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MCTV

M.C.T.V Ltd Report

Sage 50/Sage Cloud

**Abstract:**

The purpose of this report is to outline exactly why Sage Line 50/Sage Live could be of huge benefit to M.C.T.V when dealing with our accounts over the software that we are currently using (Microsoft Excel). I will also go over why the €100,000 should be spent on this software/training over my colleagues’ projects.

**Introduction:**

Currently within M.C.T.V we use Excel to manage our accounts, with an annual income of over €1,000,000, it is quickly becoming near impossible to manage such vast funds over an application not specifically designed for accounting needs such as Microsoft Excel. Therefore, I decided to research Sage Line 50/Sage Cloud to view whether it would be a valuable resource to the business. There are many potential issues with using Microsoft Excel that could be seriously debilitating for a company. An example of this is that Excel is extremely vulnerable to fraudulent manipulations that usually results in a loss of capital for the company involved. This is down to the fact that Microsoft Excel lacks administration controls, which allows any user to easily manipulate the data. Another huge problem with Microsoft Excel is the fact that it is very susceptible to human errors. A simple minus sign, or an incorrect multiplication sign, though harmless, has resulted in millions of dollars lost in revenue for companies. Yet another issue with using Microsoft Excel for accounting purposes is that is it nigh on impossible to bug or troubleshoot on it. This is simply down to the fact that Excel just wasn’t built for this purpose. With the three previous disadvantages of using Excel for accounts (Vulnerable to fraud, susceptible to human error & extremely hard to troubleshoot/bug test) the problem arises that it could lead to serious legal problems for a company if regulatory compliance is not met. Microsoft Excel is extremely dated when it comes to easily complying with both national and international laws for accounts (EU Data Protection Direction, Solvency II & FAS 157 are just a few examples).

In a work environment where collaboration is a day to day necessity for an efficient business, Excel remains one of the least collaborative pieces of software that a business could use to manage their accounts. This is since the only way to share an Excel sheet with colleagues that may not be working in the same building as you are is through email. The final disadvantage of using Microsoft Excel to manage accounts is that as a business grows, the data in the spreadsheet does not scale to meet its needs very well, which can cause huge organisation errors.

**Body:**

As I have stated my rationality of Excel being out-dated above, I will now explain why I believe M.C.T.V should invest in an integrated accounts package called Sage Cloud. Sage Cloud is the most popular accounting software in Ireland, it previously went by the name Sage Line 50. Sage Cloud is an easy to use accounting software that requires little training and has built in best-accounting practices to help small business’ stay compliant with tax’s and legislative requirements. Sage Cloud also has built in security which allows admins to assign multiple levels of control to various users.

There are many other reasons for investing in Sage Cloud including a few of the following points.

Sage Cloud is the only accounting software that can be run anywhere with cloud access. Sage also allows for immense integration with Microsoft Office 365, instantly making Sage Cloud more collaborative than Microsoft Excel when dealing with accounts. Sage Cloud also integrates with Outlook allowing easy access to customer information, such as their contact details & order history. Another benefit of Sage Cloud is the fact that all work done on accounts is backed up to the Cloud Server ensuring that information is not lost If the employee’s PC is destroyed/unusable. This is done automatically to give users piece of mind; the Cloud backup also allows users to restore previous versions of accounts if there was an error when inputting figures and the administrator wishes to retrieve accounts from the previous days.

Sage Cloud offers a dashboard feature which allows the users to gain a quick overview of their accounts. Sage Cloud allows users to monitor and track customers contacts, create quotes, sales orders and invoices very easily. Sage Cloud includes a Reporting Centre which allows users to generate over 90 different types of reports, an excellent function for a business to have. Sage Cloud also has a banking feature which allows users to transfer funds, make deposits and generally manage your account. Sage Cloud cost €25 per month per user or €280 per year per user (note that does not cover the cost of training users).

Three other accounting software’s that are available are: Wave, QuickBooks Online & Zoho Books.

Wave: Wave is aimed at very small business’s (ten employees’ or less), it a free piece of software that boasts the fact it employs automatic bank connections which allows the software to work seamlessly. Wave also has an invoice tool that allows users to collect money faster and allow for far better tracking. Though Wave does offer all these things, it does not have the scalability that Sage Cloud offers.

QuickBooks Online: Though QuickBooks itself does not offer an all in one solution that Sage Cloud does, it has massive integration with the other apps to work in tandem with them – Wrike (for payroll), Salesforce (customer relations management) & Gusto (payroll management). QuickBooks offers multi-currency support and excellent security control. Sage Cloud is still a better option than QuickBooks as it is an all-inclusive package that does not require others app, another benefit is that it also can be accessed from anywhere.

Zoho Books: Zoho books is the most similar software to Sage Cloud, it is also an all-in-one package that has multiple levels of software access depending on how much you pay. However, where Sage excels is the fact that it has far better support features than Zoho Books.

There is a reason why Sage is the most popular provider of accounting software and it is because their software is the most feature packed, compatible and easy to access software on the market.

**Conclusion:**

To conclude, we should not continue to use Microsoft Excel due to the following facts:

* It is extremely vulnerable to fraudulent activities due to a lack of security controls.
* Due to the lack of built in best accounting practices, human error is extremely likely when using Excel.
* Excel has very few troubleshooting functions or bug testing.
* Microsoft Excel is not designed to be a collaborative piece of software.
* Makes it difficult for the business to abide by regulatory compliance.
* Finally, Microsoft Excels scales very poorly.

Microsoft Excel makes it difficult to manage our annual income of over €1,000,000, as our business continues to grow, it will only be more difficult to keep a clean and organised set of accounts (poor scalability).

The following are the reasons as to why I believe we need to invest in Sage Cloud to help manage our accounts:

* Instant access anywhere, anytime using the cloud.
* It is a far more collaborative piece of software, (easier to share accounts, send details to other employees etc).
* Integration with Microsoft 365 makes dealing with customers even easier.
* Automatic backup of accounts onto the Cloud, also allows for previous versions of the accounts to be restored.
* Dashboard feature allows for quick overview of accounts.
* Report Centre allows for a huge variety of different reports to be issued.
* Integrated banking support allows for transfer of funds, deposits and generally manage your account

Sage Cloud is the industry leader for accounting software and the most popular accounting software in Ireland, this is not without reasons and is why I believe that going forward as a company it is integral that we invest in the software. I believe that there is no reason to invest in my colleague’s projects when we can barely manage our current accounts, increasing our profits will not help our finances if we cannot organise and store the data correctly.

**References:**

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