

WORKING WITH YOUR ACCOUNTANT

Choosing an Accountant: Questions to Ask

How to judge an accountancy firm on qualifications, regulation, service and fit, and the questions that tell you most.

FOR: START-UPS AND BUSINESSES CHANGING ACCOUNTANT · ANY EXPERIENCE

Why the choice matters

Your accountant will know more about your finances than almost anyone, and their advice affects your tax, your cash and your decisions. A good fit saves money and worry. A poor fit often shows up only when something goes wrong, which is the worst time to find out. A little care at the start is worth it.

Start with qualifications and regulation

The word accountant is not protected in the way some professional titles are, so anyone can use it. That is why membership of a professional body matters. Bodies such as the Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants, and the Association of Accounting Technicians set entry standards, require continuing professional development, take complaints, and require members to follow a code of ethics. Ask which body the firm belongs to, whether the individuals who will work on your affairs are qualified, and whether the firm carries professional indemnity insurance.

Accountancy firms are also required to be supervised for anti-money laundering purposes. A reputable firm will ask you to prove your identity and will tell you why. Treat that as a good sign, not an irritation.

Questions about the service

- **Who will actually do the work, and who will I speak to?** A named person and a deputy is better than a call centre.
- **What is included in the fee, and what is extra?** Ask for it in writing, in an engagement letter.
- **How often will we meet or speak?** Once a year is compliance. More often suggests advice.
- **How do you communicate?** Email, phone, portal, video, and how quickly do you reply?
- **What software do you use, and will it work with mine?**

Who this is for

- Start-ups choosing their first accountant
- Owners thinking of switching
- Anyone comparing quotes

Key points

- Check the professional body, the insurance and the supervision.
- Ask who does the work and who you will talk to.
- Get the scope and fee in writing.
- Look for fit with your business and sector.
- The cheapest quote is rarely the best value.

Questions about fit

- **Do you work with businesses like mine?** Experience in your sector, size and stage makes advice more useful.
- **What do you do beyond compliance?** If you want planning, forecasting or help with funding, ask for examples.
- **Can you help me grow?** An accountant who has helped others through your next stage can warn you about what is coming.
- **How do you charge, and how often?** Fixed monthly fees are easier to budget for than hourly billing.
- **Can I speak to a current client?** Not every firm will, but the willingness is informative.

Quick checklist

- Professional body and insurance
- Anti-money laundering supervision
- Named contact and deputy
- Written scope and fee
- Experience in my sector
- Advisory as well as compliance
- Software and communication fit

Red flags

- Vague answers about who does the work.
- No engagement letter, or terms that are hard to understand.
- A promise to save a specific amount of tax before looking at your figures.
- Reluctance to explain the advice in plain English.
- Pressure to sign up quickly.
- Fees that are very low compared with others, with no explanation.

Fees and value

Compare quotes on what is included, not just the price. A lower fee that excludes tax planning, meetings and queries can cost more in total than a higher fee that includes them. Ask what happens if more work is needed, and how you will be told before costs are incurred.

Trial and review

Start with a clear first year, agree what you want from it, and review at the end. A good firm welcomes a review and will adjust the service when your business changes.

Related guides

If this is useful, you may also want:

- Compliance versus advisory
- Switching accountant
- Getting the most from your accountant

How King Street can help

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We are happy to be asked all of these questions. We set out in writing who will work on your affairs, what the fee covers, and how often we will meet, and we are supervised for anti-money laundering and carry professional indemnity insurance. A short discovery call is a good place to start.

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