



A guide to cloud accounting

Big benefits for small businesses

Hawsons Chartered Accountants

www.hawsons.co.uk

Hawsons is a member of  International. A world-wide network of independent accounting firms and business advisers.

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INTRODUCTION

Running a successful small business usually means that you are focused on looking after your customers, growing sales and improving profitability. It also means that you are on top of your finances with up-to-date, accurate information, so that you can make well-informed decisions, improve profits and manage your cash flow.

As your business grows, one of the key questions you will ask yourself is: How can I prioritise my time? And rightly so.

This is where cloud accounting can help your business.

Working on the cloud will give you the opportunity to reduce the amount of time you spend working on tedious, time-consuming tasks, allowing you to concentrate on what you do best: growing your business.

You can also be confident that you will have greater access to real-time data for your business – no matter where you are – as business information is accessible any time, any place, on any device that has internet access (much like internet banking).

This practical guide will give a brief introduction to cloud accounting, the benefits for small businesses and advice on choosing a cloud service provider.

“AS YOUR BUSINESS GROWS, ONE OF THE KEY QUESTIONS YOU WILL ASK YOURSELF IS: HOW CAN I PRIORITISE MY TIME? THIS IS WHERE CLOUD ACCOUNTING CAN HELP YOUR BUSINESS”

Frequently asked questions

What is cloud accounting?

Cloud accounting is the use of online accounting software where your data and software are stored on the internet, rather than on your computer hard drive. It can be accessed at any time in any place from any device that has internet access.

Further details: www.hawsons.co.uk/cloud-accounting

Who can benefit from moving to the cloud?

Small businesses are the biggest beneficiaries of online cloud accounting and there are numerous ways in which moving to the cloud can be of value.

Further details can be found on page 4.

How secure is cloud accounting?

The question “How secure is cloud accounting?” is one that is raised by almost everybody making their first move to using the cloud.

The cloud service providers take great care to protect your data, but ultimately each business needs to consider its attitude to risk, the data being stored and the implications of a security breach.

Further details can be found on page 6.

Which cloud service provider is right for me?

If you're thinking of moving to the cloud then it is important you consider your options in terms of cloud-based service providers. At Hawsons we work with all the leading traditional and cloud accounting software providers, including Xero, Sage One, KashFlow, FreeAgent and QuickBooks.

Further details can be found on page 8.

How can Hawsons help?

We will work with you to find out which cloud accounting software best suits your needs. We work with all the leading traditional and cloud accounting software providers. We will help you move to your new software and make the data transfer as automated as possible. Next we will provide you with training on your cloud accounting software so you know how to use it efficiently and get the benefits as quickly as possible.

Once you are up and running we are available to help at any time answering any questions you may have. With your permission, we can log into the software at the same time as you and even take control of your screen to help you with any questions you may have.

Benefits of moving to the cloud

Small businesses are the biggest beneficiaries of online cloud accounting and there are numerous ways in which moving to the cloud can be of value. Working in the cloud will give you the opportunity to reduce the amount of time you spend working on tedious, time-consuming tasks, allowing you to concentrate on what you do best: growing your business.

You can also be confident that you will have greater access to real-time data for your business – no matter where you are – as business information is accessible any time, any place, on any device that has internet access (much like internet banking).

Here are just a few of the benefits:

- Easy to use
- Saves you time
- No IT headache
- Flexibility
- Data security
- More informed decision-making

“SMALL BUSINESSES ARE THE BIGGEST BENEFICIARIES OF ONLINE CLOUD ACCOUNTING”

Easy to use

We will help you move to your new software and make the data transfer as automated as possible. We will also provide you with training on your cloud accounting software so you know how to use it efficiently and get the benefits as quickly as possible.

Saves you time

Online accounting brings new working practices – bank feeds that automate postings into the software from entries on your electronic bank statements, the emailing of pictures of receipts onto your system and the scanning of supplier invoices all reduce the time associated with data inputting.

Small business owners work extremely hard and regularly exceed the maximum 48-hour working week recommended by the European Union, new research from AXA Business Insurance has revealed. The study, involving 350 UK small business owners, found that one in four small business owners routinely surpass working weeks of 51 hours or more, so it's important to spend your time growing your business not doing your paperwork.

No IT headache

The cloud service providers do much of the IT maintenance, such as the backing up of your data and installing software updates – and this in turn reduces the need for on premise servers.

Flexibility

The reality of life is that in today's environment people are mobile - working outside of their usual office hours and away from their office locations - on mobiles, tablets or other devices.

Thus, it is essential that users can securely access business software and data as and when needed, wherever in the world they may be.

Data security

Some people argue that storing your data on the cloud can be more secure than storing it on your desktop or an on-site server. Most cloud computing providers take great measures to ensure your data is safe, including backup power supplies, firewalls, data encryption software and regular, third-party security audits.

See page 6 for more information.

More information decision-making

The beauty of cloud accounting software is the flexibility it gives you to run your business, wherever in the world you may be. You can be confident that you have an up-to-date picture of your business – allowing you to make more informed decisions regarding your business operations.



How secure is cloud accounting?

The question “How secure is cloud accounting?” is one that is raised by almost everybody making their first move to using the cloud. The term “cloud accounting” is the use of online accounting software where your data and software are stored on a server which is accessed via the internet. This is “the new way of working” compared to the traditional method of software delivery where the software and data are stored on your computer or server hard drive.

Your data on someone else’s computer

Cloud accounting security is at the top of most cloud users’ minds. As cloud accounting allows you to access your data at any time, in any place from any device it is very attractive and brings numerous other benefits.

The simple fact is that with cloud accounting your confidential and personal data, including for example your customer list, your bank balance and accounting information is being stored on someone else’s computer.

How secure is the cloud?

Charles Kavazy, Director of IT Services at Hawsons says: “It depends. Of course that’s not a very helpful answer, but much depends on many factors including your attitude to risk, the nature of your data and the strength of the security including the processes carried out by the company hosting your data. Some people argue that storing your data on the cloud can be more secure than storing it on your desktop or an on-site server. The level of physical and electronic security that cloud service providers offer may be higher, depending on the risk involved, and the duplicated continuous backup processes of cloud providers are probably going to be better than most businesses would implement.”

Wherever you store your data, there are always security issues, as Charles adds: “Most cloud computing providers take great measures to ensure your data is safe, including backup power supplies, firewalls, data encryption software and regular, third-party security audits. They can also protect your data against floods and fires by having multiple servers in different locations.”

Charles summarises: “The cloud service providers take great care to protect your data, but ultimately each business needs to consider its attitude to risk, the data being stored and the implications of a security breach. If you decide the benefits of the cloud outweigh the risks and you are happy to accept the risk then you need to ensure you choose your cloud provider carefully and implement robust procedures to mitigate the risk of problems. For example, controlling access rights, regular password changes and training your staff on security risks.”

Research before choosing a cloud service provider

It is important to research the various cloud service providers to ensure that the one you choose has the necessary controls in place to protect your data.

Some questions to think about include:

- What 3rd party security audits and penetration tests are carried out, and how regularly?
- What security certifications, code of practice or quality standards does the company adhere to?
- What encryption software do they use to safeguard your data?
- What security measures do they undertake?
- Can they secure against a fire or flood, for example, at one of the servers?
- Which country is the data physically stored or backed up in? (Generally, within the EEC is acceptable.)
- How often do they back up their servers?

For more information, please contact Charles on ck@hawsons.co.uk or 0114 266 7141.

“WHEREVER YOU STORE DATA, THERE ARE SECURITY ISSUES. THE CLOUD SERVICE PROVIDERS TAKE GREAT CARE TO PROTECT YOUR DATA, BUT ULTIMATELY EACH BUSINESS NEEDS TO CONSIDER ITS OWN RESPONSIBILITIES TO ENSURE SECURITY”



Choosing the right provider

If you're thinking of moving to the cloud then it is important you consider your options in terms of cloud-based service providers. At Hawsons we work with all the leading traditional and cloud accounting software providers, including Xero, Sage One, KashFlow, FreeAgent and QuickBooks.

Xero – www.hawsons.co.uk/xero-accountants

Xero is a leading cloud accounting software solution for small businesses with over 250,000 users worldwide. It's small business accounting software that's simple, smart and occasionally magical. Hawsons is a Xero reseller providing Xero training and Xero bookkeeping, with a team of Xero accountants in our Sheffield, Doncaster and Northampton offices.

Sage One - www.hawsons.co.uk/sage-one-accountants

Sage One makes accounting and payroll simple and effortless so you can focus on what you love and get back to business. Sage One is a family of online accounts software that helps you manage your business finances and is simple, flexible, effortless and secure online accounting. Hawsons is a Sage One reseller providing Sage One training and we have a team of Sage One accountants in our Sheffield, Doncaster and Northampton offices.

KashFlow

KashFlow is designed to help make running small business (and larger companies) easy, without you needing any accounting or bookkeeping knowledge. So you'll be able to pick it up quickly. KashFlow integrates with over 85 other systems. All the big names in CRM, ecommerce, email programmes, payment processors, payroll software, inventory management...including Dropbox, MailChimp and PayPal.

FreeAgent

FreeAgent is accounting software trusted by over 35,000 freelancers and small businesses. From expenses, payroll, and time tracking, to estimates and invoices, FreeAgent helps you take care of business day-to-day.

QuickBooks

Accounting software helps organise your business and makes it easier for you to meet HMRC requirements. Get started fast with QuickBooks' easy step-by-step setup process and make the most of unlimited free support, including freephone and online chat support.

This section has given a brief introduction to some of the leading cloud service providers that Hawsons work with.

For more information please visit:

www.hawsons.co.uk/cloud-service-providers

www.hawsons.co.uk/xero-accountants

www.hawsons.co.uk/sage-one-accountants

What happens once you have chosen a provider?

Once you have chosen a provider, Hawsons' cloud accounting specialists will help you move to your new software and make the data transfer as automated as possible. Next, we will provide you with training on your cloud accounting software so you know how to use it efficiently and get the benefits as quickly as possible.

Once you are up and running we are available to help at any time answering any questions you may have. With your permission, we can log into the software at the same time as you and even take control of your screen to help you with any questions you may have.



SUMMARY

We will work with you to find out which cloud accounting software best suits your needs your needs. We work with all the leading traditional and cloud accounting software providers:

- Xero
- Sage One
- KashFlow
- FreeAgent
- QuickBooks

We will help you move to your new software and make the data transfer as automated as possible. Next we will provide you with training on your cloud accounting software so you know how to use it efficiently and get the benefits as quickly as possible.

Once you are up and running we are available to help at any time answering any questions you may have. With your permission, we can log into the software at the same time as you and even take control of your screen to help you with any questions you may have.

Please contact your local office specialist for more information.

www.hawsons.co.uk/cloud-accounting

Not yet a Hawsons client?

We offer all new customers a free initial, no-obligation consultation.

This consultation will enable you to have a detailed discussion about your business and how Hawsons can help you move to the cloud.

Please contact your local office for more information.

Contact details on page 11.



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