

# How to Choose an Accountant

Most businesses need an accountant, (most people would rather saw their arm off than deal with figures!) but how do you choose one that's right for you and your business? Below are typical questions:-

- How do you choose between the numerous accountancy practices?
- What price should I pay?
- When should I contact an accountant?
- What do the various qualifications mean?
- What services do I need?
- I have an accountant but want to change, how do I do this?

This guide is designed to help you through the process and end up with an accountant that's right for you.

## **Draw up a shortlist.**

Initially you want to draw up a shortlist of 3 – 4 potential accountants that look like they might fit your needs. You can do this by:

- Asking friends, family or business associates for recommendations. This can be useful, particularly if the same accountants names keep coming up, however, they still may not be right for you.
- Use the internet to search for local accountancy practices. Websites usually contain a wealth of information to help you get a feel for the practice.
- Use the online directory of members of the various accountancy institutes to search for local members – the Institute of Chartered Accountants in England & Wales is at <http://www.icaewfirms.co.uk/>

## **Arrange an initial consultation.**

OK, so now you have drawn up a list of 3-4 potentials, what next? Well it's essential to meet your accountants before signing up to see if you get on, you need to feel you can trust them and discuss your inner most financial and (other!) matters?

Most accountants offer a free initial consultation, so call and make an appointment. Even at this stage you can get a feel for the accountants practice –

- How quickly do they answer the phone?
- If you leave a message how quickly do they call you back?
- Are they polite and courteous - genuinely please you have called?
- Do they make a real effort to make sure the appointment is convenient to you?

## **Questions to ask/what to consider when you meet.**

### **Do you have a rapport?**

Are they friendly, do they listen to what you are saying and appear genuinely interested in you and your business? Do you enjoy meeting them? (I know, they are accountants!) would you get on with them socially.

### **Do they provide fixed fees?**

Some accountants charge by the hour, so your costs will depend on how long it takes to complete your work. Others will provide a fixed fee quote so you know exactly what you will be paying up front. At Abrahamson Foster we always quote fixed fees so clients know exactly what they will be charged up front.

### **How long will it take for your accounts to be completed?**

Ask the accountants to provide a guarantee on how long it will take for your accounts and any other matters to be completed.

### **What was their office like?**

Tidy and organised or cluttered –this is a good indicator as to how they will deal with your affairs!

### **Are they qualified?**

Would you go to an unqualified Doctor or Dentist? An accountancy qualification typically means years of training, ongoing professional development and importantly an institute you can complain to if you can't resolve matters with accountant. The main qualifications in practice tend to be Chartered or Certified, though there are others.

Qualifications are not a guarantee of a good accountant, but are an important factor.

**Do they have experience of your type of business?**

Do they specialise in small and medium sized businesses; it is unlikely that a small business will need a large firm of accountants (and the large fee!). Do they understand your sector i.e. retail, manufacturing.

**What about if you ask them questions throughout the year?**

Will the clock be ticking every time you call or are they happy to answer questions and deal with small requests? You need to know up front if there will be additional fees.

**Who will you be dealing with?**

Is it the Director or Partner or will it be someone more junior? Make sure you get to meet them to find out more about them.

**Can they provide you with testimonials?**

Particularly useful are testimonials from clients in the same industry, ask if they can put you in touch with someone they can speak to.

**Do they provide all the services you need now and in the future?**

Can your business grow with the practice or will you be looking for a new accountant in a couple of years. For example, if you take on staff can they provide payroll services, or if you wish to incorporate (become a limited company) are they able to continue to service your business?

**Do they have ideas for how you can develop your business?**

From their experience of other similar businesses they should be able to demonstrate a good knowledge of you industry and how you can grow.

**Do they have service standards?**

The Abrahamson Foster ones are:

- Deliver work on time, every time. We agree to timescales and stick to them.
- Respond to every phone call within 1 working day.
- Always agree fees before we carry out work.
- Answer every email within one working day.
- Provide a fixed fee.

- Speak your language.
- Be proactive, not reactive.
- Keep you up to date of changes relevant to you.

### **What tax saving ideas do they have?**

It helps if you bring along a copy of your accounts. If the accountant can't produce some ideas that are suitable, it may be that tax planning is not their strong point.

### **Can you pay monthly?**

Rather than paying once a year, it is often easier for businesses to pay monthly to help cash flow, ask if this is an option.

## **Changing accountants.**

We often hear from potential clients that they are not happy with their existing accountant, but think that it's too much hassle to move to another one. In reality it's simple:-

- We provide you with a letter to sign to send to your current accountants informing them that you are moving to Abrahamson Foster and thanking them for their help.
- We then write to your accountants and request the information we need to complete your accounts; it's as simple as that!

Assuming your existing accountant is qualified, they are not allowed to charge you for providing any handover information.

You will be asked to sign an engagement letter with your new accountants which sets out your responsibilities and your accountants.

