

Firm obligations: 7 top tips to help you complete your firm return

These top tips will help you complete your firm annual return and avoid potential breaches with IFA's [Bye-laws](#), [IFA's Public Practice Regulations](#) and [Money Laundering Regulations](#). Remember completing your annual firm return is a mandatory part of the renewal process.

1. Changes of firm details

Please review and update changes in your firm's contact details, key contact, connected entities and [beneficial owners, officers and managers \(BOOMs\)](#). Two points of clarification that you will find useful are:

- a connected entity is an accountancy service provider that shares a common director, partner or owner in the firm; and
- the IFA must approve all [beneficial owners, officers and managers \(BOOMs\)](#) in our supervised firms to ensure that no BOOM has been convicted of a relevant offence as set out in [Schedule 3 to the MLR 2017](#). Further information is available on www.ifa.org.uk/aml.

2. Supporting documentation

Please remember to attach a copy of your professional indemnity insurance (PII) certificate and your firm-wide money laundering risk assessment when submitting your firm annual return.

3. Professional indemnity insurance

Make sure your firm meets the IFA requirements for PII cover included in the IFA [Public Practice Regulations](#). If your firm's gross income is less than £400,000, the required annual minimum limit of indemnity for each and every claim or in all is the greater of two and a half times its gross annual fee income or £100,000. If your firm's gross fee income is £400,000 or more, the required annual minimum limit of indemnity shall be £1,000,000 for any one claim or in all.

4. HMRC TCSP Register

The Money Laundering Regulations require HMRC to maintain a register of all relevant persons who are trust or company services providers (TCSPs) who are not already registered with the FCA. The IFA will be adding relevant firm details to HMRC's TCSP register from information included in your annual firm return. Firms (including sole practitioners) which are TCSPs and are not on the register may be subject to disciplinary action by the IFA and/or criminal or civil penalties by HMRC. Further information is available at www.ifa.org.uk/tcsp.

5. Client money

If you hold or receive money of any currency for or from clients, make sure you conduct client due diligence, set up a separate bank account for clients and reconcile the client money bank account at least every month.

6. Arrangements for incapacity

Make sure you have adequate arrangements to ensure the continuity of your practice in the event of holidays, sickness, ill-health and death. Sole practitioners must have a nominated person or firm (an 'alternate') to discharge the obligations of the firm in the event of ill-health or death.

7. Data protection

Under the Data Protection (Charges and Information) Regulations 2018, every organisation or sole trader which processes personal information needs to be registered with the Information Commissioner's Office (ICO) and pay a data protection fee. If you are a practising accountant, you are unlikely to be exempt from this registration. Further information is available on the [ICO website](#).

If you need help or guidance, please email compliance@ifa.org.uk including details of your firm name and number.