



Nurturing Successful Businesses

Cloud Accountancy (Xero and QuickBooks) Guide

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CLOUD ACCOUNTANCY (XERO AND QUICKBOOKS) GUIDE

Business owners and entrepreneurs are increasingly looking to their accountants to provide advice on the most appropriate cloud accountancy software for their business activities, as well as assist with the successful introduction of this software into their businesses.

There is also a wide variety of CRM systems, Ecommerce platforms (Ebay, Shopify etc.), POS software (EPOSNow), online banking software, merchant accounts (SAGEPay, GOCardless, Stripe etc.) that are being used by SMEs and 'Start ups' to manage their business activities. Having the right cloud accountancy software and being able to integrate (or link) with these other business software is key.

There are also numerous additional apps and business software that may be used to streamline other day to day business activities with anything from staff expense management, staff time management, cashflow forecasting etc.

Unfortunately many traditional accountancy practices are not sufficiently forward looking that they have the right amount of knowledge, experience or resources to be able to advise clients on developing their use of online (or cloud) software within their businesses.

However in this guide, we aim to explain:

- 1 Why your business, whether a 'start up' or an existing business, should be using cloud accountancy software, along with the significant benefits of using it in your business. We will also highlight our own preferred cloud accountancy software that we recommend to our clients, as well as the importance of setting it up right at the outset.
- 2 How we also provide training services to our clients on our preferred cloud accountancy software, whether on a 1 to 1' basis or in small groups, as well as providing an offsite annual support service when necessary.

Should you have any further queries or questions, then please ask !



Damian Connolly FCCA
Managing Director

XERO AND QUICKBOOKS

Although there are a large number of online (or cloud) accountancy software systems for SMEs to choose from within their business, we have narrowed the selection down to two specific software packages for our clients, which are Xero and QuickBooks online.

This is based upon our own experience using this software, covering ongoing development of the software, ease of use by accountants and non accountants, flexibility in respect of setup and configuration for businesses, as well as potential opportunities for integrating with other software.

Moving your business onto cloud accountancy software offers significant benefits, including:

- Provides a solution for HMRC's 'Making Tax Digital' requirements
- Brings staff time and general administrative savings
- Improves the ability to analyse your business activities
- Provides easier access to your key figures and numbers
- Provides opportunities to integrate (or link) your cloud accountancy software with other software being used in your business.

“Damian Connolly and Sakura are like an extended part of our own team with super powers in the area of finance”

Victor Kimmel
Managing Director, Bright Technology

WHY XERO?



1 Who are they?

New Zealand based software business, originally successful in New Zealand/ Australia but now significantly invested in development of the software for the UK marketplace from a base in Milton Keynes.

2 User suitability

Xero has been designed primarily to be highly user friendly for use by non-accountants. A large development team enables continuous updates to the software with 'new' features in response to user requests and to take advantage of widely used business apps.

3 Software options and pricing

Xero has three business options, but only two are relevant for most SMEs i.e. Standard and Premium, with the main functionality differences being multi-currency and (basic) stock control. All are monthly subscriptions and priced at £24.00 and £30.00 (plus VAT) respectively.

4 User training and ongoing support

Xero offer UK email support, along with a non-UK email support team outside office hours. Additionally, they have a very extensive online help centre and video training resources for all users.

5 Integration opportunities

Xero connects with multiple business apps used by small and medium-sized businesses (and also provides some flexibility to import data directly into the software via .csv files.)

WHY QUICKBOOKS?



1 Who are they?

US based software conglomerate, originally successful with desktop based accountancy software, but now focused on penetrating the online marketplace with Quickbooks Online. Very significant investment in the UK and Irish marketplace with a base in Victoria.

2 User suitability

Quickbooks has been completely redesigned as an online software product and therefore is unrecognisable from the desktop version. Although quite user friendly for non-accountants, it has a slightly more traditional accountancy software structure

3 Software options and pricing

Quickbooks has two business options i.e. Essentials and Plus, with the main functionality differences being users, purchase orders and stock control. Both are monthly subscriptions and priced at £20.00 and £30.00 (plus VAT) respectively.

4 User training and ongoing support

Quickbooks offer UK telephone and email support, as well as an improving suite of training guides and videos to get users started.

5 Integration opportunities

Quickbooks connects with multiple business apps used by small and medium sized businesses (and also provides some flexibility to import data directly into the software via .csv files.)

SETUP AND CONFIGURATION

Our setup and configuration service is suitable for all types and sizes of business, ensuring that the advantages of using cloud accountancy software are obtained from Day 1.

- **Start ups** - we ensure that the organisation and financial settings are updated, bespoke formatted invoices can be issued, all VAT settings are in place, the chart of accounts are set up relevant to the business activities, bank feeds are in place, creation of a variety of simple 'shortcuts' for processing of sales or purchase invoices.
- **Existing businesses with Xero or QuickBooks** - we undertake a detailed review of the current setup of the software, identifying areas where additional changes to the original setup is required, updating and correcting the chart of accounts, adjusting the opening Trial balance, amending or updating VAT settings, creating a variety of 'Products or Items' to simplify processing of sales or purchase invoices.
- **Migration to Xero or QuickBooks** - we will plan and manage the process of migrating your business from your existing software to the Quickbooks or Xero cloud accountancy software.



Passionate about YOUR business

SETUP AND CONFIGURATION OF CLOUD ACCOUNTANCY SOFTWARE

START-UP

EXISTING BUSINESS/ SOFTWARE MIGRATION

Input of basic company data, financial year, users, currencies etc. in software settings



Setup and configuration of Invoice/Credit note templates (or multiple templates if necessary)



Creation of standard Chart of Accounts to match with specific business activities



Creation of items, tracking categories, custom fields etc to simplify ongoing bookkeeping and improve business analysis



Connection of bank accounts in software to online banking data and/or creation of bank transaction import template(s)



Importing data from existing software eg. customers, suppliers, stock etc.



Preparation of import files with unpaid invoices and payments on account on all customer and supplier accounts to transfer existing balances to new software



Import of opening Trial balance figures to transfer existing financial amounts



Import of comparative (prior year) and/or budget data for analysis purposes, where necessary



Creation of customised reports for use for business e.g. profit & loss, balance sheet, aged debtors, aged creditors, trial balance, nominal activity, VAT reports etc.	✓	✓
Access to Xero/QuickBooks online training videos and other training resources	✓	✓
Provision of 3 hours of 'one to one' basic bookkeeping as well as introductory Xero/QuickBooks training (additional 'one off' fee)	✓	✓

PRICING

START-UP	<p>£500.00 (excl VAT)</p>	<p>SOFTWARE MIGRATION</p>	<p>£1,500.00 (excl VAT) minimum</p>
EXISTING BUSINESS	<p>£750.00 (excl VAT) minimum</p>		

XERO AND QUICKBOOKS TRAINING

Bespoke business and requirements questionnaire (ahead of training session)

Pre training agenda and information reminder

Provision of 1 hour 'one to one' basic bookkeeping training session

Provision of 2 hour 'one to one' basic training session on use of Xero or QuickBooks software, e.g. sales and purchase invoices, bank transactions, supplier/customers, reports etc.

Provision of bespoke Xero or QuickBooks user help and support guide(s) on bookkeeping (post training)

PRICING

INITIAL
TRAINING
(PER PERSON)

£125.00
(excl VAT)

ADDITIONAL
'ONE TO ONE'
TRAINING
(PER PERSON)

£150.00
(excl VAT)

XERO/QUICKBOOKS SUPPORT SERVICE

Provision of bespoke Xero or QuickBooks user help & support guide(s) on bookkeeping

Annual offsite support with general Xero or QuickBooks software or setup issues

Annual offsite assistance with specific bookkeeping issues on Xero or QuickBooks
(max 1 hour per month)

PRICING - MONTHLY

XERO /
QUICKBOOKS
OFFSITE
SUPPORT

£40.00

P.M. (excl VAT)

or

£449.00

P.A. (excl VAT)

WHAT'S NEXT



Should you decide to take the next step and become one of our clients, we ensure that the process is as simple as possible:

- We obtain completed and/or signed copies of our Letter of Engagement and New Client information sheet from you
- We will forward a Welcome Pack with information about Sakura and what to expect from us as one of our clients
- We 'fast track' obtaining your online accounts access while also arranging for registration as your agent with HMRC so that we can liaise appropriately in respect of your tax affairs
- We will obtain any relevant information on your historical tax affairs from you and/or from your accountants and/or existing tax advisors

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