

Gahan.ie
Chartered Accountants



Gahan & Co. Cloud Accounting E Book



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Why is cloud-based accounting such a game-changer for small businesses, anyway?

The short answer is that adopting these tools will save you precious time and money. Cloud-based accounting provides business owners, employees, and outsourced roles like fractional CFOs and contract controllers the freedom to work from any location at any time. In other words, in the cloudbased world, real-time collaboration is easy. You can now use your smartphone to check on your payables, see if an invoice went out, work on account reconciliation, and more. Anything you had to do from your office and desktop in the past can now be done from anywhere. You can also say goodbye to expensive ongoing maintenance costs common with traditional desktop systems— no more system administration costs, version upgrades, or server failures

You'll have better access to up-to-the-minute reporting and a better overview of your finances overall. Additionally, these systems are often born out of the pain of using traditional and tedious legacy desktop accounting systems, so the cloud options are much more intuitive and easier to use. Finally, cloud-based accounting systems allow you to better balance your personal and professional life. The key is to determine which systems can best serve your business and invest the time and energy necessary to set them up right and put key integrations in place so that your systems talk to one another.

XERO accounting software

Overview Xero is a New Zealand-based company that develops software for small-to-medium-sized businesses. The key features of Xero include automatic bank and credit card account feeds, invoicing, accounts payable, expense claims, fixed asset depreciation, purchase orders, and standard business and management reporting. Who should use it Xero is best for businesses that are smaller, and it has greater functionality if you are based in the Ireland, UK, Australia, or New Zealand (Xero's home country). Xero is easy to use and is very good for service and SaaS businesses, and it has some app add-ons that help mitigate a few of its shortcomings. Xero has better customization options and automation features that are very helpful.

Features Banking + Xero has robust transaction matching for imported bank feeds. You can integrate multiple bank accounts and download transactions from bank feeds. You can train Xero to recognize transactions and code them. Be careful that you review your transactions frequently for accuracy. Time Tracking and Payroll

Your employees can log into Xero with only time tracking enabled. They won't be able to see other sensitive company data, but they can attribute billable hours to specific clients and include notes about the service they are providing—making invoicing so much easier for you. + Unlike QBO, Xero does not allow you to enter start and stop times, only total hours worked. This may be a drawback for businesses in some industries. Accounting + Xero covers all the bases with major accounting features. + Xero's accounts-payable functionality is very good, and it is easy to invoice for accounts receivable. + You can do all of your invoicing from Xero. + Double-entry accounting is built in, meaning that for every debit you enter there is an associated credit. This ensures that your books are coherent and balanced. You can add in budgets and easily see your budget-to-actuals data. Reporting + Aesthetically, Xero's reporting is much better than other solutions. The reporting is extensive, so with a little effort you can pull nice professional-level reporting from the system

The End

The biggest thing to remember with any cloud-based accounting system is oversight. If implemented and integrated properly from the start, these products will save you a significant amount of time across your accounting processes. However, they do need to be monitored on a regular basis to ensure there are no errors. Set aside a certain amount of time each week to check in on your accounting ERP and add-ons so you can feel confident that everything is running smoothly. Know and love an awesome tool not mentioned in this guide? Send a note to info@gahan.ie and we'll keep it in mind for our next guide.

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