

N O V E M B E R 2 0 2 3

# SPOTLIGHT ON:

## Accounting tech for businesses

How will technology impact your business's financial future?



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## **ACCOUNTING TECH FOR BUSINESSES: HOW WILL TECHNOLOGY IMPACT YOUR BUSINESS'S FINANCIAL FUTURE?**

**C**onstant developments in technologies like AI and cloud accounting are changing the way we do business and manage our finances. It's a rapidly advancing field that has already changed the way most businesses think about their processes. So what are the benefits of using technology in business accounting?

Embracing technology can empower you to move your business forward, whether you're looking for innovative solutions to common accounting problems or you want to dive deeper into your financial reports. But if you want to make the most of tech, you need to know how to use it effectively.

With a wealth of information out there, cutting through the noise and finding exactly what you need can be hard. Having expertise from an accountant, like us, will make all the difference.

In this guide, we'll discuss how you can use technology to boost productivity, streamline time-consuming processes and future-proof your business finances.

## HOW CAN I USE TECHNOLOGY TO STRENGTHEN MY BUSINESS FINANCES?

Let's take a look at some of the most common accounting challenges businesses face and how tech can help you overcome them.

### THE CHALLENGE: YOUR CLIENTS ARE PAYING LATE

Cashflow is the lifeblood of any business. So if your clients don't pay their invoices on time, this can have a knock-on effect on your business operations and overall financial health.

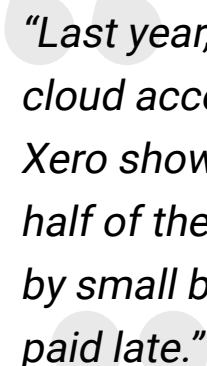
Last year, [analysis from cloud accounting provider Xero](#) showed that around half of the invoices issued by small businesses were paid late. Over one in ten (12%) of these invoices were still outstanding a month after they were first issued.

If you're facing this problem in your business, you may struggle to pay your own bills. This can lead to strained relationships with suppliers – and you could even incur costly late-filing penalties from HMRC. So how can tech help?

### THE SOLUTION: AUTOMATED INVOICING

While there's no quick fix for late payment culture, using tools like automated invoicing can help minimise the impact on your business.

Automated invoicing allows businesses to schedule client invoices in advance at a specific date and time. This not only saves you time manually issuing invoices yourself, but also encourages prompt payment by getting invoices to your clients as early as possible, and chasing them for payment so you don't have to.



*“Last year, analysis from cloud accounting provider Xero showed that around half of the invoices issued by small businesses were paid late.”*

Depending on your chosen cloud accounting platform, you can also set up automations to chase late-paying clients.

With more invoices paid on time, you'll find it easier to manage your cashflow and stay on top of your business costs.

An alternative solution could be to set up a direct debit through an online payment processing provider and cut out the chasing time altogether.

### **THE CHALLENGE: YOU SPEND TOO MUCH TIME ON ACCOUNTING TASKS**

Good financial management calls for accurate, up-to-date business records – but staying on top of your books can be time-consuming. If you and your team spend hours on routine recordkeeping tasks, you may not have time to focus on bigger-picture strategies.

Entering your financial data doesn't just take up a lot of time – it can also increase the risk of human error in your accounts.



### **THE SOLUTION: TRACK BUSINESS TRANSACTIONS AUTOMATICALLY**

Instead of entering your transactions manually, you could link your business bank account with your accounting software. This allows your software to automatically download your bank transactions so you can easily track your income and expenses.

While this feature has been available on most platforms for some time, it's still evolving. Thanks to recent developments in AI and machine learning, software can often categorise your business transactions automatically, winning back more time for you to spend on your business.

Other software solutions can help to automate the record-keeping process by importing bills and receipts, automatically recording the description, tax rate and amount on digital or physical documents.

### **THE CHALLENGE: YOU WANT TO MAKE BETTER BUSINESS DECISIONS**

Effective decision-making requires an in-depth understanding of your firm's fiscal health. If you want to implement a solid business strategy, you'll need to do much more than balance your books and meet your obligations.

### **THE SOLUTION: COMBINE TECHNOLOGY WITH ACCOUNTING EXPERTISE**

AI-powered accounting tools can take what they learn from your accounts to give you valuable insights about your business's past, present and future. With technology analysing your real-time data, you can draw up forecasts, budgets and other financial statements to help you make well-informed business decisions.

However, computer-generated reports do have their constraints. Even the more sophisticated accounting tools don't include external factors like current industry trends and economic conditions in their predictions.

To get a truly accurate picture of your business finances, you'll need to harness the power of technology and expert accounting insight.

Most cloud accounting providers have an app store with solutions that plug into their software, so it's easy to find a platform that integrates with the tools you're already using.

*“If you want to future-proof your business, you should embrace technology.”*

## HOW TO MAKE THE MOST OF TECHNOLOGY

With technology advancing at such a rapid pace, it can be difficult to keep up. The business landscape has shifted significantly in the last few years alone, and it's likely to change even more as we learn more about AI capabilities.

If you want to future-proof your business, you should embrace technology — but you also need to understand its limitations. As your accountants, we can help you use different financial management tools as effectively as possible.

### EASY COLLABORATION

Giving us access to your cloud accounting can make collaboration easier than ever. With us working on your real-time data at the same time, it'll feel like we're an extension of your team.

## IN-DEPTH INSIGHTS

Automating many of your financial processes can free up more time for us to focus on longer-term strategies. We'll combine technology with our accounting expertise to give you a deeper understanding of your business finances and help you meet your ambitions.

### TAILOR-MADE SOLUTIONS

No two businesses are the same, so you need to find tech solutions that work for you. Whatever challenges you have, we can give you the support you need to face them with confidence.

### SEAMLESS INTEGRATION

Are you looking for an inventory management system to help you monitor stock levels? Do you want to start using time-tracking software so you can keep an eye on the costs of different projects? We can help you integrate new tools into your existing business processes.

## ACCOUNTING SUPPORT

It's our job to provide support and answer any questions you have – whether you want to know more about your tax liabilities or how to make the most of new accounting tools.

We can help you navigate accounting software with ease. And if we find something that could improve your financial processes or boost your productivity, we'll let you know.

Get in touch with our team to find out how we can use cloud technology to move your business forward.

 **Talk to us about cloud technology and your business**

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