

SOFTWARE REVIEW



On-line accounting

BY
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Accountants with small business clients using Sage Line 50 or Simply Books can now manage their accounts on-line. But will it be enough to make them more comfortable in cyberspace, and convince clients that the best accountant isn't necessarily the one around the corner?

Servicing clients on-line is not a new idea, but it's been slow to catch on, for a variety of reasons. Early entrants into the marketplace, such as Ascot Drummond (in 1998), found the approach hard to sell: partly because the concept was unfamiliar, partly because the technology was, and partly because the accounting software was. But things have changed quite a bit over the past five years, and, helped by the widespread availability of broadband, the idea of using the Internet to provide on-demand services has become commonplace—but not when it comes to accounting.

Accountants who are interested in offering clients an on-line option can now choose from a variety of reasonably priced systems that can benefit client and practitioner alike, but uptake has remained patchy. Systems available in the UK include iCash from Iris, and WebLink from easycounting (a division of Numerica), while the US has epractice from Intacct. All three offer the practitioner the opportunity to provide bookkeeping services on-line, and Intacct also operates as an applications service provider (asp), itself providing accounting and financial management systems for small businesses, mid-sized companies, and distributed enterprises. In addition to these solutions, numerous practices have

set-up their own bespoke Internet-based accounting services.

Not all suppliers were created equal, and their offerings operate in slightly different ways, but they all have one thing in common: they do not use industry standard applications that small businesses are familiar and comfortable with, which is why the London-based hosting and infrastructure company, IT Inside Out, decided to do just that. "What people really want is standard accounting software," asserts managing director Rob Lambden, so the company decided to create a way in which accountants could service their clients using the UK's most popular small business packages: Sage Line 50 and Simply Books so far, with more to follow.

How it works

Both the accountant and the client have real time access to the same live accounting system, though neither actually runs the accounting software on their own systems, which saves time and trouble when it comes to upgrades, and reduced licensing costs. The applications run at the IT Inside Out datacentre, and users access the software and their data by connecting to the host's servers.

The system requirements aren't too onerous, which can be good news for client and practitioner. All you need to access the service is a PC running a Windows operating system, browser access, and a modem connection; broadband isn't essential, but it does provide the best performance.

Because of the way the service operates, users can concentrate on the aspects of the application that they use, without concerning themselves

about data transfer—which can be an issue with some on-line accounting applications. Security levels are high, and, once connected, each client's data is held in an area that other clients do not have access to.

A user perspective

At Banks & Co, where the Sage-Based system Online50 has been in use for some time, Mark Taylor feels it's helped the firm keep old clients and win new ones. "It means we can continue to expand and build on our relationship with clients when they change or move locations," he says, so, as clients grow, the firm can grow with them. In common with many other UK firms, Banks & Co has many clients using Sage, and their receptiveness to the idea of doing their bookkeeping on-line has been influenced by the branding. "They can carry on using Sage, as they don't have to change packages in order to get connectivity."

The advantages of remote access can also be a factor with clients. Banks & Co has offices in Newbury and Swindon, but Online50 recently helped Taylor gain a new client a little further afield, in Bristol. "I'd been talking about our services to three directors, when one of them said 'I'd really like an accountant that's just around the corner.'" In response, Taylor told them about Online50, and asked them what sort of problems they anticipated not being able to deal with over the phone. "I said 'we can both sit down at each end, look at the same thing on the screen, and talk about it,' and they said 'well, when you put it in those terms, we don't need an accountant that's round the corner after all.'"

Lesley Meall is a writer on business and technology issues.