CLOSING OUT THE FINAL ACCOUNT

Preparing early for a smooth settlement

A final account is easiest to agree when it is built up month by month during the project. Leaving measurement, variations and claims until after completion makes settlement slower and more contentious.

DURING THE PROJECT

- Agree measurements progressively, ideally on site, while the work can still be inspected.
- Value and agree variations as they are instructed, and keep the register current.
- Resolve claims as they arise rather than holding them for the end.
- Track provisional and prime cost sums, and the adjustments that will apply to them.

AT COMPLETION

- Confirm the final measured quantities against the drawings and records.
- Adjust provisional sums, prime cost sums and contingencies to actual cost.
- Include contract price adjustment, where it applies, up to the correct date.
- Reconcile all payments, retention, advance payments and any delay damages or penalties.
- Agree subcontractor and nominated subcontractor accounts so that they align with the main account.

SUBMISSION AND AGREEMENT

- Check the contract for the periods to submit, review and object to the final account. Under some forms an account not disputed in time is treated as accepted.
- Present the account in a clear summary with supporting schedules, so that each difference can be traced and resolved.
- Confirm the release of retention and any guarantees once the account is signed off.

This guide is general information only and does not replace the conditions of your contract or legal advice. Always check the edition and any particular conditions that apply to your project.

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