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|  | **ICAEW** Technical Advisory service | ../ICAEW_Logo_Kit%20part%201/Logo/ICAEW_Main_logo/Main%20logo%20screen/ICAEW_logo_BLK_RGB.png |  |
|  | **Are you ready to go into practice checklist** | Issued August 2018Last Reviewed October 2023 |  |
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## Introduction

The [ICAEW statement on engaging in public practice](https://www.icaew.com/technical/practice-resources/practising-certificates/new-2024-icaew-statement-on-engaging-in-public-practice) clarifies when you will need a practising certificate and, by definition, when ICAEW considers you to be in practice (this checklist is not part of your formal application for a practising certificate).

It is important to ensure you are comfortable with the responsibilities and challenges of being in practice, that may be particularly appropriate if you have come from a non-practice background.

The purpose of this checklist is so that you can satisfy yourself that you are ready for practice and it is right for you. It should be read in conjunction with the [practice regulations](https://www.icaew.com/regulation) and the [ICAEW Code of Ethics](https://www.icaew.com/technical/trust-and-ethics/ethics/icaew-code-of-ethics/icaew-code-of-ethics).

## Considerations

The following sections highlight key considerations when setting up an accountancy practice, although are not intended to provide an exhaustive list.

### Practice structure, name, description and logos

When setting up a practice, consideration should be given to the practice structure (ownership and management), name, description and whether it can make use of ICAEW logos.

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| **Which structure will you work through?*** Sole practitioner
* Partnership
* Limited company
* Limited liability partnership (LLP)

The [audit regulations](https://www.icaew.com/regulation/working-in-the-regulated-area-of-audit/audit-regulations-and-guidance#regulations) require a registered auditor to be controlled in a certain way. Model articles (for both private and public companies) have been drafted to aid compliance with these requirements and are available from the [Audit regulations and guidance](https://www.icaew.com/technical/audit-and-assurance/regulation-and-working-in-audit/working-in-the-regulated-area-of-audit/audit-regulations-and-guidance) webpage. |[ ]

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| **Who will be the principals?*** You
* Your spouse, family, friend (chartered accountants and non-chartered accountants)
* Member(s) of other professional bodies
* Others

The definition of ‘principals’ is taken from the [ICAEW statement on engaging in public practice.](https://www.icaew.com/technical/practice-resources/practising-certificates/new-2024-icaew-statement-on-engaging-in-public-practice) A member who is regarded as being in practice will require a practising certificate. Any non-member principals in regulated firms (audit, DPB, insolvency or probate) or a firm using the description ‘Chartered Accountants’ must become an [ICAEW affiliate](https://www.icaew.com/technical/practice-resources/setting-up-a-practice/practice-structure/affiliates).In accordance with regulation 26 of The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, any new individual who wants to be a beneficial owner, officer or manager ([BOOM](https://www.icaew.com/technical/trust-and-ethics/anti-money-laundering/criminal-record-checks/definition-of-a-beneficial-owner-officer-or-manager-boom)) in one of our supervised firms must be approved by ICAEW. ICAEW can only approve a BOOM if that individual has no relevant unspent criminal convictions. Once we are notified about your practice we will write to you requesting an original copy of the individual [criminal record check certificate](https://www.icaew.com/technical/trust-and-ethics/anti-money-laundering/criminal-record-checks). The basic level check is required. | [ ] [ ] [ ]  |
| **What will the name of the practice be?**A practice name must comply with legal requirements and be consistent with the dignity of the profession. It should not be misleading or imply superiority. Further guidance is available in the [Practice names and letterheads](https://www.icaew.com/technical/tas-helpsheets/practice/practice-names-and-letterheads) helpsheet.Advisory Services has produced letterheads checklist and templates to assist you in designing your own practice letterhead. They also offer a free and confidential approval service to review the practice name and letterhead and advise whether it satisfies ICAEW and other requirements. If you would like to use this service please email your draft letterhead (and email template where applicable) to firms.admin@icaew.com. |[ ]
| **Will your practice be an ICAEW member firm?**Does the structure of your accountancy practice meet the [ICAEW member firm definition](https://www.icaew.com/regulation/is-your-entity-a-member-firm) set out in the Principal Bye-laws. It is important to understand whether your practice meets this definition as it affects whether ICAEW will be your anti-money laundering supervisor (see [Anti-money laundering supervision](https://www.icaew.com/regulation/aml-supervision)). |[ ]
| **Will your practice be entitled to use the description ‘Chartered Accountants’?**The [Use of Description Chartered Accountants Regulations](https://www.icaew.com/regulation/regulations-governing-the-use-of-the-description-of-chartered-accountants) set out when a firm may describe itself as ‘Chartered Accountants’. Please note the ‘use of description’ member firm definition is different in the [Principal Bye-laws](https://www.icaew.com/regulation/is-your-entity-a-member-firm) for an ICAEW member firm. |[ ]

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| **Will your practice be entitled to use the ICAEW logo?**ICAEW has developed [logos](https://www.icaew.com/membership/offers-discounts-and-services/promoting-your-practice/icaew-logos) for use by ICAEW members, ICAEW member firms, ICAEW licensed insolvency practitioners and ICAEW probate accredited firms.**Member logo**Any ICAEW member who is entitled to use the ACA or FCA designation may use the member logo to promote their own professional services. This includes members in business and practice. Sole practitioners may use either the member or the member firm logo.**Member firm logo**Only practising member firms, as defined in the [Use of description regulations](https://www.icaew.com/regulation/regulations-governing-the-use-of-the-description-of-chartered-accountants) paragraph 5, can use the member firm logo to promote their firm.**ICAEW licensed insolvency practitioners logos**All ICAEW licensed insolvency practitioners may use the ICAEW licensed insolvency practitioner (UK) logo for promotional purposes.Firms where all the insolvency practitioners are licensed by ICAEW may use the ICAEW licensed insolvency practitioners (UK) logo to promote their firm.The logo doesn’t replace the legend. All recognised professional bodies under the Insolvency Act have agreed that insolvency practitioners should tell clients, and others with whom they deal, the name of their authorising body at an early stage.**ICAEW probate accredited logo**ICAEW probate accredited firms may use the ICAEW probate accredited firm logo (UK) for promotional purposes. The logo does not replace the legend and can be used together on firm letterhead. | [ ] [ ] [ ] [ ]  |

### Other legal, regulatory and ICAEW requirements

You will need to ensure that you comply with legal, regulatory and ICAEW requirements including complying with the [ICAEW Code of Ethics](https://www.icaew.com/technical/trust-and-ethics/ethics/icaew-code-of-ethics/icaew-code-of-ethics).

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| **Professional indemnity insurance (PII)**You must obtain professional indemnity insurance (PII) which complies with the PII regulations. Further guidance is available on the [professional indemnity insurance](https://www.icaew.com/regulation/professional-indemnity-insurance) webpage. |[ ]
| **Practice assurance standards and regulations**You must comply with the practice assurance standards and regulations. Further guidance is available from the [Practice Assurance standards, guidance and regulations](https://www.icaew.com/regulation/practice-assurance/practice-assurance-regulations) webpage. |[ ]

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| **Clients' money**If you intend to hold clients’ money, you will need to comply with the Clients’ money regulations. Further guidance is available from the [Clients’ money regulations](https://www.icaew.com/regulation/clients-money) webpage. Sole practitioners who hold clients’ money are required by regulation 31 to make appropriate [alternate arrangements](https://www.icaew.com/technical/practice-resources/setting-up-a-practice/practice-structure/alternates) and notify ICAEW of these arrangements. |[ ]
| **Anti-money laundering**You must comply with anti-money laundering regulations. This includes the need to be supervised (see [Anti-money laundering supervision](https://www.icaew.com/regulation/aml-supervision) webpage), for beneficial owners, officers or managers to be approved by ICAEW (see [Criminal record checks](https://www.icaew.com/technical/trust-and-ethics/anti-money-laundering/criminal-record-checks) webpage) as well as wider obligations (see [Anti-money laundering](https://www.icaew.com/technical/trust-and-ethics/anti-money-laundering/criminal-record-checks/definition-of-a-beneficial-owner-officer-or-manager-boom) webpage and the [CCAB Anti-money laundering guidance for the accountancy sector](https://www.ccab.org.uk/anti-money-laundering-guidance-for-the-accountancy-sector/)). |[ ]
| **Data protection**You will normally need to register with the ICO and pay the [data protection fee](https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/data-protection-fee/). You will also need to comply with data protection legislation. Further guidance is available in [ICAEW’s guide to GDPR](https://www.icaew.com/technical/trust-and-ethics/data-protection) and in the ICO’s [Guide to Data Protection](https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/data-protection-fee/). |[ ]
| **Authorised or licenced work**If you intend to carry out any authorised or licenced work, you will need to comply with the relevant regulations and should assess the implications of these for your practice. * Audit(see [Working in the regulated area of audit](https://www.icaew.com/regulation/working-in-the-regulated-area-of-audit/audit-regulations-and-guidance) webpage).
* Investment business (see [DPB (Investment Business) licence and FCA authorisation](https://www.icaew.com/regulation/dpb-investment-business-licence)).
* Insolvency (see [Insolvency](https://www.icaew.com/regulation/insolvency) webpage).
* Legal services including probate (see [Probate services](https://www.icaew.com/regulation/probate-services) webpage).
* Licenced practice (including acting as an ATOL reporting accountant, see [Licensed practice scheme](https://www.icaew.com/regulation/working-in-the-regulated-area-of-audit/become-a-licensed-practice) webpage).
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### Practice management

Before starting out in practice, it is important to think about how you will manage the practice. The following table offers a number of aspects to consider.

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| **Charge out rates**Have you considered how you will set your charge out rates and fees? Guidance is available on the [Fees and charge-out rates](https://www.icaew.com/technical/practice-resources/practice-finance-and-management/fees-and-charge-out-rates) webpage and details of how to communicate your fees with potential clients is available in the [Fee information](https://www.icaew.com/technical/tas-helpsheets/ethics/fee-information) helpsheet. |[ ]
| **Employing staff**Will you be employing staff? If so, you need to consider the human resource implications of being an employer (including PAYE/NI, employment law and employer’s liability insurance). |[ ]
| **Subcontracting**Will you be acting as a subcontractor for another practice or making use of a subcontractor to provide your services? If so, guidance is available in the helpsheet [Subcontracting accountancy services](https://www.icaew.com/technical/tas-helpsheets/practice/subcontracting-accountancy-services). |[ ]
| **IT systems**Have you considered your IT systems? You may wish to consult our guide on [5 things to think about when considering your IT options](https://www.icaew.com/technical/practice-resources/setting-up-a-practice/five-it-considerations) and the ICO’s document; [A practical guide to IT security](https://ico.org.uk/media/for-organisations/documents/1575/it_security_practical_guide.pdf). |[ ]
| **Obtaining clients**Have you considered how you will obtain new clients for your practice? Our [Marketing](https://www.icaew.com/technical/tas-helpsheets/ethics/Marketing) helpsheet highlights key ethical and regulatory considerations when promoting your practice and our [Marketing your practice](https://www.icaew.com/technical/practice-resources/running-your-practice/marketing-your-practice) webpage offers a wide range of suggestions. If you are looking to purchase a block of fees from an existing practice our helpsheet [Buying and selling fees](https://www.icaew.com/technical/tas-helpsheets/practice/buying-and-selling-fees) sets out additional considerations. |[ ]

## Additional resources

Further practice resources are available from our [Setting up in practice](https://www.icaew.com/technical/practice-resources/setting-up-a-practice) webpage. You can also sign up to [Practicewire](https://www.icaew.com/technical/practice-resources/running-your-practice/support-for-member-firms/practicewire) to keep yourself up to date with the latest practice news from ICAEW and book yourself onto a wide range of [events](https://events.icaew.com) to support you in both setting up and running your practice.

ICAEW’s range of [faculties](https://www.icaew.com/groups-and-networks/faculties) and [communities](https://www.icaew.com/groups-and-networks/communities) are designed to support you in areas of work and industry sectors that are of particular interest to you.

The [Library and Information Service](https://www.icaew.com/library) offers a range of services and resources to support you in all areas of your work and includes a document supply, client screening and enquiry service.

## If in doubt seek advice

For guidance please contact Technical Advisory Services on +44 (0)1908 248 250.

The [Support Members Scheme](https://www.icaew.com/membership/Support-throughout-your-career/support-members-scheme) provide all ICAEW members with free and confidential support at any time and in relation to any situation. If you would like to speak to a support member please call free on +44 (0)800 917 3526.

The [Chartered Accountants’ Benevolent Association (CABA)](https://www.caba.org.uk/) supports chartered accountants and their families through difficult and challenging times. For financial, practical and emotional support in confidence call +44 (0)1788 556 366. For free and confidential 24 hour advice and counselling call +44 (0)800 107 6163.

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