**Client disengagement checklist**

**Issued:** January 2020

**Last Reviewed:** August 2023

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| Client: | *Click or tap here to enter text.* | |
| Completed by: | *Click or tap here to enter text.* | Date:*Click or tap to enter a date.* |
| Reviewed by: | *Click or tap here to enter text.* | Date:*Click or tap to enter a date.* |

|  |  |  | Comments | |
| --- | --- | --- | --- | --- |
| 1.0 | Has the decision to terminate the relationship been taken by the client?  If **No** go to 3 | *Choose an item.* |  | |
| 2.0 | Client has ceased to require service due to: |  |  | |
|  | 1. relocation of client? | *Choose an item.* |  | |
|  | 1. retirement of client? | *Choose an item.* |  | |
|  | 1. sale/merger of business? | *Choose an item.* |  | |
|  | 1. business expansion with resultant need for further services not readily available from your firm? | *Choose an item.* |  | |
|  | 1. service no longer applicable to client due to change in circumstances? | *Choose an item.* |  | |
|  | 1. other? (please specify) | *Choose an item.* |  | |
| 2.1 | Dissatisfaction with the service provided on the basis of: |  |  | |
|  | 1. cost of provision? | *Choose an item.* |  | |
|  | 1. timeliness of service? | *Choose an item.* |  | |
|  | 1. delivery in accordance with client’s own timetable? | *Choose an item.* |  | |
|  | 1. occurrence of errors in service? | *Choose an item.* |  | |
|  | 1. incompleteness of the service? | *Choose an item.* |  | |
|  | 1. other? (please specify) | *Choose an item.* |  | |
| 2.2 | Disagreement concerning matters of professional judgement? | *Choose an item.* |  | |
| 2.3 | Personal differences? | *Choose an item.* |  | |
| 2.4 | Other? (please specify) | *Choose an item.* |  | |
|  | **Now go to 4** |  |  | |
| 3.0 | Has the decision to terminate the relationship been taken by the firm? | *Choose an item.* |  | |
| 3.1 | Has this decision been taken because: |  |  | |
|  | 1. the practice is ceasing? | *Choose an item.* |  | |
|  | 1. a possible conflict of interest has been identified? | *Choose an item.* |  | |
|  | 1. concerns exist regarding independence? | *Choose an item.* |  | |
|  | 1. the client requires services that the firm does not provide or no longer provides? | *Choose an item.* |  | |
| 3.2 | the client no longer meets the firm’s requirements of clients in respect of: |  |  | |
|  | 1. assessment of the inherent professional, commercial, and professional indemnity risks? | *Choose an item.* |  | |
|  | 1. demands placed on the firm’s resources? | *Choose an item.* |  | |
|  | 1. commercial returns (eg, profitability of work, length of credit taken, etc.)? | *Choose an item.* |  | |
| 3.3 | there is a disagreement concerning matters of professional judgement? | *Choose an item.* |  | |
| 3.4 | irreconcilable personal differences have emerged? | *Choose an item.* |  | |
| 3.5 | other? (please specify) | *Choose an item.* |  | |
| 4.0 | Has the client made a complaint to the firm? | *Choose an item.* |  | |
|  | If **yes;** Has this complaint been investigated in accordance with the Investigation Regulations which require a duty on firms to investigate complaints? |  |  | |
| 5.0 | Is the firm aware of a complaint being made to ICAS? | *Choose an item.* |  | |
| 6.0 | Has the client indicated, by word or action, any intention to make any professional indemnity claim against the firm? | *Choose an item.* |  | |
|  | 1. If **yes**:   Has the firm notified its professional indemnity insurers? |  |  | |
| 7.0 | Has a critical review in respect of the firm’s possible exposure to offences in respect of the Proceeds of Crime Act, 2002 been completed?  ***NB If appropriate, all personnel concerned with this client should be reminded both of the risks regarding ‘tipping-off’, and the firm’s policies in respect of handling money laundering-related enquiries.*** | *Choose an item.* |  | |
| 8.0 | Has the evidence of client identity, obtained when the client relationship first commenced been securely archived?  ***NB. Money Laundering regulations require a firm to retain this evidence for a period of five years from the date the relationship ends.*** | *Choose an item.* |  | |
| 9.0 | Is the firm disengaging as auditor? If yes, have all statutory obligations regarding resignation of auditor been undertaken? | *Choose an item.* |  | |
| 10.0 | Has a definitive and up-to-date status report been prepared, addressing all aspects of all services provided to the client and identifying those aspects of the service (or range of services) that have been completed and those that remain incomplete? | *Choose an item.* |  | |
| 10.1 | For any that are incomplete, does this report indicate clearly the timeframe within which they will be completed? | *Choose an item.* |  | |
| 10.2 | Where the decision to disengage is driven by the firm, has this status report been considered when determining the point at which the disengagement will occur? | *Choose an item.* |  | |
| 10.3 | Have you considered and documented the retention period for the client’s data in line with the firm’s policy? | *Choose an item.* |  | |
|  | ***NB. You are reminded that the decision to provide service to a client is entirely your own and you are, subject to any agreement to the contrary with the client, free to withdraw your services at any time on provision of reasonable notice. However, ICAS advises you to consider carefully your duty of care to the client and to take reasonable steps to avoid giving rise to any exceptional disadvantage to the client.*** | | | | |
| 11.0 | If it is the firm’s decision to disengage, has the client been advised of that decision? | *Choose an item.* |  | |
| 11.1 | In the event of either party deciding to disengage, has the client been provided with a comprehensive summary of all services the firm provides, including any that are not reflected in the original engagement terms? | *Choose an item.* |  | |
| 11.2 | Does this summary provide a clear description of: |  |  | |
|  | 1. those matters that have been dealt with by the firm? | *Choose an item.* |  | |
|  | 1. those matters that remain incomplete or outstanding? | *Choose an item.* |  | |
|  | 1. the date by which the client needs to complete any incomplete or outstanding matters? | *Choose an item.* |  | |
|  | 1. what further work the firm will or will not undertake? | *Choose an item.* |  | |
| 12.0 | Have the following, if applicable, been discussed and agreed? |  |  | |
|  | 1. return of client records | *Choose an item.* |  | |
|  | 1. payment of outstanding fees | *Choose an item.* |  | |
|  | 1. authority to respond to any professional enquiry letters from a successor accountant? | *Choose an item.* |  | |
|  | 1. willingness to co-operate with any successor accountant? | *Choose an item.* |  | |
|  | ***NB. To avoid misunderstandings, it is strongly advised that a contemporaneous file note is made of the matters discussed with your client and, preferably, to set out all relevant issues relating to matters 10, 11 and 12 in writing through a disengagement letter with a request that the client acknowledges receipt*** | | |