Mobile Accounting

Description

Accounting can be a tedious task that many small businesses put to the side until it is essential to catch up. Unless there is a dedicated resource to manage the company accounts, accounting tasks can pile up and eat into free time in the evenings and weekends. Substantial fines can be levied by late VAT returns and late financial accounts at year end. It is always going to be easier if they are updated regularly but this is not always feasible during the working day and it reverts back to outside of core working hours as businesses try to maximise activity to bring in revenue.

With accountantsâ?? fees into 4 figures annually for a basic service, it is important to avoid additional admin costs by streamlining financial processes where ever possible. We identify 4 basic requirements of a modern cloud based accounting tool:

- electronic invoicing such as emailed PDF directly from the accounting package
- offering easy online payment options such as direct debit, BACs and online credit or debit card payment
- syncronisation with existing email or CRM systems such as Google and Capsule CRM
- easy bank reconciliation using bank feeds from online banking

A rapidly growing requirement of the modern cloud based accounting tool is the ability to be used on the go for creating and sending invoices, scanning or processing receipts. We already see the use of mobile apps to make payment for your coffee or pizza. It makes sense for to be able to have a copy of the receipt scanned for your records. I am pleased to see that Xero have not only provided an excellent mobile app but also the facility to scan receipts for accounting records. This should encourage business users to carry out these small administrative tasks as they go about their business and do away with the need for batch processing at the end of the day.

We have looked at other players in the cloud accounting market place and rate Free Agent alongside Xero as the market leaders. Both online accounting systems give each other healthy competition which is good for the business community. There are some good comparison websites comparing the two sided by side but it is a constantly moving target, and so it should be, with new developments, functionality and add-ons being released all the time. The best advice I can give is to test drive both of them, look at pricing structures, online reviews, levels of support and talk to your accountant.

If your current accountant is not familiar with cloud based accounting tools then it is time to look for a new accountant. If they cannot advise you on the options available then they are not moving with the times and this is a bad sign. The chances are there are other things they are not keeping you up to date with and the level of service should be evaluated and compared.

Xero is very much brought to the market place by the Chartered Accountants. This is a good thing because there is plenty of support at the early stages to get the best out of the system. It is in the interest of the supporting accountant to get you up to speed because it makes their job a lot easier. Your Xero Accountant has real time access to your data and is able to keep you right. the easier and more accurate accounting systems are, the more likely they will be to give you useful, up to date information.

Category

1. Accounting

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