money available to all creditors, something which goes against your legal responsibilities and duty to creditors.

### **Making preference payments**

The director of a company is obliged to act in the best interests of its creditors as a whole once the company becomes insolvent.

This means that you're not allowed to repay certain debts in favour of others. For example, if you choose to repay a personally guaranteed debt or a debt owed to a friend or family member but make no effort to make payments on other debts, you could be accused of treating certain creditors with preference. If the court finds you guilty of this, they may reverse the repayments by ordering the repaid creditor to refund the payment to the insolvent company.

**“Continuing to trade when you know your company is insolvent and is unlikely to be able to turn its fortunes around, is known as wrongful trading.”**

### **Director duties during company liquidation**

Adhering to your responsibilities as the director of an insolvent company is vitally important, particularly if the company subsequently enters a formal insolvency process such as liquidation, whether this is done voluntarily by way of a CVL or is forcibly wound up by the court in a compulsory liquidation.

When a company is liquidated, the appointed insolvency practitioner is obliged to conduct an investigation into the affairs of the insolvent company in order to determine the reason behind the company's insolvency and whether the actions of its directors contributed to this. They will consider the actions you took when you ought to have known the company was insolvent, particularly when it comes to the transactions you entered into at this point and how long you continued to trade on before seeking advice from a professional.

By contacting an insolvency practitioner at the earliest signs of insolvency, you are demonstrating your desire to protect the interests of creditors and therefore adhere to your legal duties as the director of an insolvent company.

Failing to take action and instead waiting for your company to be forced into compulsory liquidation by order of the courts will not reflect well on you and your fellow directors during the liquidation investigation.

If any of your clients are experiencing financial distress and you would like to discuss options for closing their business, contact **Thomas Harris on 07971 942 548 or email [thomas.harris@btguk.com](mailto:thomas.harris@btguk.com)**

**“By contacting an insolvency practitioner at the earliest signs of insolvency, you are demonstrating your desire to protect the interests of creditors...”**

# The ESG-AML Connection: Strengthening Integrity in Business



BBC report - criminal activity in UK high streets

**W**hen you're just starting out in practice, your focus is understandably on staying afloat. Winning clients. Getting the work done. Bringing in enough to cover your costs and pay yourself. In that context, ESG - Environmental, Social and Governance - might sound like something for big firms with legal teams and HR departments. Not something for someone working from a spare room or a serviced office.

But overlooking it would be a missed opportunity. Like AML (Anti-Money Laundering), ESG isn't a distraction. It's part of building a business that lasts - and one that reflects your values from the ground up.

## Starting Out: Getting the Basics Right

At the beginning, it's all down to you. You're doing the client work, managing the books, running the admin, keeping on top of compliance. With so much going on, it's tempting to take a minimalist approach - especially when it comes to AML.

But even the smallest decisions set the tone for how your business will grow. The clients you take on, the risks you're willing to accept, the standards you hold yourself to - these choices start to shape your reputation and your future.

Thinking about ESG at this point isn't about box-ticking. It's about deciding what sort of professional you want to be and importantly, what kind of practice you're building. That clarity early on will serve you well.

## A Stable Practice: Time to Look Up

Once your practice is more established - steady clients, predictable income - it's easy to settle into a rhythm. But routines can lead to ruts. You're doing the work, but are you still building the business?

This is when ESG can help you see more clearly. It encourages you to step back and ask bigger questions about who you work

with and how they operate. Are your clients behaving responsibly? Are their businesses aligned with your standards?

AML is about more than paperwork. It's about protecting your practice - and your reputation. ESG helps you take a broader view, so you're not just avoiding risk, you're actively choosing to work with the right people.

## Scaling Up: Building Something That Works Without You

Growth brings complexity. More clients. A growing team. Systems that need to scale. At this stage, cracks start to show if the foundations weren't laid properly.

The practices that manage this well are the ones that planned ahead. They've treated the business as a business - not just a job. ESG thinking helps with that. It encourages you to think about efficiency, ethics as well as long-term impact.

By now, compliance should be built into how you work - not something you chase after. You've got systems that support you, not slow you down. And a team that understands what the business stands for. You're not just staying out of trouble; you're building trust.

## A Fully Functioning Business: Leading with Clarity

If you've reached the point where your business can run without you, it's because of all the decisions you made along the way - often when it felt like no one was watching.

At this stage, ESG should be second nature. Your clients value the way you do business. Your team works to shared principles. You're not caught off guard by compliance issues because your approach has been proactive from the start.

Now, ESG becomes something more than a risk filter. It becomes a lens for leadership. It helps you shape your business's future - whether that means growing, diversifying or indeed stepping back.

## Looking Ahead

AML is often seen as an obligation. ESG can feel like a vague ideal. But really, they're both asking the same question: what kind of practice do you want to run?

Beyond ticking a compliance box, AML work is an active contribution to society. By following AML regulations, your practice helps disrupt serious organised crime, including human trafficking, drug networks and exploitation. These aren't distant issues - they're increasingly visible in local communities, as a recent BBC report on criminal activity in UK high streets has shown. By taking AML seriously, you're not only protecting your business - you're also standing against crimes that erode the safety and wellbeing of the society we all live and work in.

Don't forget! AML Complete is there to help you create the firm foundations for an ESG-compliant business - wherever you are on your journey.



**aml**complete



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