

# The Role of the Qualified Professional Accountant



As a company director you have responsibility for so many things - health and safety, employment law, raising finance, selling your products and then getting in enough cash to pay your staff and suppliers. Who can you turn to for help in dealing with all this – someone who can help you understand your business problems and offer solutions? For all these and many other things you need the services of a professional accountant.

If you have never engaged an accountant before, it may seem a straightforward process – just look in the telephone book under those calling themselves ‘accountants’. But as with taking any other sort of business advice, it is important that you consult an accountant who can satisfy you of his competence and professionalism. The best and simplest way of ensuring you do this is to check that the accountant is a member of one of the recognised professional bodies, such as ACCA (the Association of Chartered Certified Accountants). If you engage a qualified professional, then you can be satisfied that you will receive a high quality service.

What does the term ‘professional’ amount to? We believe it indicates a person who has been educated and trained to high standards in a particular line of work, who holds a reputable qualification in respect of that line of work, who is motivated to provide a high standard of client service, and who is answerable to the body which has issued his qualification for the quality of his work.

This is a good summary of the quality of service you could expect when you engage a professional accountant, such as a member of ACCA.

## **The ACCA qualification**

An accountant who bears the designation ACCA after his or her name carries a badge of quality.

ACCA is a body which has been training and licensing accountants in the UK and around the world for over 100 years. We are incorporated by Royal Charter and our qualification is recognised by law in the UK and many other countries. Our members are entitled to call themselves ‘certified accountants’ or ‘chartered certified accountants’.

In order to become a member in the first place, a person needs first to qualify by passing ACCA’s renowned professional examinations. As well as passing the examinations, an extensive programme of practical work experience needs to be undertaken under the supervision of a qualified member. Thus, you can know for certain that an ACCA accountant has been educated and trained to the highest professional standards.

But members are not allowed to offer their services to the public until they have satisfied additional conditions. They must have at least five years practical experience and be in possession of a license to practise by ACCA. They must comply with the extensive requirements of the ACCA rulebook, which lays down high standards of ethical and professional conduct. They must also keep their skills and knowledge up to date throughout their careers by undertaking continuing professional development. Moreover, they must take out professional indemnity insurance to cover the cost of paying damages to their clients should their work ever prove defective and cause loss to them.

In all this, ACCA exercises regulatory supervision over its members. The quality of their work is monitored on a regular basis and any complaints received about any aspect of their work will be investigated thoroughly.

By virtue of the regulatory control that we exercise over our members, and in particular of the high professional, technical and ethical standards that we demand of them, we can

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provide businesses and individuals with confidence that an ACCA accountant will provide a service of the highest standards.

Those who call themselves 'accountants' but are not regulated by bodies which demand the same standards as recognised bodies such as ACCA are not in a position to guarantee the same level of service or, if for any reason you become dissatisfied with the service you have received, the same opportunity for redress.

#### **The services our members offer**

Professional accountants offer a wide range of accounting and business support services. They will invariably include the following:

- business and tax advice, all your planning requirements to drive your business forward
- preparation and audit of annual accounts
- preparation of personal and business tax returns
- the setting up of bookkeeping and business systems
- the providing of bookkeeping services
- payroll work
- assistance with management accounting
- help with raising finance
- advice on budgeting and cash flow

The professional accountant can advise the client of his various obligations to the tax authorities and give advice about corporation tax, income tax, capital gains tax, inheritance tax, PAYE and VAT. As well as aiding the client with computing the amount of any tax liabilities, completion of the required returns and meeting deadlines, the professional accountant can also offer tax planning advice to help minimise any tax liabilities at the present time and going forward.

Now that small companies do not have to have their annual accounts audited, many of them opt to take advantage of this exemption. However, it is worth discussing the implications of doing so with a professional accountant – some companies may still be obliged to have an audit due to their articles of association or be required to have one for other reasons, such

as for the purposes of acquiring finance from the bank. An accountant will also be in a position to explain how an audit may be of benefit to you and your business, even if your company is legally entitled not to have one.

Your ACCA accountant is trained to provide an all-round business support service and can help businesses on a wide range of issues. They often advise on how to start up in business, on the different legal forms available and which is the most appropriate and tax-effective form for them. Advice can be offered as to the amount of finance that a new business will require, what support may be available and what to expect when starting up. The ACCA accountant can also assist with preparing business plans for presentation to lenders of finance.

Some ACCA members are specially authorised to give investment business advice on topics such as pensions, insurance and unit trusts. ACCA also has a register of expert witnesses, who are all licensed to practise, and who have had litigation training and experience of acting as an expert witness. To be on the register, they also have to provide references from two solicitors who have used their services. Other ACCA members are licensed to conduct corporate rescue and insolvency work and to give specialist advice on the best course of action if a situation appears to be irrecoverable.

Chartered certified accountants can therefore offer an extensive range of services to new and established businesses of all kinds. They are not only accountants but business advisers. They can help the directors of small companies to build and develop their businesses. At the same time they give their clients confidence that they will act in professional and ethical manner. Let us help you drive your business forward.