DEZAN SHIRA & ASSOCIATES

Your Partner for Growth in Asia

Advance Your Accounting Capabilities with Cloud Solutions – Practice Sharing for SMEs

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Speakers

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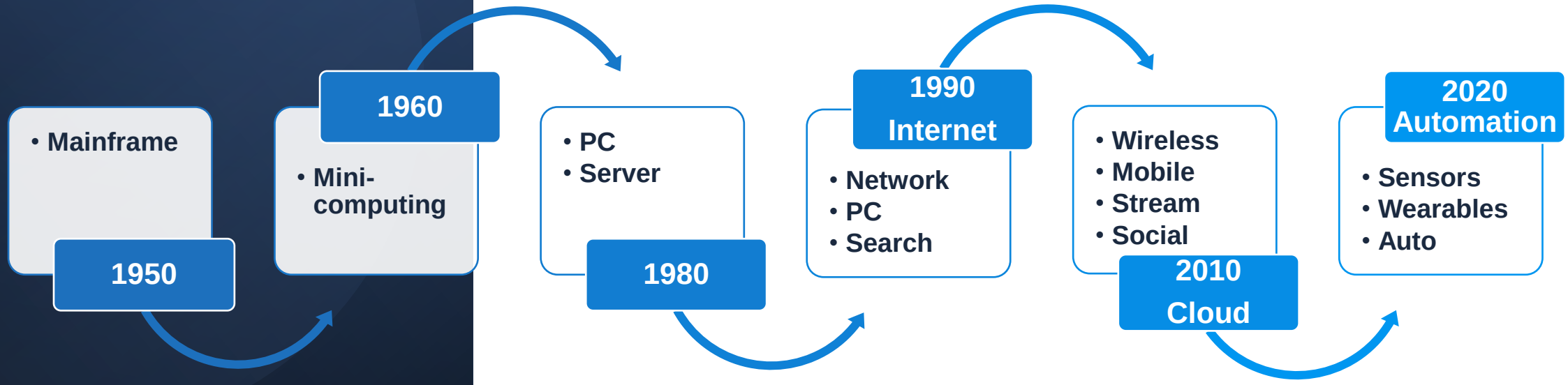
Agenda

- Why cloud accounting
- General introduction of Xero and its features
- Practical case sharing
- Next steps and Q&A

Why Cloud Accounting

www.dezshira.com

The next technology wave is upon us

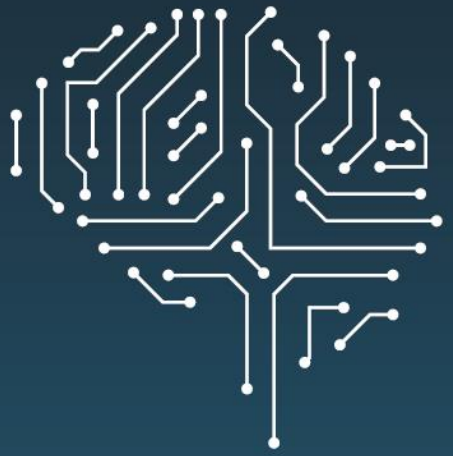


The wave of accounting

- **1950**
  - Abacus
- **1990 Cashbooks**
  - Book based
  - Manual entry
  - Manual calculations
- **2000 Desktop**
  - Manual invoicing
  - Manual data entry
  - Multiple systems
  - Spreadsheets
- **2010 Cloud**
  - Bank feeds
  - Single ledger
  - One platform
- **2020 Automation**
  - Integrated systems
  - Machine learning
  - Artificial intelligence
  - Automation

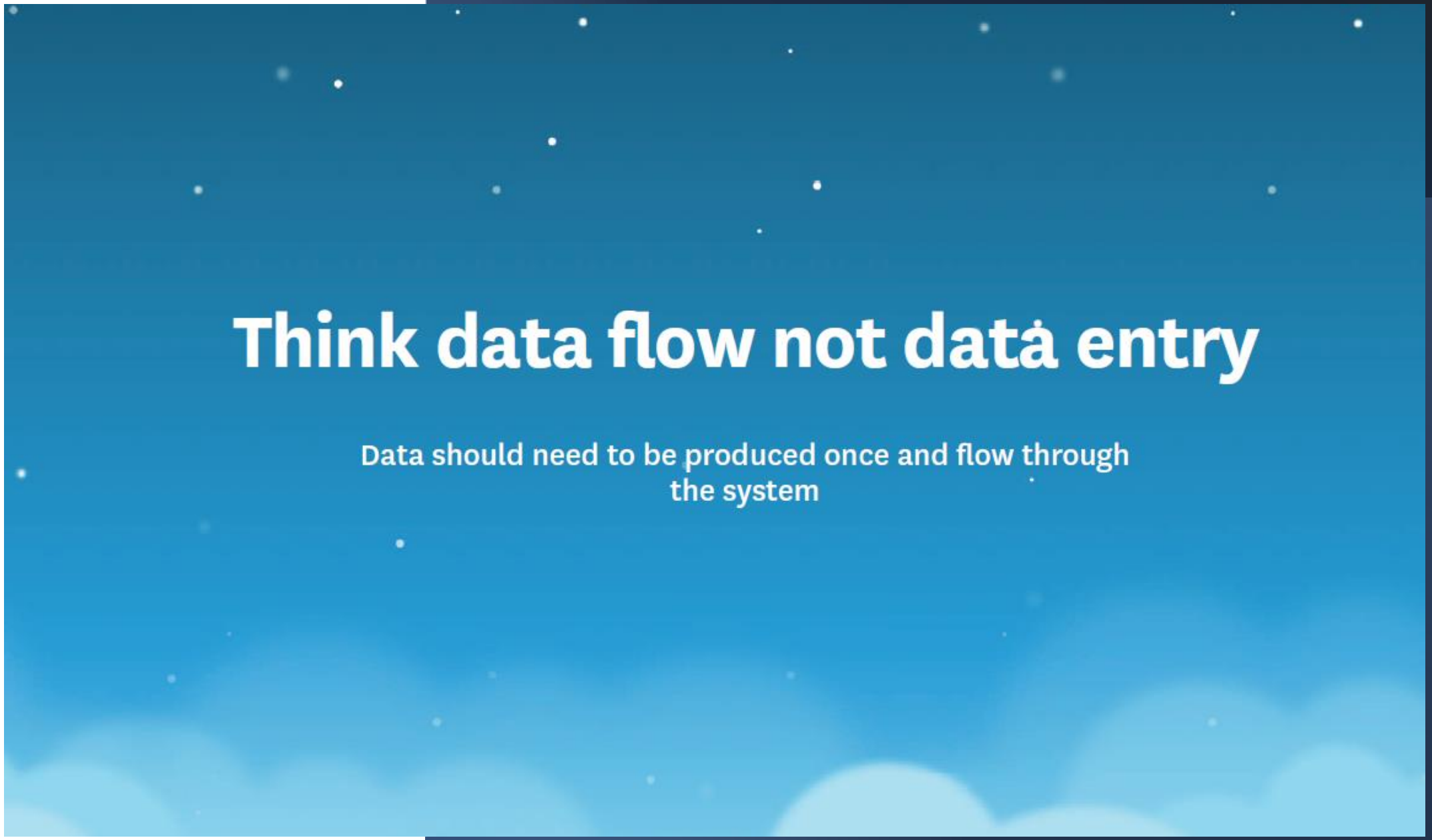
Data locked in the desktop

Cloud provides access anywhere, anytime



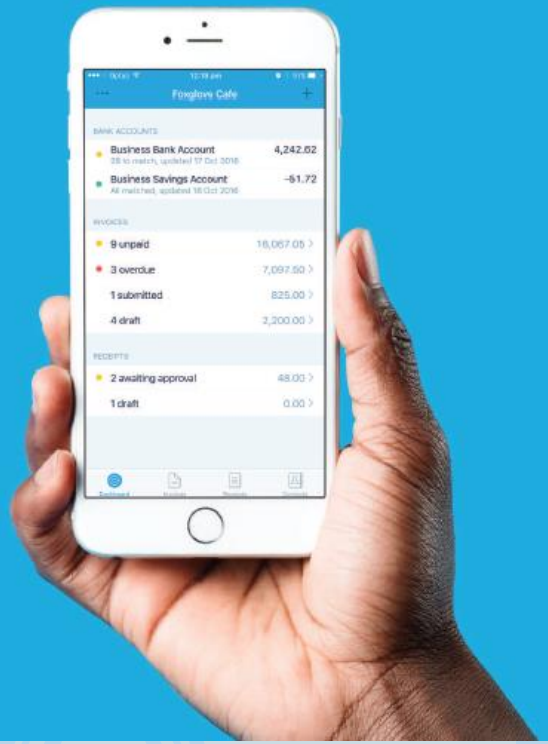
Machine Learning

Gaining efficiencies


Think data flow not data entry
Data should need to be produced once and flow through the system

OPERATIONAL SYSTEMS

ACCOUNTING SOFTWARE



INSIGHT SYSTEMS

Automation

Accessibility

Lower overhead expenses

Data security

Scalability

Increased collaboration

Faster implementation

Cloud accounting software for SMEs in Asia

General Introduction of Xero and Xero Features

What makes Xero special?

Cloud-based

Improved collaboration

Monthly subscription

Security

Unlimited users

Flexible plan

Key Features

Bank Connections

Connect your bank to Xero and set up bank feeds. Transactions flow securely straight into Xero each business day.

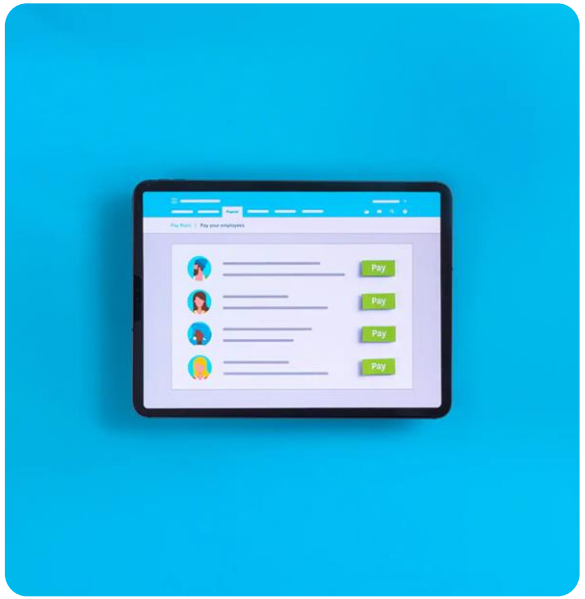
Accept Payments

Accept payments online and get paid up to twice as fast by connecting to Stripe and other payment solutions.

Key Features

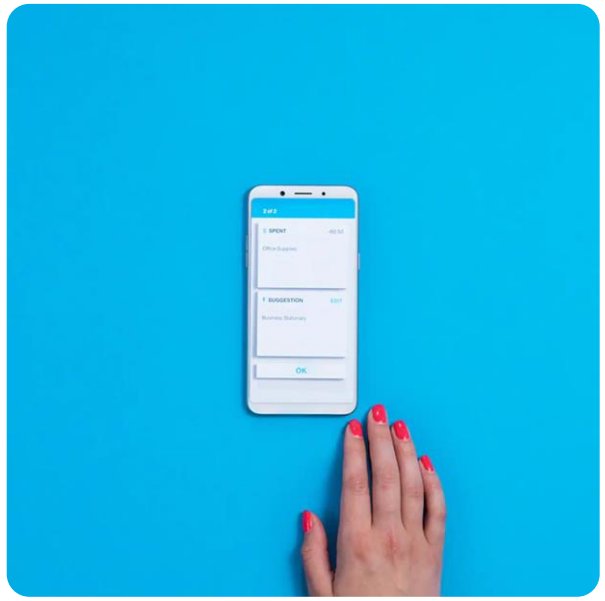
Pay Bills

Track and pay bills on time. And get a clear overview of accounts payable and cash flow.



Bank Reconciliation

Keep your financials up to date. Categorize and reconcile bank account transactions each day using suggested matches.



Key Features

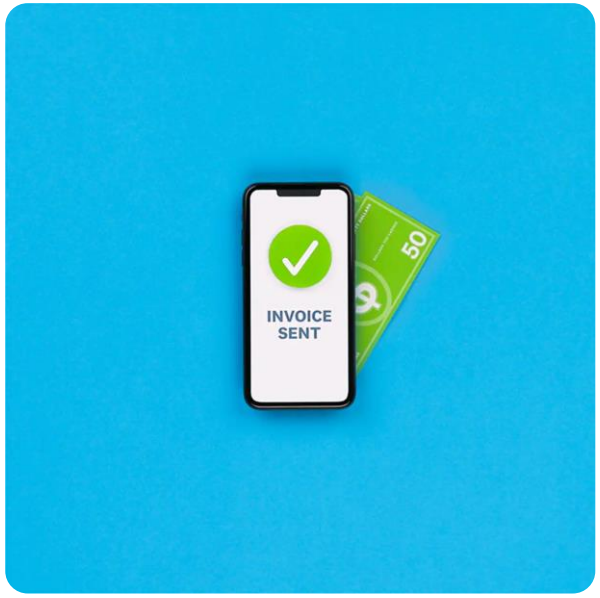
Pay Runs

Keep basic pay records online and do pay runs for a few employees using Xero, or else integrate a payroll app with Xero.

Claim Expenses

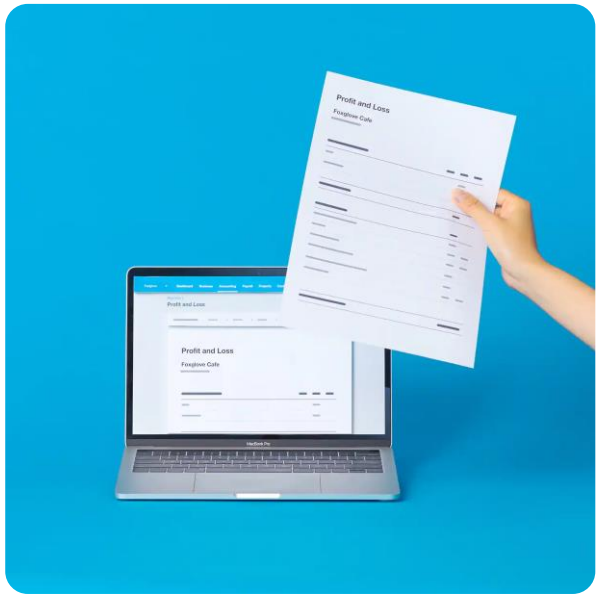
Capture costs to submit and reimburse expense claims, plus view spending – all with the expense manager tools in Xero.

Key Features



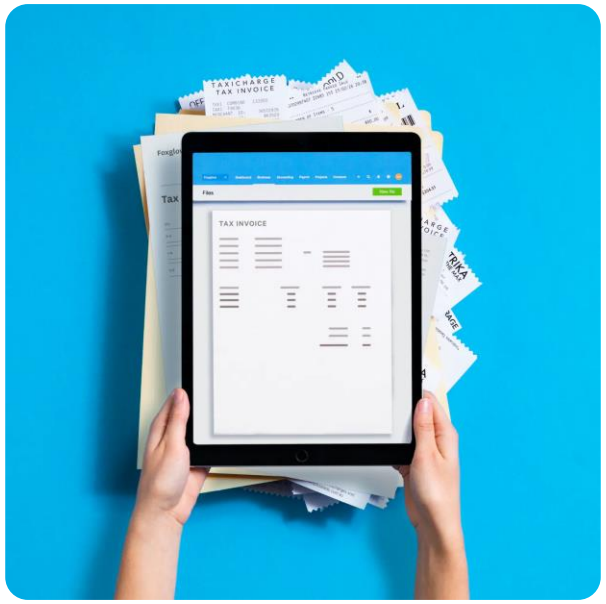
Send invoices

Work smarter with intuitive invoicing software. Send online invoices from the desktop or app as soon as the job is done.



Reporting

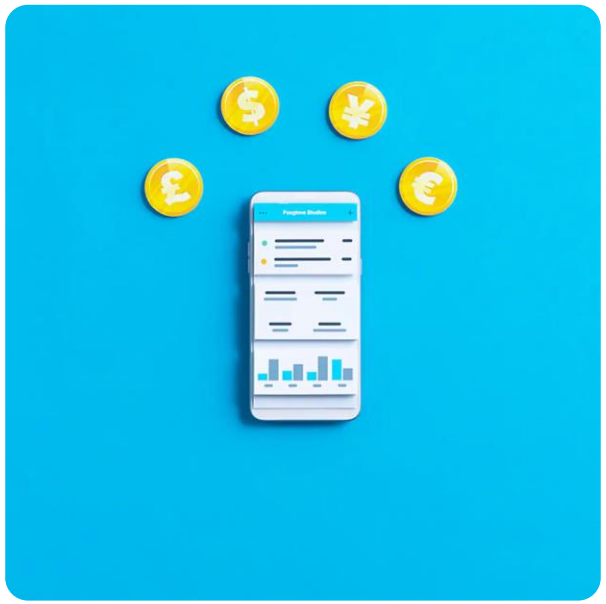
Track your finances with accurate accounting reports. And collaborate with your advisor online in real time.



Key Features

Files

Use Xero for online file storage. Manage and share documents, contracts, bills and receipts safely from anywhere.



Multi-currency

Pay and get paid in over 160 currencies with multi-currency accounting. Use instant currency conversions.

How can Xero help different industries and businesses?

Xero for Construction and Trading Industry

✓ **Run your business from anywhere**

Use construction accounting software to capture expenses, and quote and invoice customers for jobs. Accept payments and view cash flow from your mobile.

✓ **Send online invoices and quotes**

Create custom quotes with accounting software for builders. Convert quotes to invoices with a 'Pay now' button for one-click payment.

✓ **Track accounting for projects**

Track time, costs, and expenses with construction accounting. Stay informed on profit margins and outstanding invoices and improve profitability.

Xero for Retail Industry

✓ **Keep on top of payments**

Xero connects to your card reader, online payment system, and bank account, seamlessly pulling all your data into one platform.

✓ **Manage your cash flow**

Xero’s real-time dashboard puts you in control of your numbers, giving you a view of your business finances that are always up-to-date.

✓ **Spend less time on VAT**

Calculate and submit VAT returns easily and save time with Xero.

Xero for Manufacturing Industry

✓ **Track what's in stock**

With Xero, you can free up valuable time and stay on top of your inventory. Keep tabs on stock quantity and value.

✓ **Send quotes instantly**

Create and send professional online quotes in minutes on the go, from wherever you are.

✓ **Monitor business performance**

Keep track of progress with tailored, smart financial reports to suit your business.

Xero for eCommerce Industry

✓ Keep track of your financials

Stay up-to-date with the cash coming in and out of your eCommerce business with Xero’s online accounting dashboard and analytics tools.

✓ Pay bills on time every time

Track all bills due for payment. Build and retain good relationships with suppliers.

✓ Integrate with Shopify, PayPal, Stripe, SalesIn, etc

Combine sales tools with Xero’s powerful accounting functionality for a better view of business performance and easier eCommerce.

✓ Accept sales across currencies

Xero’s accounting software for online business lets you invoice and accept payments in multiple currencies, simplifying your eCommerce bookkeeping.

Xero for Landlords

Manage
- Manage property finances in one place

Track
- Keep track of income from rent payments and deposits and outgoings from expenses and bills

Automate
- Connect Xero with featured apps to automate rent collection

History
- Keep all tenant information in one place – contact details, history of rent payments, outstanding invoices, etc.

Xero for Self-employed businesses

Manage
- Manage your accounting in one place

Track
- Online invoicing and bill payments

Simplify
- Simple bank reconciliation through connected bank feed

Automate
- Capture bills and receipts with featured apps to upload to Xero

Xero for Startup businesses

Manage

- Manage your finances on the for from anywhere

Track

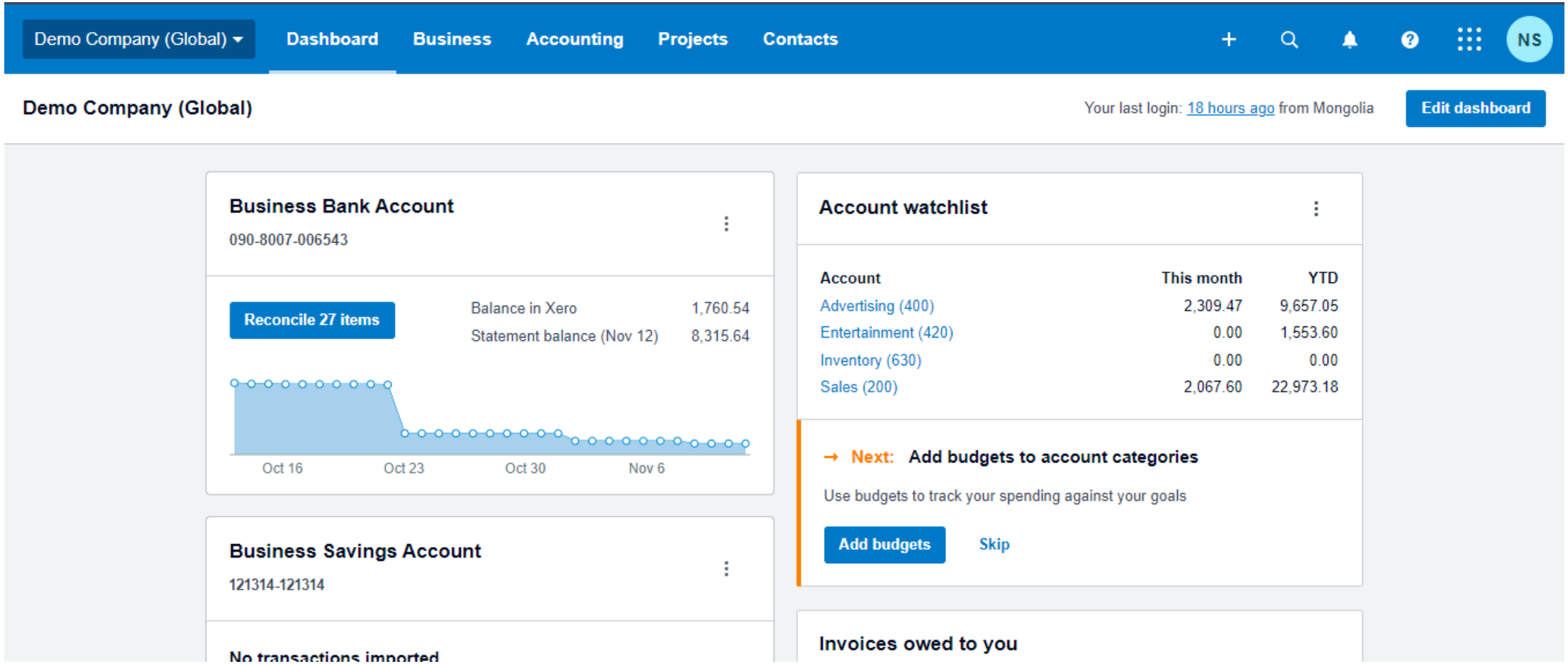
- Understand financials better with Xero dashboard and analytics tools

Connect

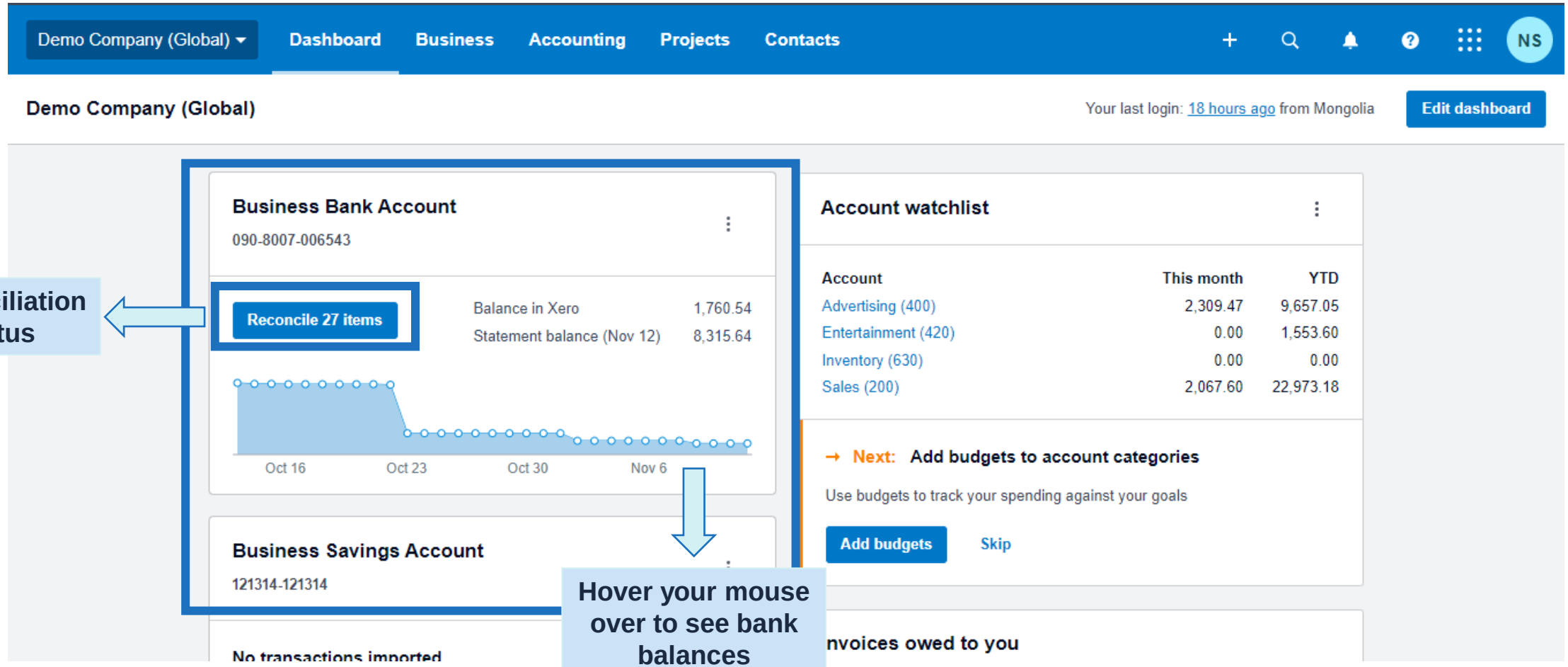
- Connect with featured apps to accept payments faster and easier

Inside Xero

Xero Dashboard



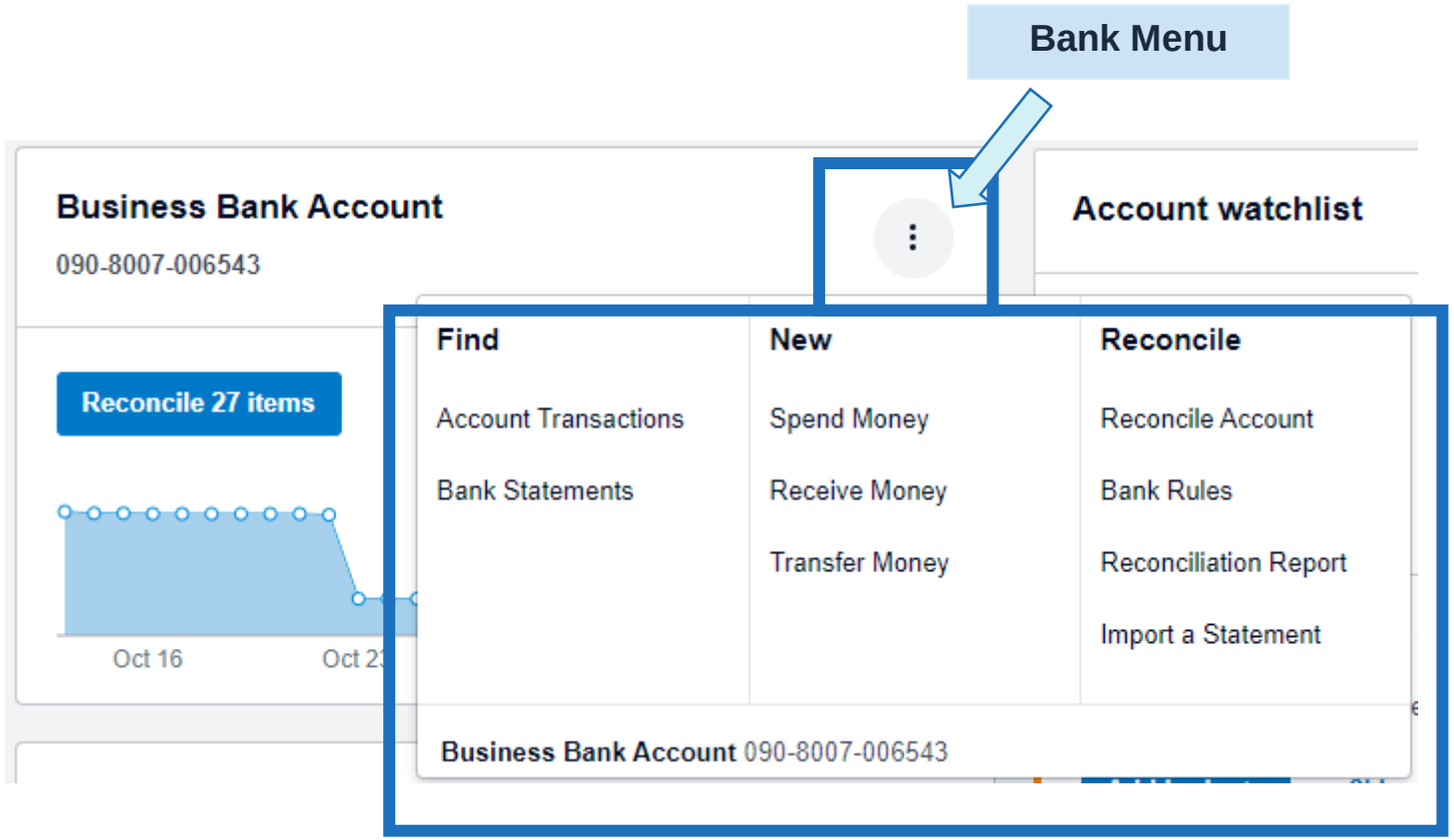
Xero Dashboard – Bank Account



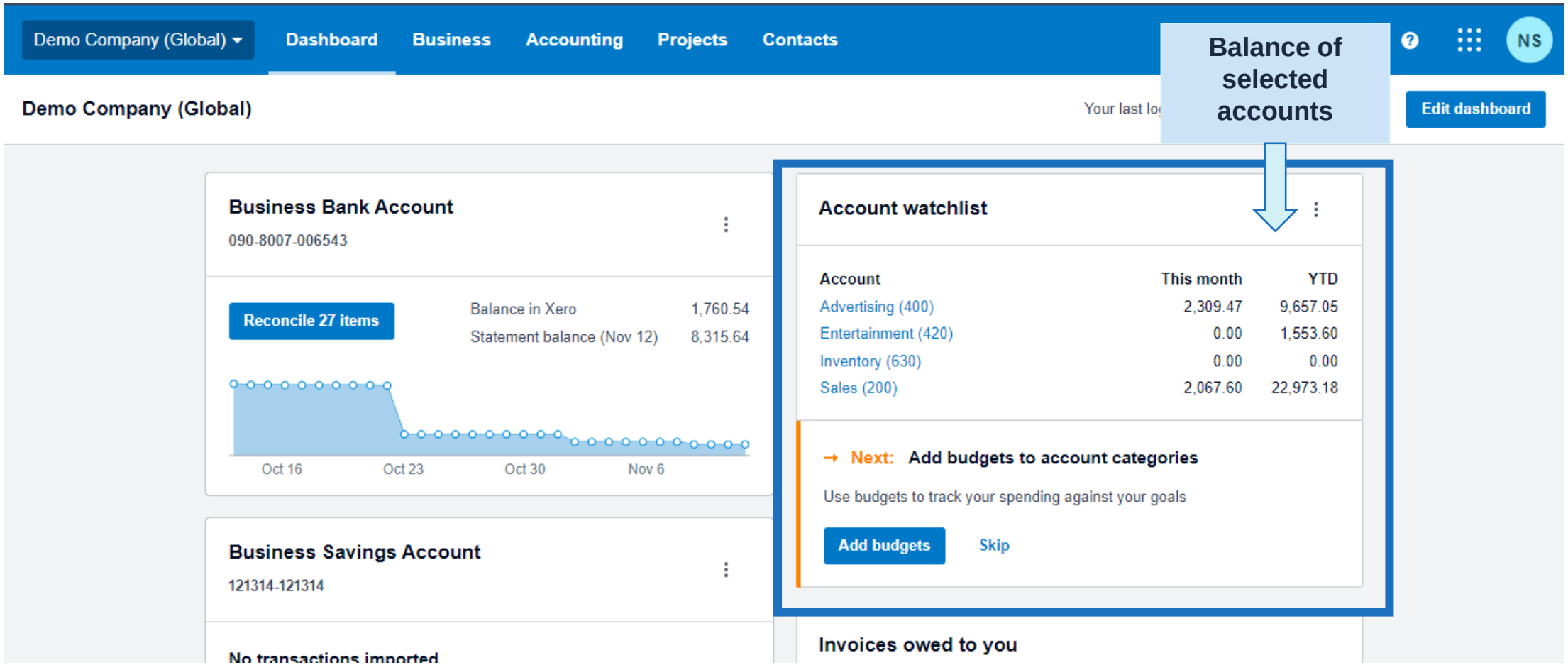
Reconciliation status

Hover your mouse over to see bank balances

Xero Dashboard - Bank Account

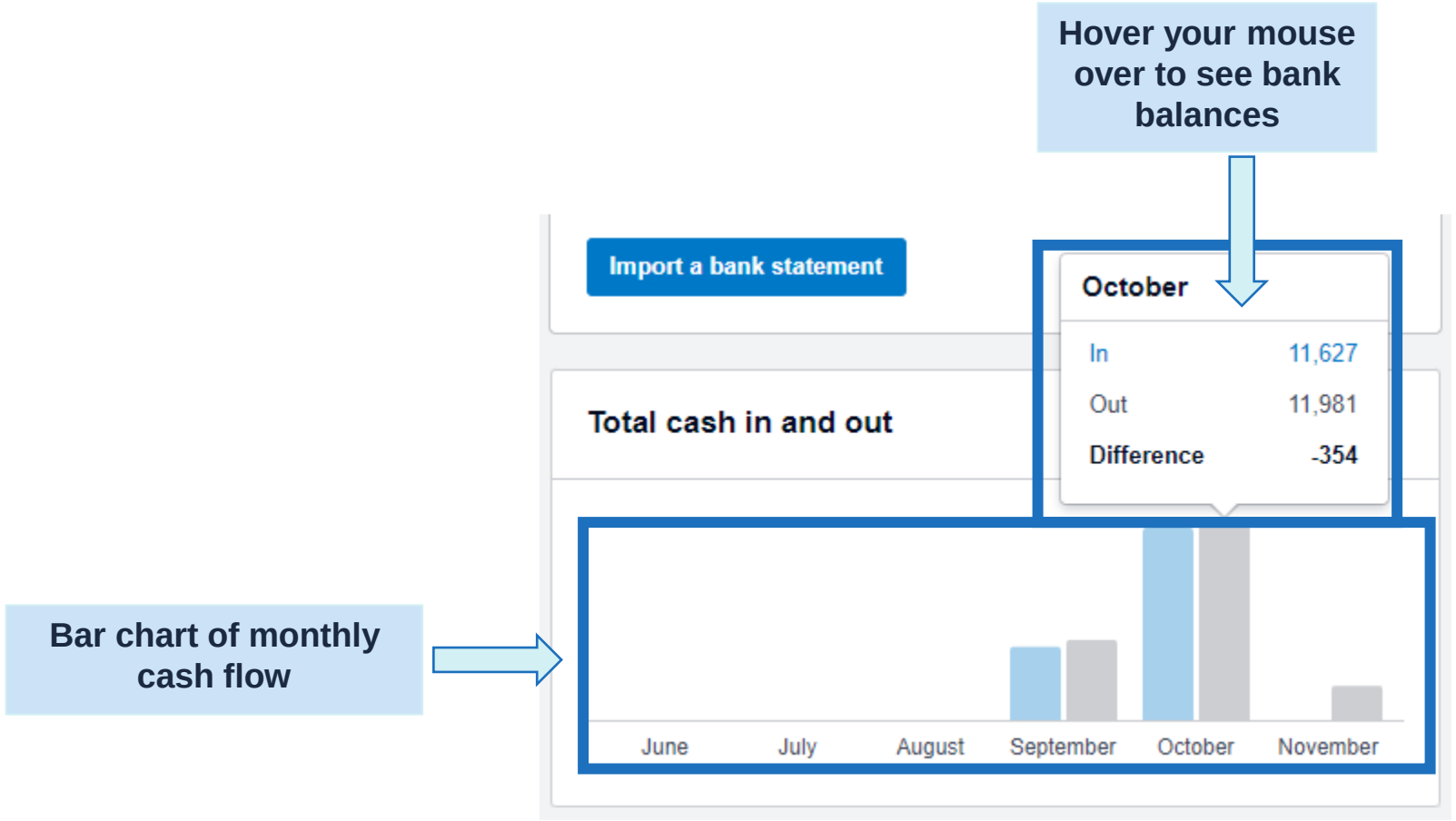


Xero Dashboard - Analytics

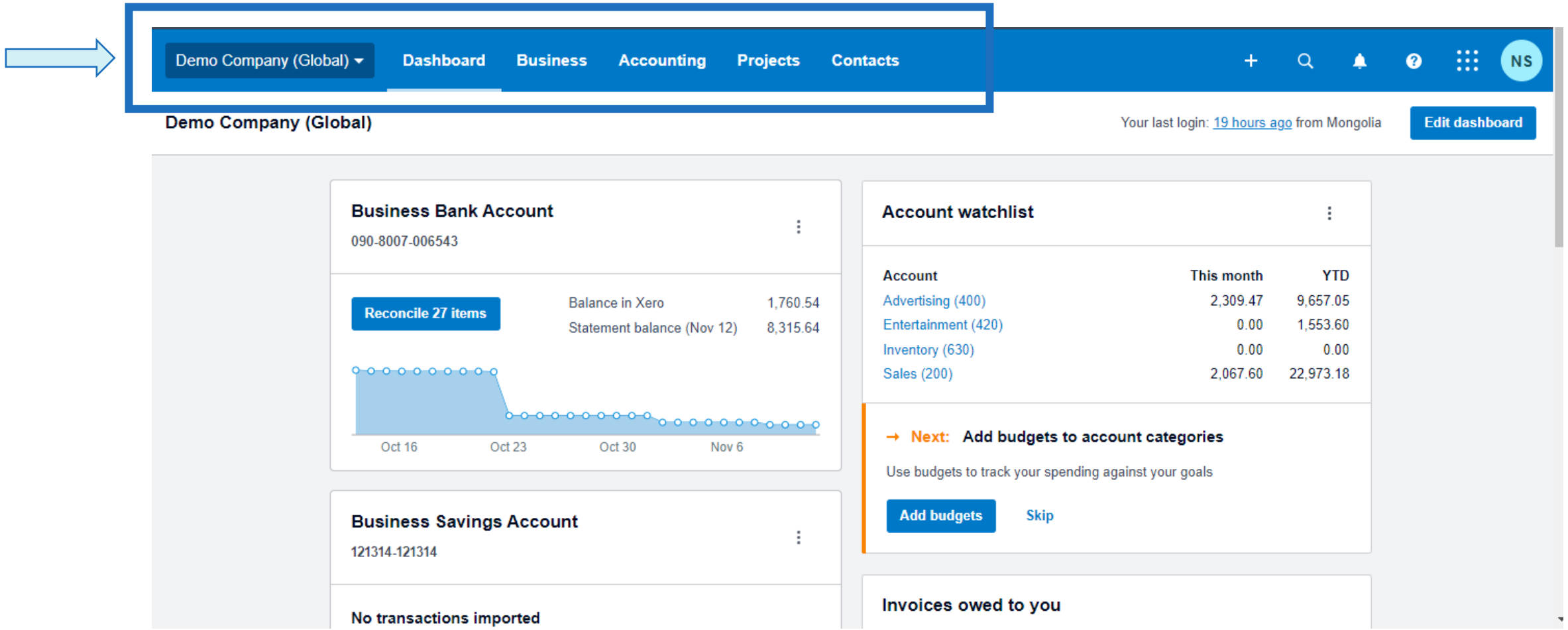


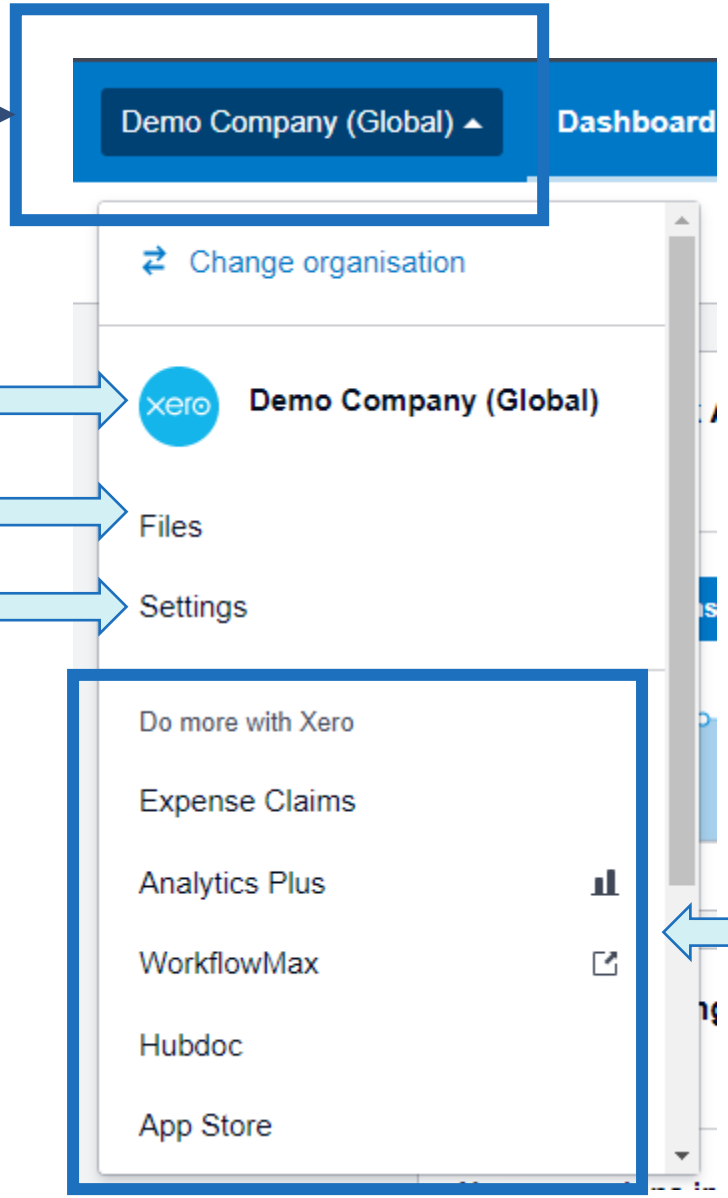
Xero Dashboard - Invoices owed to you / Bills to pay

Xero Dashboard - Total cash in and out



Menu bar


Demo Company (Global)
Dashboard
Business
Accounting
Projects
Contacts
NS
Demo Company (Global)
Your last login: 19 hours ago from Mongolia
Edit dashboard
Business Bank Account
090-8007-006543
Reconcile 27 items
Balance in Xero 1,760.54
Statement balance (Nov 12) 8,315.64
Oct 16
Oct 23
Oct 30
Nov 6
Business Savings Account
121314-121314
No transactions imported
Account watchlist
Account This month YTD
Advertising (400) 2,309.47 9,657.05
Entertainment (420) 0.00 1,553.60
Inventory (630) 0.00 0.00
Sales (200) 2,067.60 22,973.18
Next: Add budgets to account categories
Use budgets to track your spending against your goals
Add budgets
Skip
Invoices owed to you



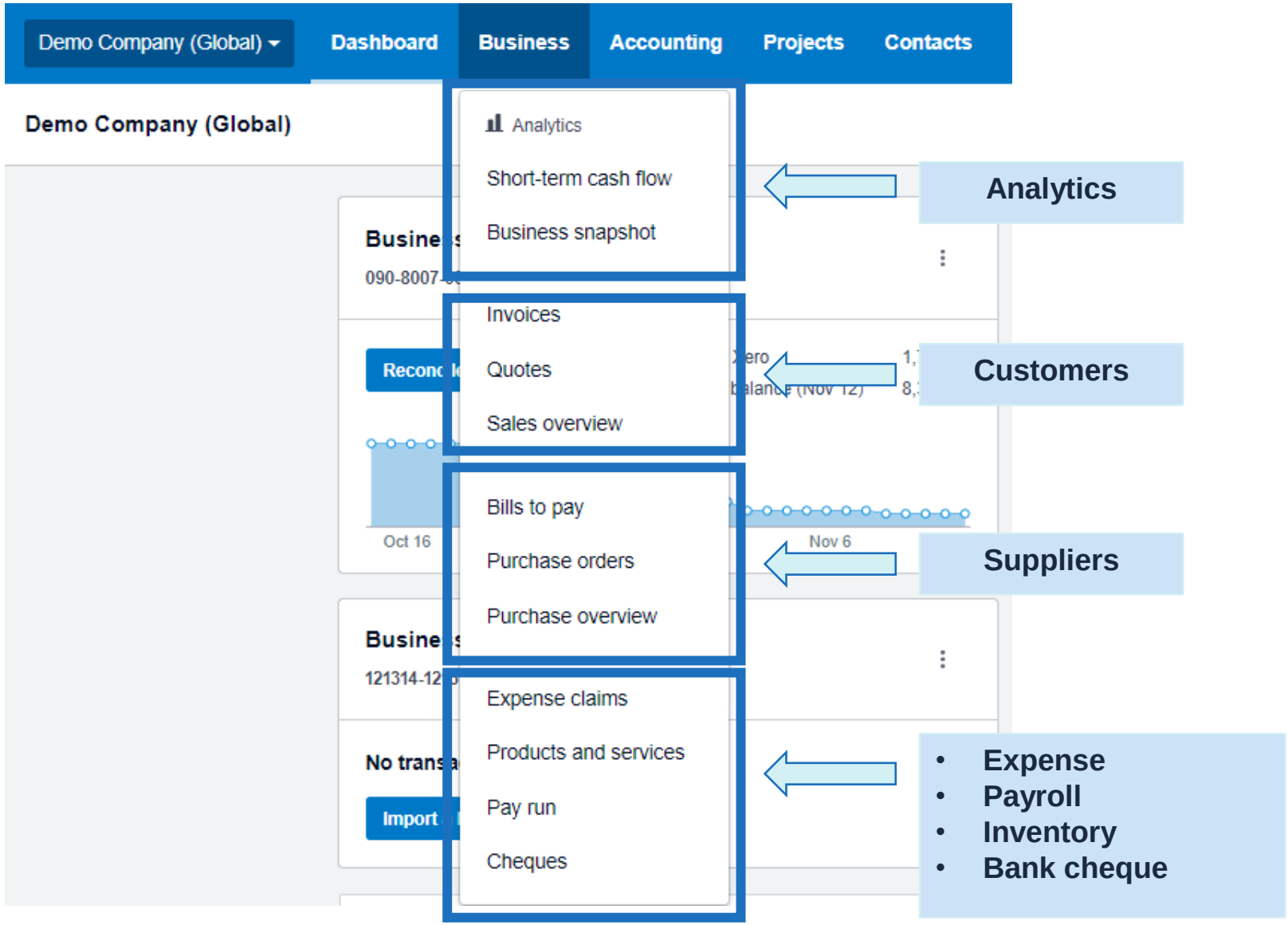
Company name

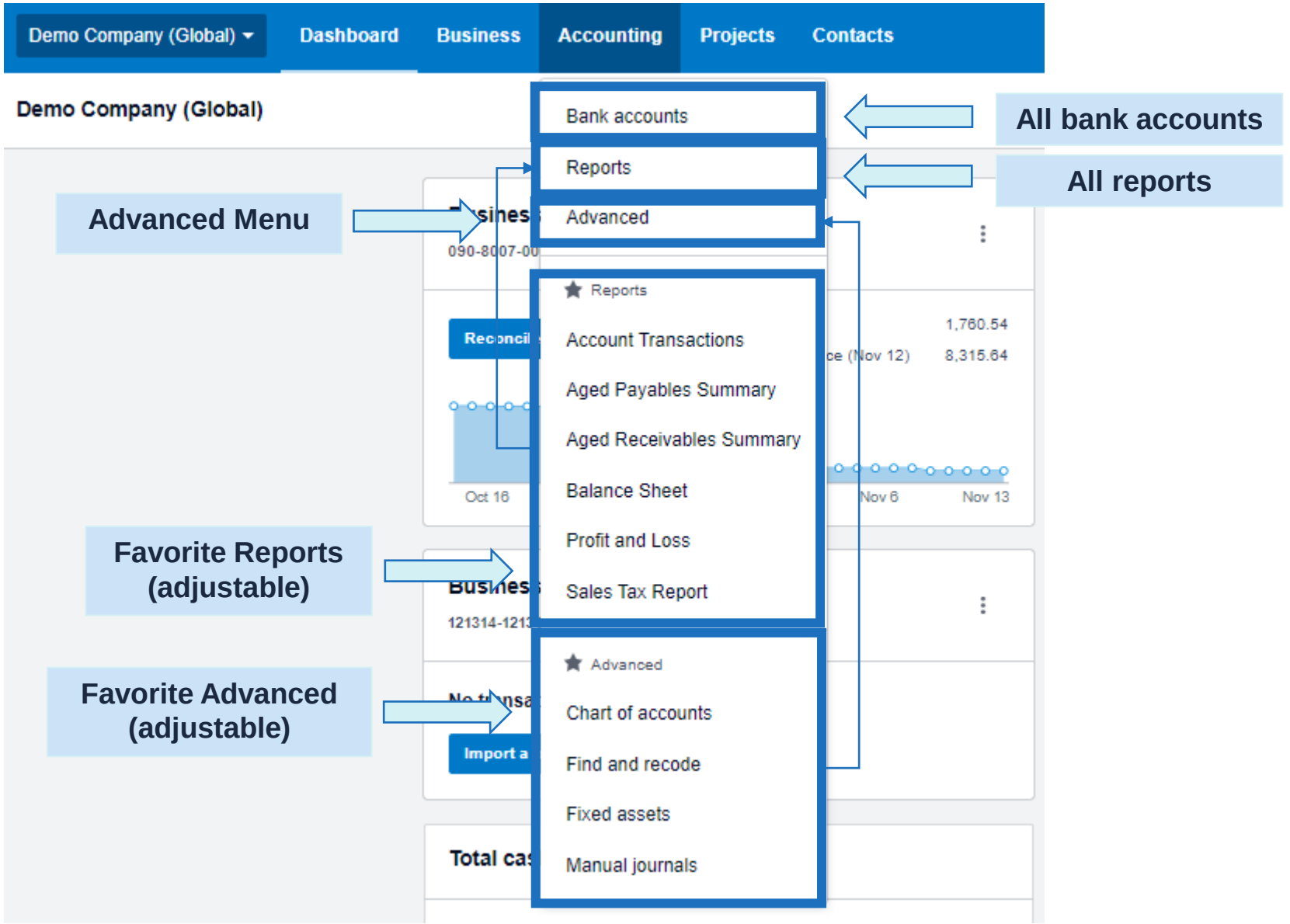
Files uploaded to Xero

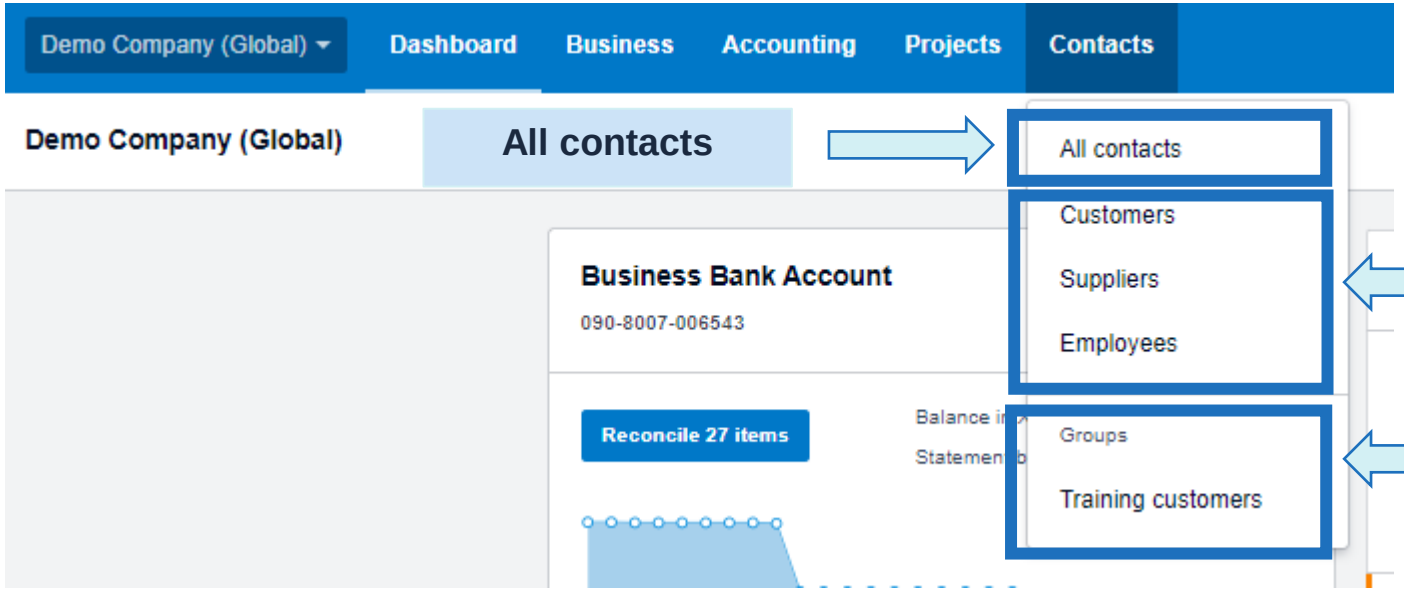
Company settings

- Details – address, logo, basic financial information
- Users
- Currencies
- Connected apps
- Invoice settings
- Payment settings

Links to Xero features and connected apps


Demo Company (Global)
Dashboard
Business
Accounting
Projects
Contacts
Demo Company (Global)
Analytics
Short-term cash flow
Business snapshot
Invoices
Quotes
Sales overview
Bills to pay
Purchase orders
Purchase overview
Expense claims
Products and services
Pay run
Cheques
Oct 16
Nov 6
Analytics
Customers
Suppliers
• Expense
• Payroll
• Inventory
• Bank cheque


Demo Company (Global)
Dashboard
Business
Accounting
Projects
Contacts
Demo Company (Global)
Bank accounts
Reports
Advanced
All bank accounts
All reports
Advanced Menu
Reports
Account Transactions
Aged Payables Summary
Aged Receivables Summary
Balance Sheet
Profit and Loss
Sales Tax Report
Favorite Reports (adjustable)
Advanced
Chart of accounts
Find and recode
Fixed assets
Manual journals
Favorite Advanced (adjustable)
1,760.54
8,315.64
Oct 16
Nov 6
Nov 13



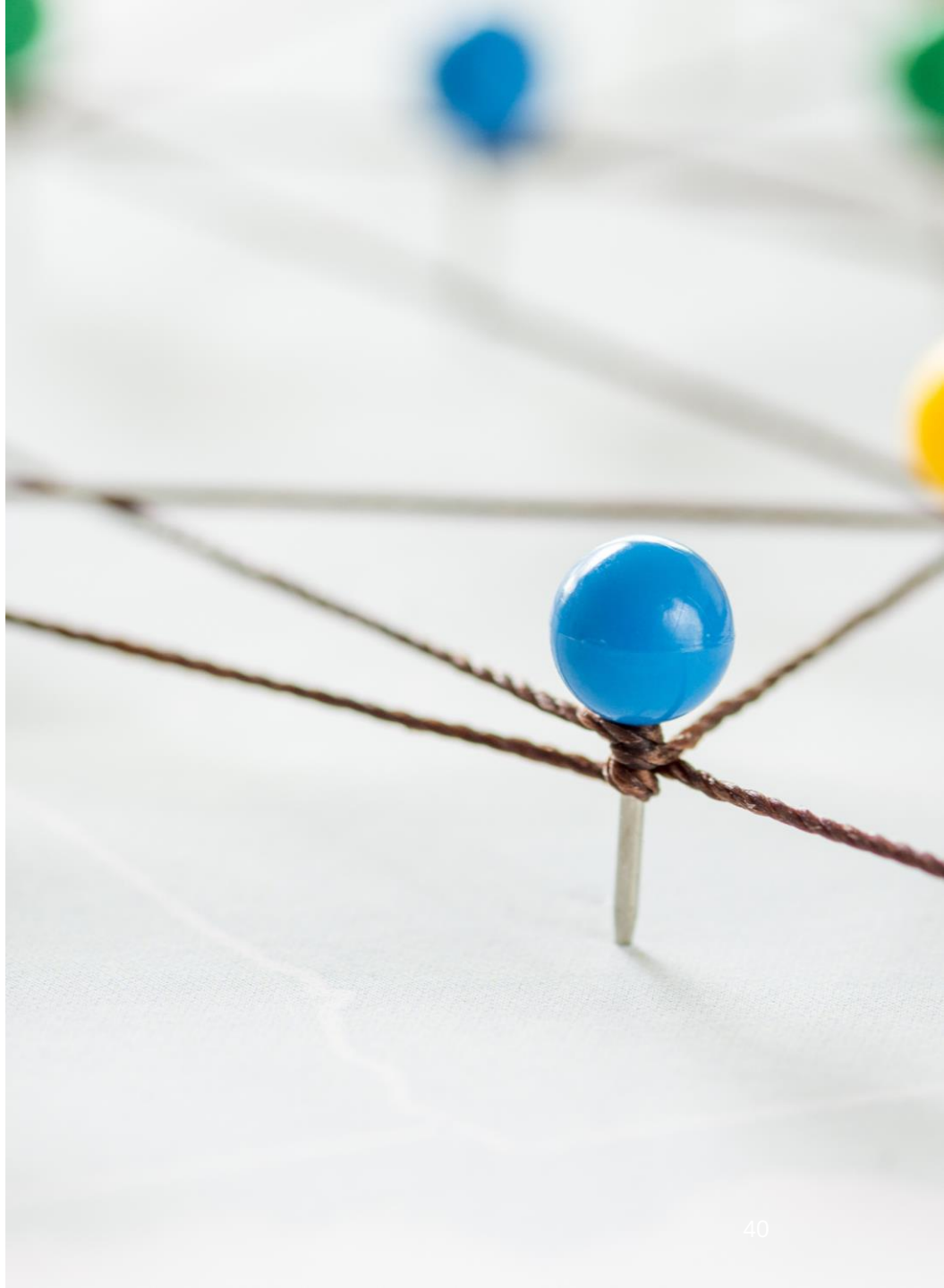
Contacts of:
- **Employees**
- **Customers**
- **Suppliers**

Contacts categorized by groups (adjustable)

Tailor your own accounting platform with featured apps

Integrations

- Xero offers more than 1,000 integrations
- If Xero lacks a feature you need, or if you want to connect it to the other business systems and services you already use, you can find an add-on in the company's app marketplace.
- **Popular app categories**
    - Payroll HR
    - Payments
    - Inventory
    - Invoicing and jobs
    - CRM
    - Time tracking
    - Construction and trades
    - Reporting



Featured apps

- Accept direct debit, credit card, Apple Pay, and Google Pay payments online and get paid up to twice as fast when using Stripe in Xero.
- Set recurring payments for repeat customers with auto pay* to turn always-late into on-time payers.
- When receiving payments via Stripe, can automatically see the transaction data flow into Xero and can reconcile each payment with one click.

- Automatically syncs daily Shopify sales transactions to Xero.
- Creates a daily summary invoice for preferred payment gateways
- Helps to reconcile payouts to give you visibility over fees and other costs or discounts.

Featured apps

- Expense management process from receipt capture to reimbursement, then imports all of that information into Xero.
- The integration pulls in the corresponding chart of accounts, tax rates, and tracking categories required for categorizing your expenses. Auto-sync pushes your finished reports back into Xero without you needing to lift a finger!

- Reduces data entry by accurately capturing information from bills and receipts and publishing it to Xero;
- Makes it easy to match transactions to the Xero bank feed.
- All the bills and receipts are securely stored in the cloud; searchable and easy to access from anywhere in the world.

Practical case sharing

Case Study

- **Company**: ABC Co.
- **Business Type**: E-commerce
- **Region**: Hong Kong
- **Bank Account**: HSBC
- **E-commerce platform**: Shopify
- **Payment gateway**: Stripe
- **Daily transaction volume**: 1,100
  - ❑ Sales: 500
  - ❑ Payments: 550
  - ❑ Purchases: 20
  - ❑ Expenses: 50
- **Number of accounting staff**: 3

Massive time spent on:

- **Manual data input in a desktop accounting system**
- **Document filing for accounting purpose**
- **Bank transactions reconciliation with AR/AP**

Data Automation Solutions

Xero account	Tailor-made Chart of Accounts
	Data migration/ import opening balance items
	Initialization is completed
Bank feeds	Connect HSBC with Xero
	Bank transactions in HSBC will be automatically imported to Xero
	Bank reconciliation in Xero by accountant
Shopify feeds	Add the Shopify account
	Sales data in Shopify will be automatically imported to Xero
	Review and adjust the sales data in Xero for discrepancies
Expense claims	Add staff as Xero users
	Staff submit the expense claims by taking photos of the receipts in Xero
	Approve the claims and process the payments
Stripe feeds	Add the Stripe account
	Payment data in Stripe will be automatically imported to Xero
	Review and adjust the payment data in Xero for discrepancies

With data automation…

Sales Data

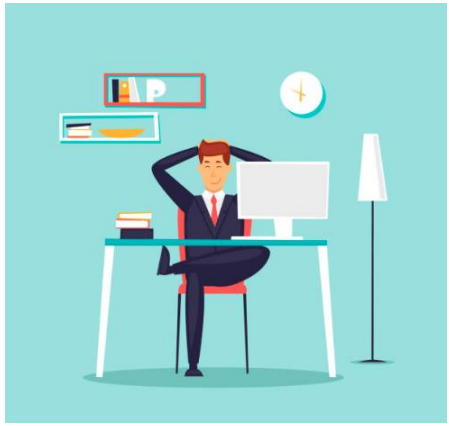
Payments Data

HSBC

Bank transactions Data

Staff Expense Claims Data

Online Financial Reports



- ✓ Purchase Data Input
- ✓ Sales Data Review & Adjustment
- ✓ Expense Claims Review & Adjustment
- ✓ Bank Reconciliation

Next steps

Next steps

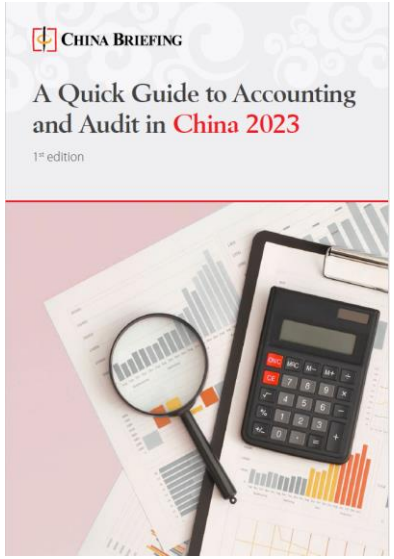
- Understand the transition is inevitable
- Learn about Cloud Accounting
- Look at the products
- Understand the limitation of your cloud accounting system
- Provide sufficient training and support to staff for using the new system

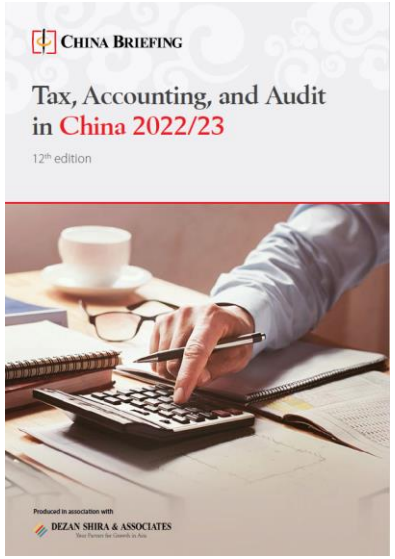
Reference Materials

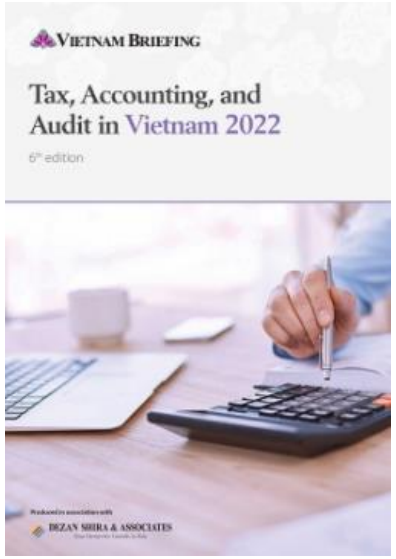
For additional DSA & Asia Briefing reference materials, please visit:

www.asiabriefing.com

For more on DSA and our services, please visit: www.dezshira.com.







Thank you!

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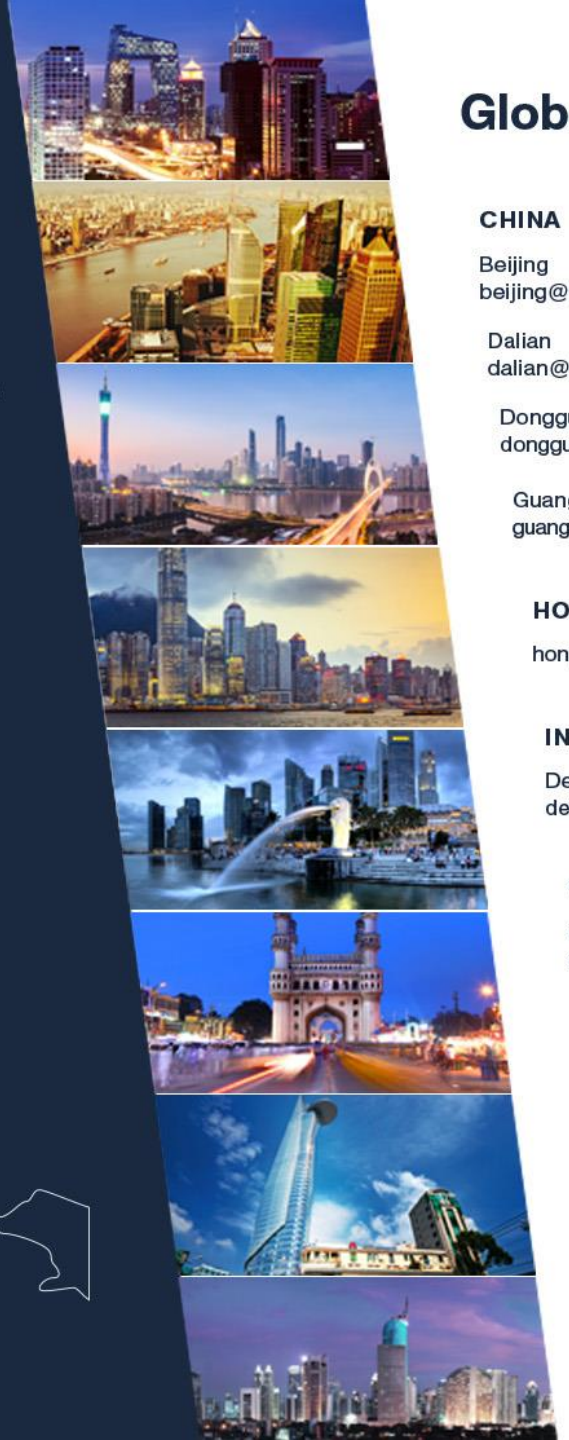

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