



Your free eBook

## Choosing an Accountant:

The 7 Biggest Mistakes made when choosing an accountant and how to avoid them

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# Introduction

Running a business should be fun and exciting, but sometimes it can be a chore too – especially where accounting, finance and tax issues are involved. That's why having a firm of accountants to help you deal with all that 'stuff' is not just important – **it's essential if you are to put all your energy into business development and growth.**

In today's fast-paced world, the accountancy profession is multifaceted. No longer concerned purely with bookkeeping and audit, accountants must have considerable business and financial acumen and be able to offer a range of services - from wealth management to mergers and acquisitions, and from strategic business planning to inheritance tax.

If your accountant can't - or won't – adapt to the ever-changing demands on you and your business, perhaps you should be looking for a new firm – one that's more in tune with your needs, able to keep you focused on your goals and always heading in the right direction.

We like to think of our clients as partners in a joint-venture – one that's win-win for both sides. And we'd like you to think of us as your business compass; clarifying your position; giving you directions and keeping you on the right track. Every step we take is considered with care and integrity to produce the result that's best for you. So whether you're looking for proactive and informed support to improve your profits, lower your tax bills or manage your personal wealth, you'll find we're right there with you.

Like every good travelling companion, we aim to make our clients' lives easier by asking the right questions at the right time. In fact, you'll find we're incredibly curious. After all, if we don't know what drives you and what occasionally inhibits your progress, then we're not doing our job properly.

Read through these 7 Mistakes and check how many apply to your business. If your current accountant doesn't show up too well as a result, then perhaps it's time to change.

There's no obligation, just an opportunity to talk to business professionals who will do their utmost for you, your family and your business.

# Mistake 1

## Viewing your accountant as just another service provider

Any accountant worth their salt should offer you far more than a basic service provider. Unlike your office stationery supplier or your telecoms provider, your accountant should act more like a trusted business partner.

A good accountant is there to support you business; offering qualified and experienced advice and guidance. Sadly many business owners don't take advantage of their accountant's business experience by asking for their advice. Worse still, many accountants are not proactive in offering such advice.

If your current accountant is not proactively offering you help and advice, you may benefit from a change.

Just as you carry out price comparisons when buying new office equipment, it's always worthwhile conducting periodic checks to ensure that your accountant really does provide excellent value for money. There are thousands of accountants all vying for your business and although it's not a good idea to select your accountant on price alone, it's good to compare fees with other practices from time to time.

Accountants who do the bare minimum and therefore charge the lowest rates may seem attractive, whereas an energetically proactive and hands-on accountant has the potential to help your business grow, create and protect your personal wealth and make sure you pay the minimum amount of tax.





## Mistake 2

### Not having your internal systems in good shape

One of the most common issues accountants have with clients is the quality of the accounting records - and the extra time they have to spend in resolving issues which should have been sorted long before the accountants look at them.

So if you're wondering why your accountancy fees have recently gone up, it may be worthwhile checking if there were any mistakes that your own staff have made. Poorly trained employees can create havoc with your bookkeeping systems, all of which have to be corrected - at extra cost - by your accountant.

Many accountancy practices now offer IT software training for staff on SAGE or other ICAEW-approved accounting software, to ensure your records are accurate and efficiently maintained.

It may also be worthwhile investing in a 'cleaning up' process of your bookkeeping and payroll records. After all, if your books are in good order, you'll save your accountant's time and therefore keep fees down. It could also make a huge difference to the performance of your business by helping you control your cash flow and produce accurate monthly accounts.

If your current accountant hasn't suggested using accounting software or a 'spring-clean' of your accounting records, perhaps it's time to talk to a new firm who will point you in the right direction.





## Mistake 3

### Looking backwards when you should be looking forward

Many companies use their accountants solely to provide historical accounts and put their signature to a 'true and fair' view of what's already happened. They may also spend some time reviewing these accounts and deciding what they could have done better. And while we can often learn valuable lessons by looking back, it's really not the most effective use of your accountant's time.

A results-driven and commercially aware accountant will focus your attention on looking ahead. This will include setting sales and cost targets, defining goals and putting in place structured plans to help your business move forward positively.

Areas you could explore with your accountant may include tax saving strategies, strategic business planning, overhead reduction programmes and plans to maximise your profits.

If your accountant doesn't offer these services to support the financial wellbeing of your business, it could well be beneficial to source a more visionary and strategic firm – one that will be with you every step of the way.





## Mistake 4

### Missing out on your accountant's added-value services

In today's highly competitive business environment you need far more from your accountant than basic legal compliance of making sure your accounts are prepared and filed on time.

Of course, this is an essential aspect of the services all accountants should perform on your behalf. But these days, although they offer so much more than mere compliance, many business owners miss out on these added-value services for fear of them costing too much or, more likely, not understanding their true value.

With most owner managers and directors focusing their attention on the core business, it's essential to know that there is someone else onboard who

will not only watch your back, but will also flag up potential new business opportunities, take advantage of tax breaks as they happen and actively protect the assets of your company, whilst intelligently optimising its wealth.

It's these qualities that can improve your performance, create tangible results and add measurable value to your bottom line. If this sounds like the sort of support your business could use – and are not getting at the moment – it's worth carrying out some research to find an accountant with sound commercial intelligence and business acumen who will keep you on the right track.



## Mistake 5

### Using a firm that's too big for you

Big name firms with a national presence can appear to be the smart choice for a discerning and ambitious business. However, all too often a firm that's too large can suffer from 'client distance' issues. You may even find that every time you contact your accountant you end up dealing with a different person. And if your accountant doesn't know you well enough to understand your business and what you want to achieve, it's unlikely that you will get the best service from them.

Some national firms promote a local presence, when in reality they are merely a regionally branded arm of a nationally focused super-practice. You will often find that a truly local accountant who

possesses an in-depth understanding of your area and your competitors is better placed to serve you. And just because an accountant is bigger it doesn't necessarily mean they can undercut smaller local practices.

Never take anything for granted – it's always worth shopping around to find an accountant who offers your business exactly what it needs and never gets distracted from your business goals.





## Mistake 6

### Using a firm that's too small for you

If you are successful in your chosen business, it's highly likely that you will have grown since you first started. In all likelihood your needs will have changed significantly as your business evolved.

Start-up and smaller companies often require very different services and advice than are needed by larger organisations.

#### **Ask yourself these questions:**

- Does your accountant have expertise in your specific sector?
- Do they have a proven track record of managing change and controlling growth?

Does your accountant have expertise in your specific sector? Do they have a proven track record of managing change and controlling growth?

Of course, some accountancy practices can meet the needs of a wide range of companies, but if you feel that you have outgrown your current accountant, or they don't possess the portfolio of services your business needs to progress to the next level, it may be time to think about an alternative practice which is better suited to your needs.



## Mistake 7

### Not having a clear financial plan for your business

Clear financial planning is a prerequisite for every viable business. Whether you're facing challenging times or are operating a profitable organisation, every business needs a solid framework of financial planning to guide it smoothly. It's like having an up-to-date map and a compass when you are planning a trek.

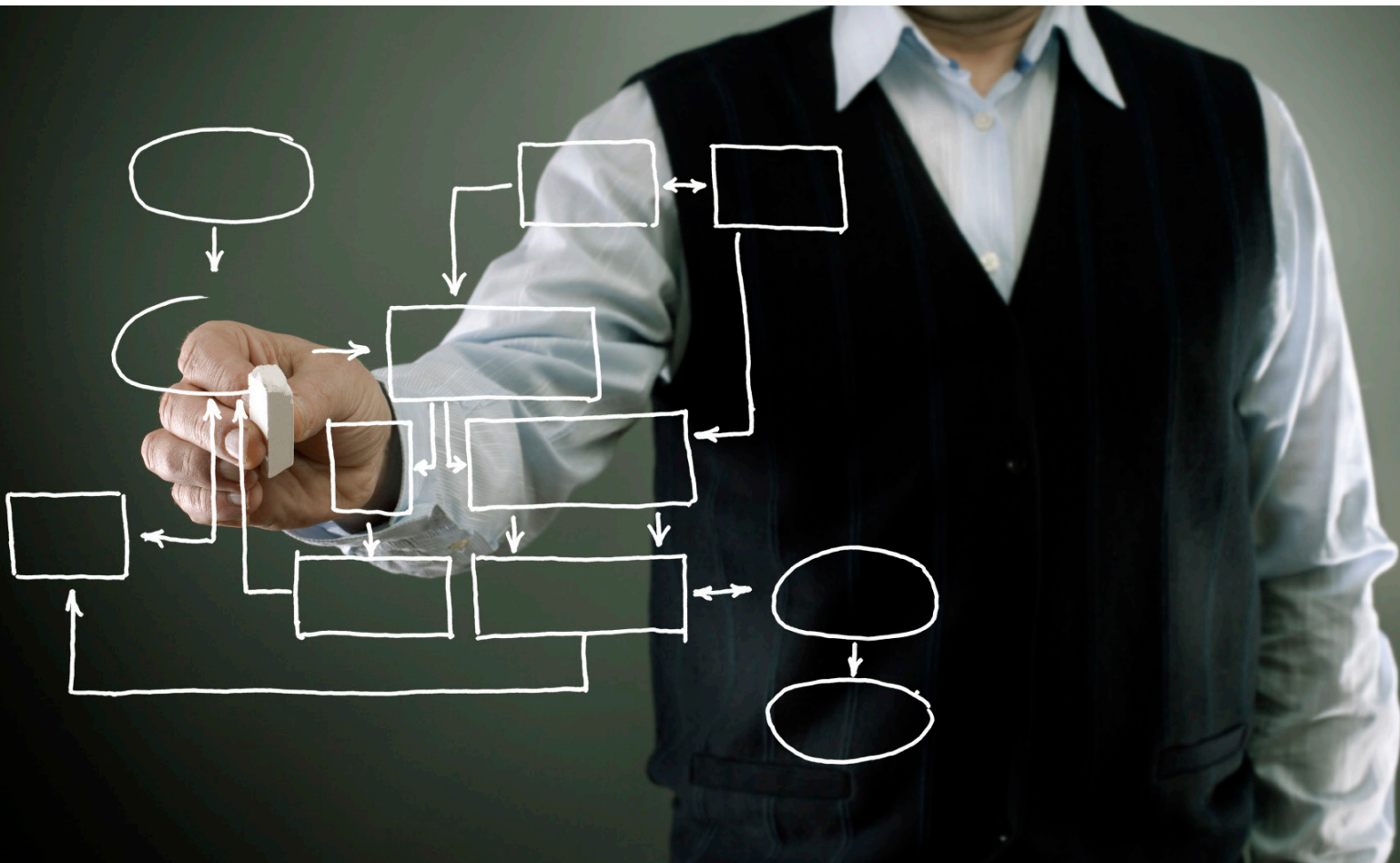
Yet, when you're busy, it's all too easy to let this task slip further and further down your 'to do list'. Even highly successful companies ignore a well conceived financial plan at their peril.

A supportive and proactive accountant will help and encourage you to build a financially robust 'map' to guide and protect your business.

So whether you're experiencing rapid growth or your profits dry up, you'll always have up-to-date and informative data at your fingertips to make the right choices when it counts.

If you don't have access to informative and understandable management accounts to support your day-to-day business decisions, you could be exposing your company to unnecessary risk. And if your current accountant hasn't insisted on their preparation, perhaps it's time to think about change.

***"Failing to plan is planning to fail!"***





# 10 Questions about your current accountant

If you're at all unsure whether your current accountant is doing a good job on your behalf, here's a quick checklist to help you.

1. Does your accountant possess the right experience for you? Do they have clients in your sector? Can they deal with your unique needs?
2. How does your accountant calculate their charges? Do they offer fixed fees for basic compliance work? Do their fees represent real value for money? Do they offer unlimited free telephone support and meetings?
3. When was the last time your accountant asked you relevant and probing questions about the way you run your business? All good accountants should ask the right questions at the right time.
4. Who will look after you? Do you have a dedicated point of contact that has a real feel for your business and understands where you are and where you want to get to?
5. How easy is it to get information from your accountant? Your accountant should be there to support you. If you experience frustrating delays, maybe it's time to shop around for a more efficient service.
6. Ask how your present accountant can help you to develop your business.
7. Does your current accountant provide advice and suggest strategies to support and protect your business?
8. Don't be afraid to ask your practice or a potential practice about their qualifications.
9. Ask them about their value added services too. For example, do they offer 'Business Health Checks', 'Benchmarking Reports' or 'Tax Saving Strategies'?
10. Does your accountant possess real business intelligence and proven experience? A good accountant should be able to understand the world in which you operate and offer solutions to help your business grow and prosper.



## How can we help

If you're concerned that you're not getting the most from your current accountant, now is the time to do something about it. We would love to help you, so why not arrange to meet with us to discuss your needs, concerns and goals for the future?

Whatever your views on conventional accountants, be prepared to revise your opinion. First and foremost, we're business people. We speak plain, jargon free English. We understand the commercial world in which you operate and can help you achieve the outcomes that matter most to you.

To request your review with our senior partner, please contact us today.

<b>Name:</b>	
<b>Position:</b>	
<b>Business Name:</b>	
<b>Number of employees</b>	
<b>Turnover:</b>	
<b>Address:</b>	
<b>Tel (Direct Line:)</b>	
<b>Email:</b>	
<b>Web Address:</b>	
<b>Please list any specific areas you would like to discuss:</b>	