

Cloud Accounting Software

Cloud accounting software has revolutionised the world we live in, both for organisations and for accountants.

The adoption rate of cloud accounting software is rapidly increasing and three of the main players in the Australian market are MYOB, Xero, Reckon Hosted and Quickbooks Online. To give you an indication, Xero has 120,000+ customers in Australia.



So what is this thing called the Cloud?

Think about logging into your Gmail or Facebook account. You can log in from any computer in the world that has an internet connection. Every time you access this data, you're using the cloud. The cloud is a platform to make data and software accessible online anytime, anywhere, from any device. Your hard drive is no longer the central hub.



Problems with traditional desktop accounting software

- The data in the system isn't up to date and neither is the software
- It only works on one computer and then files need to be transferred by USB or email. This is not secure or reliable
- It is costly and complicated to keep backups (if done at all)
- It is expensive, difficult and time consuming to upgrade the software

Is cloud accounting secure?

As the treasurer for your organisation you might be concerned about a cloud service provider storing your data, but the cloud is one of the most secure ways to store information. For example, using cloud software, if your laptop is stolen, no one can access your data unless they have a login to the online account. With cloud software, this is where the data lives – as opposed to on your hard drive.

Why use cloud accounting software?

By using cloud accounting software such as Xero, Reckon Hosted, Quickbooks Online or MYOB Essentials Live, your team and your advisors have access to your current financial position in real time. Here are some of the benefits

- Its scalable, cost-effective and easy to use
- Multi-user access makes it easy to collaborate online with your team and advisors.
- Everything is run online, so there's nothing to install and everything is backed up automatically. Updates are free and instantly available.
- Worry-free maintenance and more efficient processing of transactions mean you can spend more time doing what you love.
- Upfront business costs are reduced – version upgrades, maintenance, system administration costs and server failures are no longer issues. Instead, they are managed by the cloud service provider.

Many cloud accounting software packages still lack functionality for complex processing such as CRM, advanced inventory management and fixed asset management. To address this there are add-ons which provide specific solutions such as VEND (Point of Sales software) and Unleashed (Inventory management) which integrate directly with the accounting software. For example Xero has an eco-system of over 300 add-ons.



Is cloud accounting software right for you?

While there are many benefits to cloud accounting software it won't necessarily be suitable for every organisation. We recommend that you assess the accounting requirements of your organisation and weigh up factors such as the complexity, compliance requirements, back-up procedures and desired level of automation before deciding to move to cloud accounting software. Having completed your own your assessment, should you decide to implement cloud accounting software you should see benefits included more efficient processing, real time access to accounts and secure data.

Like to know more?

For those members based on the Gold Coast, we are planning a seminar in partnership with a local not for profit expert in March 2015. Please register your interest now if you would like to know more about Cloud Accounting and would like to attend. Email admin@cmsolutions.org.au

If you would like more information please do not hesitate to contact us on 1300 007 110.