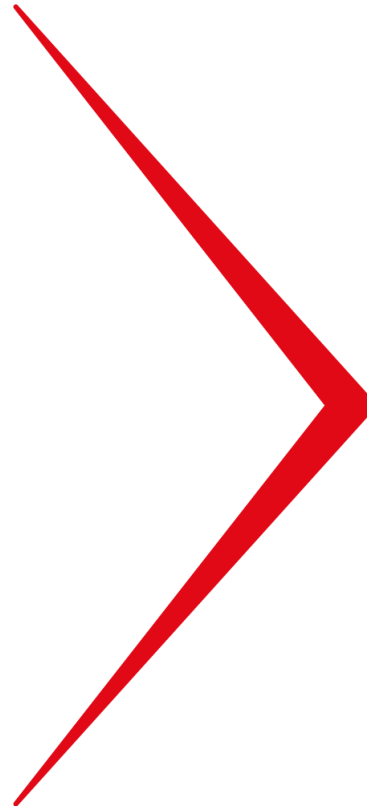




Engaging with clients

WEBINAR MAY 2021



Know your client

Risks

AML procedures

Engaging remotely

Professional enquiries

Engagement letters

The ideal client

- Managing risk to your practice
- Know your client
 - Will it fit with your existing client base and technical knowledge?
 - Identify any potential conflicts of interest or independence issues
 - Do you have sufficient resources?
 - Make an initial Money Laundering risk assessment
 - Identify the need to engage specialists
 - Does the client require any regulated services
 - Identify ways that you can assist the client now and in the future

Commercial risks

- Financial circumstances of the client
- Reason for changing accountants
- PII cover
- Reliability and completeness of accounting records
- Are tax returns up to date and is there any history of disputes?
- Who are you engaging with?
- Attitude to compliance/litigation
- Reputational risk

Potential red flags

- Odd for potential client to approach your firm
- History of changing accountants frequently
- Business strategy doesn't make sense
- Complex business structure
- Handling client money
- Links to high risk countries/businesses
- Google search

Anti-money laundering procedures

- Do before entering into a business relationship
- Risk assessment
 - Consider firm-wide risk assessment
- Identification
 - Identify and verify identity
- Check registration on People with Significant Control register

icaew.com/moneylaundering

CCAB anti-money laundering guidance for the accountancy sector



Engaging clients in the remote world

- Video conferencing
 - Could show original documents to you
- Data security implications of personal documents sent electronically
- Certified copies of documents
 - Post office facility
- Electronic verification



Professional enquiry

- Code of Ethics requirement
- Obtain permission of client
- Write to existing accountant
- Lack of response
- Outstanding fees
- Matters raised to consider
- [icaew.com/helpsheets](https://www.icaew.com/helpsheets) - Change of Professional Appointment



Engagement letters

- Are they necessary?
 - Basis of fees and complaints
 - [icaew.com/transparency](https://www.icaew.com/transparency)
 - Other considerations
 - [icaew.com/helpsheets](https://www.icaew.com/helpsheets) – engagement letters
- Terms and conditions
- Does the client need to return it?
- Keep up to date



Practical considerations

- Introduce team
- Add to databases
- Timetable to communicate with client – part of workflow
- Address problems early
 - Poor records
 - Late payments
- What if it doesn't work out?



Resources available to help you

- The Practice Assurance hub [icaew.com/practiceassurance](https://www.icaew.com/practiceassurance)
- Practice Assurance fundamentals
 - What you need to know webinar:
 - Part 1 and Part 2
 - Common Pitfalls
- Reports and guidance
 - Best practice guidance and advice from practice assurance monitoring reviews
 - Webinars





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