



Choice of Accounting System

Robin Lee

One of the many decisions to be made on starting a business is about how you are going to keep your accounting records. The need for good record keeping undoubtedly is key attribute for business success helping in the smooth and profitable running of any venture. Being on top of the figures can also make for a more effective working relationship with your accountants. There time with you being spent more on the business plans as opposed to sorting out poor record keeping.

The choice of system or method for keeping your accounting records will depend on a number of key issues not least the nature of your business, your appreciation and level of comfort over such matters, a desire to keep in control of your finances ; as well cost and time constraints. The easy answer for some may be to out source the solution to a bookkeeper or accountant. In the main though most will look for an in house solution, through use of either a paper based manual bookkeeping package, use of computerised spreadsheets or an off the shelf computerised accounting packages.

The table on the following page aims to highlight aspects to consider when looking at what option to take or what might suit your needs best.

When considering your own requirements it may well be beneficial talking to your accountant as to what they feel suits you. Experience shows that making the right choice over your accounting system makes running a business easier and the preparation of end of year accounts much simpler.

These notes are for general guidance only. No liability is accepted by Streets for actions taken in reliance upon these notes and it is essential that detailed advice relating to the particular circumstances of the case in question should always be obtained before action is taken.

Streets is a trading style of Streets LLP, Streets Northern LLP, Streets Southern LLP, Streets Tax LLP, Streets Audit LLP and Streets Financial Consulting plc Streets LLP (registered number OC309545), Streets Audit LLP (registered number OC309381), Streets Northern LLP (registered number OC309382), Streets Southern LLP (registered number OC309380) and Streets Tax LLP (registered number OC309379) are all Limited Liability Partnerships registered in England. Their registered office is Tower House, Lucy Tower Street, Lincoln LN1 1XW. A list of the names of the members is available for inspection at this address. Streets Audit LLP is registered by the Institute of Chartered Accountants in England and Wales to carry out company audit work Streets Financial Consulting plc (registered number 2029793).Registered office : Tower House, Lucy Tower Street, Lincoln LN11 1XW. A list of directors is available for inspection at this address. Streets Financial Consulting plc is authorised and regulated by the Financial Services Authority
For regulation purposes, corporate finance work undertaken may be dealt with by Streets Financial Consulting plc, which is authorised and regulated by the Financial Services Authority

Questions to Consider	Manual Package Spreadsheets	Cash Book clearlybookkeeping	Quickbooks	Sage
Number of transactions per month less than 25	x			
More than 25		x		
More than 30			x	
More than 50				x
Computer required			x	x
Basic booking knowledge				x
Functionality -automated/integrated				
Sales ledger	n	n	y	y
Purchase ledger	n	n	y	y
General/Nominal ledger	n	n	y	y
VAT Return	n	n	y	y
Payroll/ Wage	n	n	y	y
Profit & Loss	n	n	y	y
Cash Flow	n	n	y	y
Bank Reconciliation	n	y	y	y
Credit Control	n	n	y	y
Invoicing	n	n	y	y
Management accounts	n	n	y	y
On line banking	n	n	y	y
Bespokable	n	n	n	y
Ability for backing up of data	n	y	y	y
Ease of set -up	very easy	easy	very easy	easy
Ease of transaction amendment	very easy	easy	very easy	easy
On going support	available	available	available	available
Cost	£10	£100	£100*	£100-£200*

* Excludes cost of computer hardware

STREETS

Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

Tel: 01522 551200
Fax: 01522 533234

St Peters Chambers
2 Bath Street
Grantham
Lincolnshire
NG31 6EG

Tel: 01476 590838
Fax: 01476 590795

Halifax House
30 George Street
Hull
East Yorkshire
HU1 3AJ

Tel: 01482 225399
Fax: 01482 219964

Lloyd's Building
12 Leadenhall Street
London
EC3V 1LP

Tel: 020 7816 5827
Fax: 020 7816 5826

87 Park Road
Peterborough
Cambridgeshire
PE1 2TN

Tel: 01733 312191
Fax: 01733 896214

Churchgate House
33 Churchgate
Retford
Nottinghamshire
DN22 6PA

Tel: 01777 869955
Fax: 01777 869962

e enquiries@streetsweb.co.uk
www.streetsweb.co.uk