



Claim Examples

Professional Indemnity Insurance

Against Accountants...

- An accounting firm was brought to trial when it was alleged that the investment advice it gave was in breach of the accountancy firm's duty of care. It was alleged that the advice given was incorrect and negligent and that the client made investments in reliance upon it thus incurring a financial loss. The client brought a negligence claim against the accountant seeking damages.
- Having advised a client for a number of years an accountant received a complaint from a client alleging that they had failed to file the last year's tax returns. The client, who was faced with a large tax liability and interest for late filing, brought a negligence claim against the accountant to recover the large amount of interest they had incurred and their legal costs.
- A client made a claim against their accountants for inaccurate tax planning advice.
- A client alleges that their accountants have been negligent after the client discovers that some of their personal records had been disclosed and they suffered a financial loss as a result.
- An accountancy firm which was involved in auditing a company's accounts faced litigation when they failed to spot a fraud within the company they were auditing. This failure was alleged to be the result of the accountant's negligent auditing processes.
- An accountancy firm which failed to ensure that their client was compliant with the law was accused of negligence when they failed to advise their client of applicable law under the Insolvency Act resulting in a fine against the company.
- A firm of accountants had finished filing tax returns for their client and submitted their fee invoice to the client for payment. The client seemed unwilling to pay the firms fees and began to suggest that the services supplied were not satisfactory. The client then threatened to bring legal action against the firm for negligence. Costs were incurred in defending the claim although it seemed the client was merely trying to avoid paying the accountants fees.

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