

13 Things You Must Ask Your Accountant Before You Hand Over Your Hard Earned Cash

1) Are they qualified?

The most widely recognised and highly regarded accountancy qualification is a Chartered Accountant.

A Chartered Accountant will either be a member of the Institute of Chartered Accountants of Scotland (ICAS – the oldest accountancy body) or the Institute of Chartered Accountants of England and Wales (ICAEW). Members will be able to use either CA or ACA respectively to denote their qualifications. If you are in doubt you can check the website of either body to ensure your accountant is registered.

You wouldn't let an unqualified electrician rewire your house therefore why would you let an unqualified accountant prepare your accounts and tax return?

2) Experience

Do they have experience dealing with similar type/sized companies to yours? Some firms will specialise in a particular sector whereas others will deal with a wide range of clients. You ideally want an accountant with a broad spectrum as they can then pull on expertise from different types of business to help yours i.e. they will think outside the box to help your business.

3) Which member of staff will look after you and your business?

Many accountancy firms will use trainees to look after the clients' day to day needs and prepare the accounts. They will then be given a brief review by a qualified staff member.

Think about what you are paying for and whether you are willing to accept this.

Make sure that the person you are meeting or talking to is the one that will be dealing with you on an ongoing basis, otherwise ask to meet that person.

4) Is the service pro-active?

A good accountant should be on the ball and be able to send you reminders of deadlines well in advance.

Can they draw up a deadline list for your business for the forthcoming year? Will they send you reminders about deadlines? Will they let you know of changes to the tax regime which will affect you?

5) Do they have a transparent pricing structure?

Accountancy can be shrouded in mystery when it comes to the big question – how much will it cost me?

What services will you be charged for and how will you pay for them? Do they have a fixed fee? Are you able to pay monthly to spread the cost and ease your cash flow? Do they have an obvious fee structure which applies to everyone – not a fee that is plucked from the head of the person you are speaking to.

6) Are they flexible in terms of meetings?

Are they willing to hold meetings at evenings and weekends? This can be especially helpful if you are thinking of starting in business and still employed full time. Or if you have a

business where you cannot take chunks out of the working day to meet your accountant (e.g. retail)

7) How easy is it to see someone for a chat (and will they send you a bill afterwards)?

Once you've "signed up" the face-to-face meetings can dry up pretty quickly. You should assess how willing your accountant is to meet you and the overall view of face-to-face meetings. The general principle is that the easier they are to book the more willing they will be to meet you.

For example - Can chat via Skype? This would show that the accounting firm is proactive at finding out about you and your business on a regular basis.

What do they charge for face-to-face meetings? Be careful – some firms will say – yes of course we can have quarterly meetings – then send you a bill afterwards!

8) Will they be able to support you as your business moves through the various stages of its' life cycle?

In its lifetime your business will move through many stages. Your accountant should recognise that and have services they can offer to make those stages run smoothly. Is your accountant aware of the stages your business will go through and do they have mechanisms in place to help you deal with that?

9) Meeting up

A first-class accountant should be interested in keeping abreast of developments in your business. Are they willing to meet regularly for updates? Do they actually show an interest in you and your business?

10) How can the accounting practice help to develop your business?

Is the practice designed to just fulfil statutory requirements? Can they help with business plan writing? Can they help you with marketing spend analysis? Will they promote you to other clients and their own via social media channels?

11) Are they willing to take on the role of a business advisor?

A high-quality accountant can be like a business adviser, analysing problems and offering solutions, helping with practical advice on financial management, cash flow forecasting, borrowing, risk management, leasing or buying decisions etc.

12) How do they run their own business?

It will always help your business if you are associated with those who are proactive and whose owners are enthusiastic about their own businesses prospects. Are they proactive and growing? Or stuck in their ways?

13) As they able to scale up as you do?

As your business grows and changes are they able to still assist you? Can they provide you with an in-house Finance Director one day a week, for example?