



DIFFERENCE
MAKERS™

Cloud Apps For Accounting Firms Report **2021**

Powered by Practice Protect & CA Catalyst



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About The Report

In a sea of options, what are the best apps to run your firm?

This has been a difficult question to answer. Challenger apps arrive every year promising leaps in productivity. Incumbent software developers modernise their own programs with powerful, new features. Where is the market going? Has a challenger broken through? What is the most popular app in a particular category?

The purpose of this report is to provide a definitive answer to which apps are the most popular among Australian accounting and bookkeeping firms. This will provide a shortlist of cloud-based software for you to test when you want to improve a particular process in your firm.

Practice Protect will release this data-driven analysis every year to help business owners make their purchasing decisions.

About the Data

The source data is the aggregated and anonymised data of 1,170 Australian accounting and bookkeeping firms on the Practice Protect platform. The firms in this report are all small and medium-sized firms with 30 staff or fewer.

Applications on this list indicate that at least one employee in the firm is using the app regularly. This gives the report a very high degree of accuracy in determining which online applications a firm actually uses. The report does not track desktop software which users typically launch directly on their PC.

In some cases a firm may use more than one app within the same category. For example, a firm could use Spotlight Reporting for presenting regular reports to clients, and Microsoft Power BI for more technical analysis.

**For further information about how the data is gathered and the profile of firms in this cohort, please check out the methodology section at the end of this report.*



About The Authors

About Practice Protect

Practice Protect is the world's #1 data security platform for accounting firms. The platform allows accountants to gain complete control over the access of client data and passwords within their business with enterprise level automation, application security, and human-powered support.

From compliance to advisory, single sign-on and one click offboarding, Practice Protect is trusted by more accountants worldwide than any other password and data management tool.

Practice Protect has 13,020 accountants and 1,170 firms as loyal clients.

About Chartered Accountants Australia and New Zealand (CA ANZ)

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 128,000 financial professionals, supporting them to build value and make a difference to the businesses, organisations and communities in which they work and live.

Around the world, Chartered Accountants are known for their integrity, financial skills, adaptability and the rigour of their professional education and training.

CA ANZ promotes the Chartered Accountant designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good.

About Sholto Macpherson

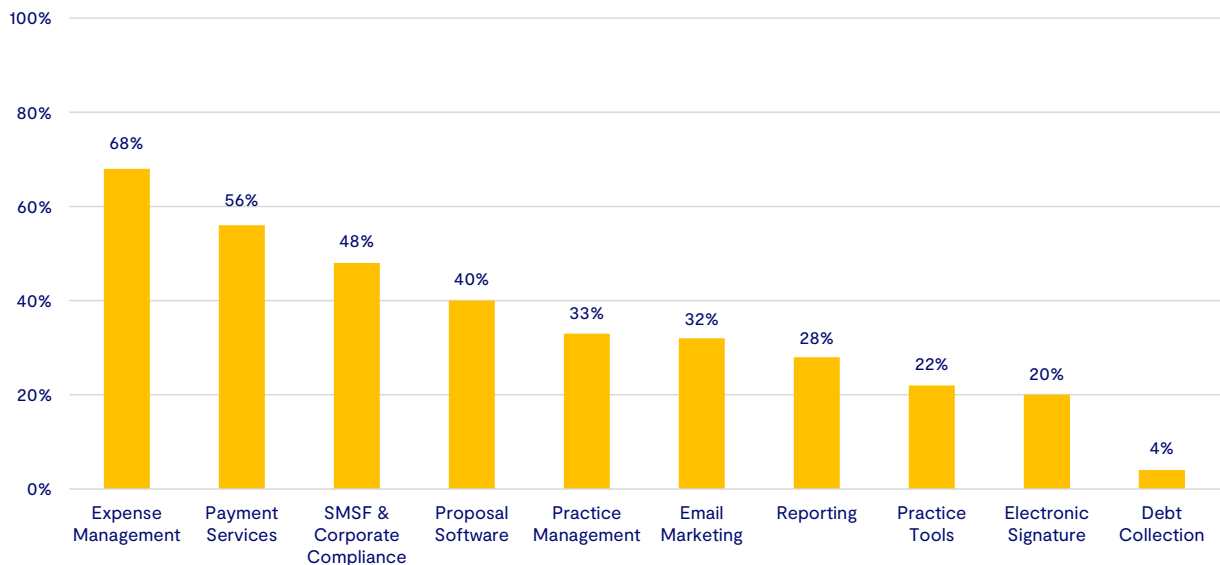
Sholto Macpherson is an award-winning technology journalist, researcher and commentator. Sholto has reported on business technology since 2000 for various industry magazines and broadsheet newspapers including *The Australian*, *The Australian Financial Review* and *The Sydney Morning Herald*, and covers technology for *Acuity* magazine (CA ANZ) and *Company Director* magazine (AICD).

In 2011, Sholto began reporting on the rise of cloud accounting software on the accounting tech blog *DigitalFirst.com*, with regular coverage of conferences in Australia and the USA. He also helped launch the Accounting Business Expo in 2017-2019 as head of content.

Sholto is a co-founder of Spalla AI, a technology company providing deep learning tools for anti-money laundering and finance to financial institutions. He also judges enterprise technology awards for Silicon Valley analyst firm Constellation Research and industry technology publication CRN Australia.



Usage by Category



**This graph shows the % of firms using an app that falls in a particular app category*

***E.g. 68% of firms from the entire data set use an app for Expense Management*

The market share of individual apps within each category shows which products and messages are convincing accountants to buy. However, it is also critical to understand the depth of each category across these 1,170 firms. Software represents a codification of one or more processes; plenty of firms still persist with manual methods for various reasons. It could be that the software is too expensive for the level of use within a firm. Sole trader accountants may have little use for proposal software if they rarely bring on new clients.

Of course, more innovative firms will experiment and implement software willingly as they look for the latest edge in efficiency and productivity.

The above chart shows that the majority of firms still use manual processes for many internal activities. Even a widely accepted tool like electronic signature software – a valuable addition to firms of all sizes – has less than 25% penetration.

On the strength of the payment services category, nearly half of firms surveyed give clients the option to pay by card.

Email marketing, at 25%, is higher than expected, although there is plenty of room for adoption. CRM is predictably the least established category. It also has the fewest applications represented, which indicates that no app has convincingly solved this problem for accountants yet.

Next year's report will provide data to calculate the rate of growth in each category. This will give a strong idea where the accounting community is looking for the greatest improvement on process.



Accounting Software

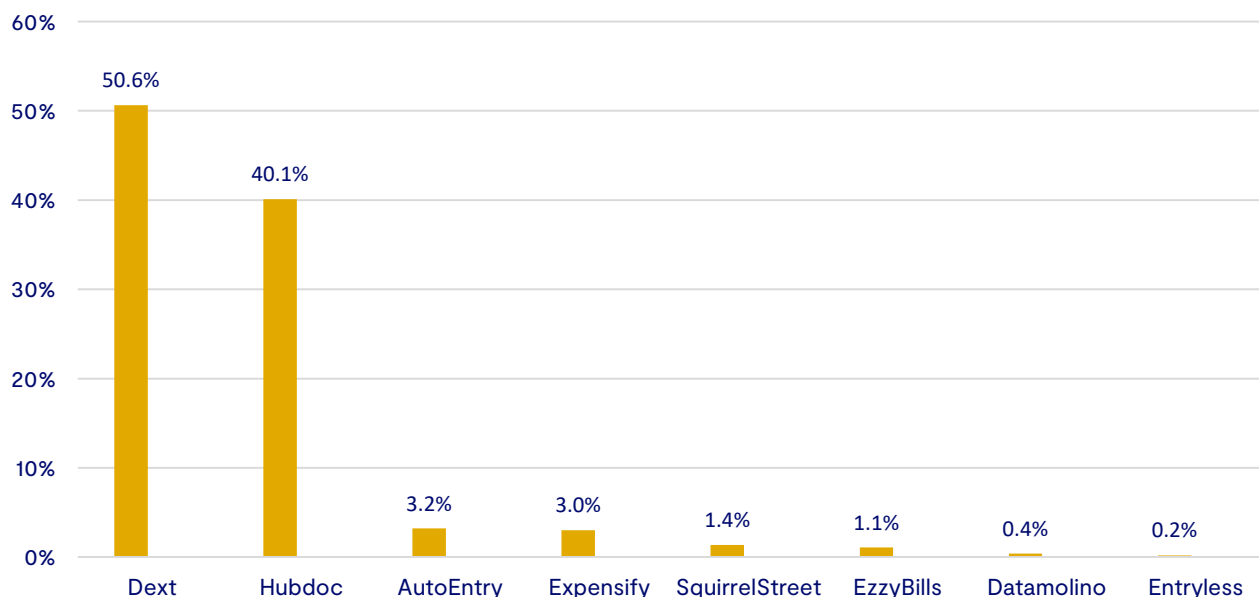
Xero is the dominant accounting software, used by 95% of firms in this sample set. This high correlation reflects Xero's dominance in the Australian market where it is used by 1.12 million subscribers (*Accountants Daily*). The firms in this sample are almost all under 20 seats. This is the sweet spot for Xero's free practice management software, Xero Practice Manager.

Although Xero does not publish subscriptions for XPM, the software company revealed that a large number of sole trader accountants and small accounting firms are using its tax software. In 2019, Xero claimed in a blog post that more than 5,000 firms in Australia and New Zealand had filed more than 6 million returns using Xero Tax.

This report doesn't track desktop software usage, so it is impossible to tell how many firms are still using desktop packages from MYOB and Reckon. Of the 1,170 firms in this survey, 7% had logins on their Practice Protect dashboard to MYOB.



Expense Management



**This graph shows the % of firms using a particular app that have an Expense Management app*

***E.g. 50.6% of firms using an Expense Management App use Dext*

One of the biggest battles in accounting software is between Xero's largest ecosystem app globally, Dext Prepare (formerly Receipt Bank), and HubDoc, which Xero acquired in 2018.

Receipt Bank sold to firms in Australia for at least five years before HubDoc arrived and quickly built a strong following.

The Dext group has added more functionality beyond expense management to increase its value to firms. It has acquired Xavier Analytics, a dashboard to track the progress of jobs throughout a practice and evaluate the quality of client data, now rebranded as Dext Precision.




Dext Commerce (powered by acquisition GreenBack) fetches sales line item data from online marketplaces like Amazon and Shopify and payment providers like PayPal. Even though HubDoc is now given away for free with Xero subscriptions, Dext is still widely used in some form, as this report shows. (Dext Prepare, Commerce and Precision use the same login and are represented here as an aggregated number.)

However, HubDoc is clearly progressing quickly too with Xero's ongoing investment in AI to improve accuracy. Xero has said it will build elements of HubDoc directly into the Xero app itself.

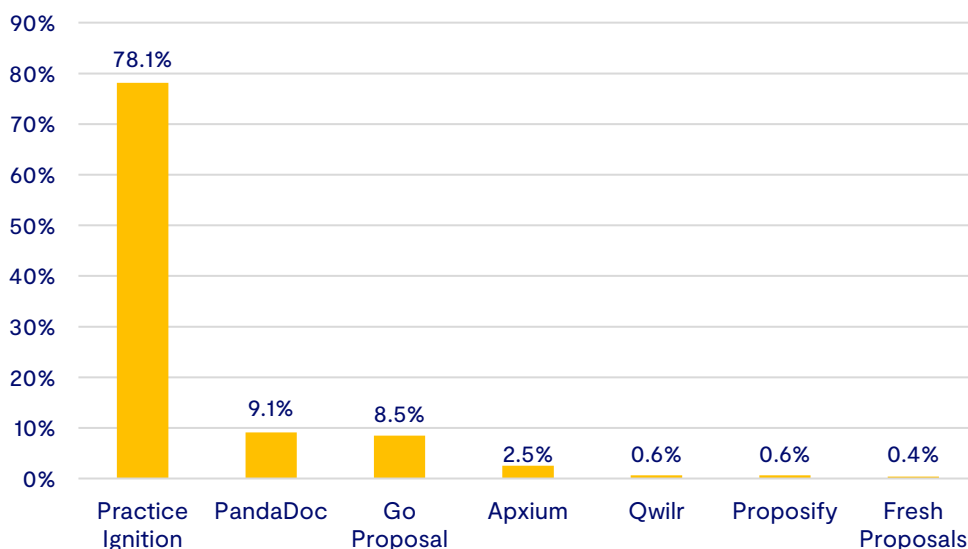
In the past, some firms chose to use Dext and HubDoc. HubDoc actively promoted this combination by referring to "HubBank" firms. HubDoc had the fetch capability whereas Receipt Bank was better at creating rules.



APP	% FIRMS USING	KEY PROPOSITIONS
 Dext	50.6%	<p>Dext Prepare collects and categorises receipt data using automatic supplier and customer rules, bank matching, connections to more than 1,400 suppliers, and sales invoice uploads</p> <p>Dext Commerce fetches sales line item data from online marketplaces like Amazon and Shopify and payment providers like PayPal</p> <p>Dext Precision creates a dashboard to track the progress of jobs throughout a practice and evaluate the quality of client data</p>
 Hubdoc	40.1%	<p>Automatically pull bills and statements into a secure hub, downloads new and historical bills from supplier websites</p> <p>Extract key information from receipts, invoices, and bills</p> <p>Use vendor rules to automate how receipts, bills and statements are coded</p>
 AutoEntry	3.2%	<p>Capture, categorise and publish financial documents to accounting software</p> <p>Create bank rules quickly with auto-suggest for supplier accounts and tax codes</p> <p>Automatically fetch supplier and bank accounts from 6,000 companies globally</p>
 Expensify	3.0%	<p>Collect receipts, manage and reconcile company cards, send invoices, oversee bills, reimburse employees, sync to accounting software</p> <p>Set up multi-level approval workflows and expense policy controls, custom reporting, and send data to HR and ERP software</p> <p>Track mileage, send receipts to managers or accountants with mobile app</p>
 SquirrelStreet	1.4%	<p>Send paper receipts, invoices and other documents to scanning centre and download the data to accounting software</p> <p>Scanned data digitised by OCR and manually verified for maximum accuracy</p> <p>Data available in accounting software or as Excel or PDF report</p>

APP	% FIRMS USING	KEY PROPOSITIONS
 EzzyBills	1.1%	<p>Extract all data including line items from bills, sale invoices and expense receipts</p> <p>Create approval process with multiple levels of approvals and rules</p> <p>Send data to accounting software, Oracle NetSuite and SimPro</p>
 Datamolino	0.4%	<p>Scan line item information from paper documents, PDFs, JPG photos sent through email (including HTML receipts), web or app</p> <p>Categorise invoices, pair them with suppliers, or add different tax rates</p> <p>Extracts multiple invoices from a single file, finds duplicates on file level and data level</p>
 Entryless	0.2%	<p>Automatically capture bills and tag to expense account</p> <p>Make direct payments to B2B suppliers to reduce the risk of fraud or theft</p> <p>Set up automated payments to reduce time spent on accounts payable</p>

Proposal Software



**This graph shows the % of firms using a particular app that have a Proposal Software app*

***E.g. 78.1% of firms using a Proposal Software app use Practice Ignition*

Practice Ignition was one of the earliest Australian apps to launch in the Xero Marketplace. This translated into a dominant market share of nearly 80% in this category.

Practice Ignition is popular among firms that use it for managing their fixed billing subscriptions (although firms not using fixed fee billing also use the platform). The app has a reporting dashboard that tracks growth in monthly recurring revenue and other useful metrics. It also has the deepest integration with Xero Practice Manager.





Go Proposal takes a different approach to pricing. It evaluates the client file using an integration with Dext Precision (formerly Xavier Analytics) to add data signals such as invoice and transaction volume to calculate pricing.




Practice Ignition includes a payment gateway that sets up recurring billing through the proposal acceptance process. Some smaller firms prefer to only pay for proposal software and bill the clients directly. PandaDoc, Qwilr, Proposify and Fresh Proposals are proposal applications used in many industries. It is worth noting that while these generic tools can be significantly cheaper, they have limited potential for automation.

Once a client electronically signs a proposal, Practice Ignition creates tasks within Xero Practice Manager or Karbon and assigns them to staff according to that particular job template. Apxium's more modest automation pushes billing data into practice software from MYOB, Reckon and GreatSoft.

These types of automation can have a big impact on visibility and capacity management. Practice Ignition's success over cheaper, generic proposal tools suggests that many firms believe this automation is worth paying for.



APP	% FIRMS USING	KEY PROPOSITIONS
 <p>PracticeIgnition</p>	78.1%	<p>Create a library of services and pricing with upsell options, document design and e-signatures</p> <p>Collect one-off or subscription payments that automatically update invoice status in Xero</p> <p>Set up recurring billing and track revenue metrics on a dashboard</p>
 <p>PandaDoc</p>	9.1%	<p>Create proposals from a template library with auto-fill client fields from CRM or other business software</p> <p>Add internal or external reviewers with versioning, comments and approval flows</p> <p>Collect electronic signatures on any device</p>
 <p>Go Proposal</p>	8.5%	<p>Use a wizard tool and data signals such as invoice and transaction volume to calculate pricing</p> <p>Generate fully compliant engagement letters updated by compliance experts</p> <p>Create a map of connected apps for app advisory</p>
 <p>Apxium</p>	2.5%	<p>Send online engagement letters to clients and collect credit card or bank details at point of signing</p> <p>Collect payments via credit card, EFT, direct debit, and installments with debt funding</p> <p>Send automatic receipts for payment and email and SMS reminders to overdue clients</p>

APP	% FIRMS USING	KEY PROPOSITIONS
 <p>Qwilr</p>	0.6%	<p>Use modular building blocks and basic editor to create proposals with e-signatures</p> <p>Share proposals as mobile-responsive webpages with case study videos and calendars</p> <p>Integrates with live chat tools to discuss proposals with clients</p>
 <p>Proposify</p>	0.6%	<p>Create proposals from a template library with auto-fill client fields from CRM or other business software</p> <p>Add internal or external reviewers with versioning, comments and approval flows</p> <p>Collect electronic signatures on any device</p>
 <p>Fresh Proposals</p>	0.4%	<p>Use drag-and-drop editor to create proposals with e-signatures from template library</p> <p>Monitor interaction level and status of each contact that has received a proposal at the client company</p> <p>Track sales performance in terms of number of proposals sent, accepted, revenue as per accepted proposal against set revenue targets</p>



My Essential Apps: All In Advisory

Lee Duffield, interviewed by Sholto Macpherson

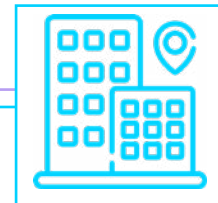
What are your essential apps?

The one we use every single day for everything we do is obviously the Xero suite of products. That's the centerpiece of everything. Xero Workpapers, Blue, XPM, Tax – the whole stack.

We have compliance and we're running bookkeeping for clients out of Xero because we can share the ledger and we can do it remotely.

What productivity benefits did you get from moving from Reckon APS to the Xero stack?

How do you even quantify that? Billing a client in APS was like an all day affair. Whereas in Xero with XPM, it's a five minute job. The mail out, and following up and the payment process with a payment gateway. The whole billing process. And we also use Practice Ignition which is just an absolute game changer.



Firm Profile

All In Advisory

Location: Kent Town, SA

General Manager: Lee Duffield

Essential Apps

Xero Workpapers

Xero Practice Manager

Practice Ignition

FuseSign

FYI

DiviPay

Has this had an impact on the culture of the firm or responsiveness from clients?

So it's twofold. Internally, getting yourself to do bills is so much easier because it was such a waste of your time, no one wanted to do it and you put it off for as long as you could. And now the staff are just like – right, job's finished, send bill, done. You don't have to psych yourself up to do it.

And then with the clients, we've found the payment side so much quicker because they're getting their bills when they're getting their work. So it's fresh and relevant. They're not getting a bill two or three weeks after. And the ease of payment is so much better for them that they just pay immediately.



My Essential Apps: All In Advisory

Lee Duffield, interviewed by Sholto Macpherson

That would also then change the dynamic between partners and staff because the partners aren't cracking the whip to make sure everyone's sent off their invoices, right?

In a bigger firm using APS you did your billing on the 30th of the month, or even three or seven days after the end of month, and you're backdating bills so you can reach the monthly targets. And you're just constantly behind. Whereas now we're very much just as you go, week to week, all the clients are being billed, the WIP's not building up. It's just a much more natural part of our business.

And what impact has Practice Ignition had?

A huge impact. Once Practice Ignition is set up, it's just so automatic. On the first of every month we have 50 invoices go out because it's allowed us to go onto fixed price with a monthly payment rather than billing people in arrears.

[Practice Ignition] had a huge impact. ...It's just so automatic.

And for our clients it's better for their cash flow. They know what they're expecting, they don't get this bill shock at the end of the year and then they have to try to pay it.

My experience with accountants is we're a bit funny about talking about our fees with clients. Now we've negotiated it upfront, we're very open and honest about our fees, and it allows that conversation to happen more naturally with clients.

Now you have a process for adding clients and a lot of the big questions such as 'how much you're going to charge me' are already answered, does that mean it's easier for you to add clients?

Yeah, because you know pretty much what everything's going to cost. We already have all those services broken down and it gives you a greater understanding of your own billing.

You don't say to clients the fee is 'around about this', and then you find at the end that it wasn't. And some you win, some you lose.



My Essential Apps: All In Advisory

Lee Duffield, interviewed by Sholto Macpherson

Because we've set those fees, they know exactly what services are included as well. If that changes, we can go back to them and say well, this is outside of what we've said. It's going to be more. The client knows what they're getting for their dollar.

It must also change the average margin per client if you're billing monthly rather than sending an annual bill where you win some, you lose some. Do you find that your margins are more consistent as an average client base?

Yes. And it also allows us to identify a lot earlier where we're not making the margin we should be. And that gives us the choice of changing the fee and explaining it to the client or choosing to wear the cost, that's a choice we've made. It gives us that visibility.

What apps are you looking at currently?

We're about to change signing software from DocuSign to FuseSign. That's one of the biggest changes we're doing in the next couple of months.

“

FuseSign is a customised signing software for accountants. ...The biggest thing for us was it had to integrate with BGL.

”

What's driving that change?

Mainly because FuseSign is a customised signing software for accountants. DocuSign is so generic it has a lot of features you're paying for that you don't use, but also has some limitations in terms of our industry. The biggest thing for us was it had to integrate with BGL.

Practice Protect

Secure. Compliant. In Control.

This report gathered data from the accountants and bookkeepers who use Practice Protect.

Here are some of the features that 13,020 accountants and bookkeepers enjoy with Practice Protect:

1

HIRE WITH CONFIDENCE

Hire right. Hire wrong. Practice Protect gives you greater control and peace of mind as you add to the team. Built-in monitoring, IP-detection and one click lock-out give confidence to keep moving forward with growth.

2

MANAGE REMOTE TEAMS

Working from home may be the new normal but it increases the complexity of data security. Practice Protect is built with de-centralized teams in mind as a completely cloud based solution. Password cloaking, advanced user permissions and remote team policies give you peace of mind out of the box.

3

CYBERSECURITY & COMPLIANCE

From application security to email-layer protection (G-Suite and Office 365 ready), boost cybersecurity standards and remain completely compliant.

4

ELEVATE CLIENT TRUST

Give clients and prospects assurances that their data is safe with you. Abstract your involvement from password safety and lean on enterprise-grade encryption which sits behind Practice Protect.

5

MIGRATE TO THE CLOUD

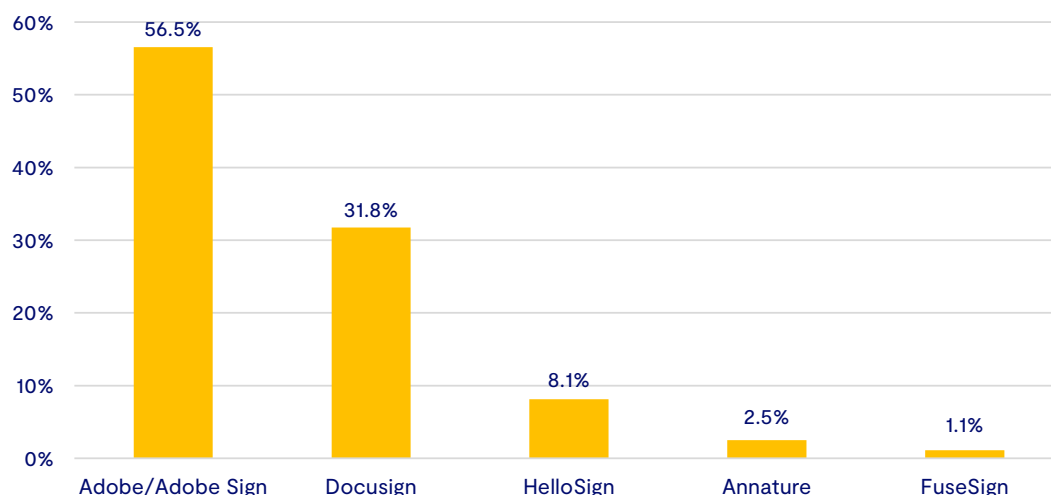
Your clients already operate in the cloud and as you make the transition you don't need to do it alone. Practice Protect features over 6,000 cloud-based app integrations giving you control over the apps your employees use.



SEE WHY 1,170 ACCOUNTING AND
BOOKKEEPING FIRMS LOVE US.
TALK TO OUR TEAM TODAY.



Electronic Signature



**This graph shows the % of firms using a particular app that have an Electronic Signature app*

***E.g. 56.5% of firms using an Electronic Signature app use Adobe/Adobe Sign*

Electronic signatures were already on the rise before Xero and MYOB incorporated them into their tax and practice software. The COVID pandemic pushed their usage even further.






E-signature software is just as useful for signing and storing employee contracts and referral agreements as well as client proposals. For less important documents, PDF software on PC and Mac makes it very easy to drop an image of your signature onto an electronic PDF.

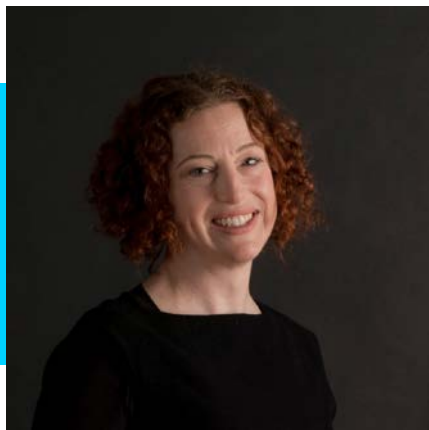
Adobe Sign, formerly EcoSign, is the default option for signing tax returns in Xero, which explains its commanding market share. DocuSign is one of the best known e-signature platforms. It has added the ability to send text messages to recipients for a faster response and is expanding into contract lifecycle management. HelloSign is significantly cheaper.

Two relatively new entrants, Annature and Fusesign, have also made the leaderboard. Both companies are Australian and the tools are built specifically for accountants. Annature is produced by the team that built NowInfinity, bought last year by Class Super. Annature changes the pricing model from user/month to per single transaction, which Annature claims is less than a quarter the cost of DocuSign. It is the only provider certified with the security standard ISO27001.

FuseSign comes from the well-established FuseWorks family which includes FuseDocs, FuseCharts and FuseTools. FuseSign can handle e-signatures for document bundles going out to multiple recipients, such as in a family group. FuseSign can define the recipients that need to sign each document in a bundle and the order in which they should sign it. It also ditches usernames and passwords for more secure authentication via the client's mobile phone.



APP	% FIRMS USING	KEY PROPOSITIONS
 <p>Adobe Sign</p>	56.5%	<p>Launch automated signing processes for individual signers or thousands of recipients</p> <p>Works with Adobe Acrobat DC and integrates with Microsoft 365, Teams, Workday, Salesforce</p> <p>Request signer to verify identity using a password, phone PIN, government ID before accessing document</p>
 <p>DocuSign</p>	31.8%	<p>Deep analytics shows trends in signers' behaviour to minimise drop-offs</p> <p>Send text messages to clients with document links for faster response</p> <p>Integrates with DocuSign CLM for advanced document management workflows</p>
 <p>HelloSign</p>	8.1%	<p>Designed for high-volume template documents frequently sent to different recipients</p> <p>Use drag-and-drop signature blocks, text fields, checkboxes, dates onto uploaded documents</p> <p>Integrates with Salesforce, Oracle, Dropbox, Microsoft</p>
 <p>Annature</p>	2.5%	<p>Per "envelope" pricing rather than per user per month is cheaper for low-volume businesses</p> <p>Add custom branding to emails, text messages, and signing pages</p> <p>Send documents via text message for faster response</p> <p>Only ISO 27001 certified digital signature provider in Australia</p> <p>Security-led functionality incorporating biometrics KYC & AML verifications, Payments and more coming soon</p>
 <p>FuseSign</p>	1.1%	<p>Control the signing order of a document bundle for multiple recipients, with individual viewing and signing permissions and required actions</p> <p>Provides granular control over individual recipients in a document bundle, perfect for handling large family groups.</p> <p>2FA verification mode with a complete mobile experience, providing clients with a simple yet secure signing experience.</p> <p>Currently integrates with Acis, BGL, FYI, FuseDocs, Practice Protect, Great Soft, with more integrations coming soon</p>



My Essential Apps: +MORE

Megan Plumridge, interviewed by Sholto Macpherson

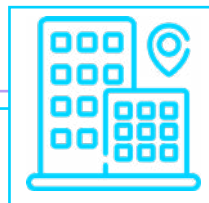
What are your essential apps?

The key software we use to collaborate would be Xero, Xero Practice Manager, Xero Tax. Although I have been doing quite a lot of research into other practice management workflow tools because capacity management is just such a big topic for an accounting practice. I've been looking at Karbon for that, and we've been trialling it at one of our offices. And that's been really exciting. It's so different, it brings some challenges, because it requires almost a total change in the way that people work.

We also use GoCardless for our direct debits. And that's been quite a game changer in terms of managing cash flow internally, and just developing a different relationship with our clients by just using direct debit.

The other software which I think has been really great for us that we rolled out last year was Adobe Sign. We use it for general accounts and also use with CAS 360.

We use Practice Ignition for all of our onboarding. The main thing that we look for now when we're looking at apps is how does it integrate? So Practice Ignition is great because it integrates with XPM, Karbon and Xero.



Firm Profile +MORE

Head of Ops: Megan Plumridge
Location: Parnell, Auckland

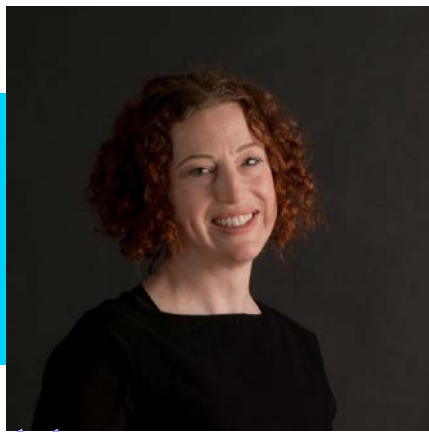
Essential Apps

Xero
Xero Practice Manager
Xero Tax
GoCardless
Adobe Sign
Practice Ignition
SuiteFiles

Practice Ignition includes a payments engine. And so how do you decide to use GoCardless instead of Practice Ignition?

At the time that Practice Ignition was starting out with its payment module, it was very new and cost-wise it didn't really stack up to what we managed to negotiate with GoCardless. I've looked at it more recently and it's actually looking a lot more attractive these days.

The other thing is GoCardless is direct debit and repeating payments, whereas Practice Ignition is credit card payments.



My Essential Apps: +MORE

Megan Plumridge, interviewed by Sholto Macpherson

Adobe Sign has been a game changer in terms of how quickly we get stuff back, and it's just much more secure.

What were you doing before Adobe Sign?

So what I inherited was us sending out the full document for signing manually, and clients would print out the pages for signing and we would insert them back into the document. I just took one quick look at that and said, 'No'.

Adobe Sign has been a game changer in terms of how quickly we get stuff back. Just knowing that it can't be messed with, no one's made a mistake, put the wrong document back together, and it's just much more secure. Customers really like it.

What impact did that have on the firm's productivity levels?

What's come down a lot is the amount of time that stuff is just sitting out for signing. People, just like any of us, will just stare at an inbox and think, 'I'll save that for another day'. Whereas now it comes straight back.

So the percentage of stuff that we need to chase has come right down. The follow ups, the admin time, and that's really what we're looking for in practice at the moment is just to get rid of the admin, tedious non-value adding activity.

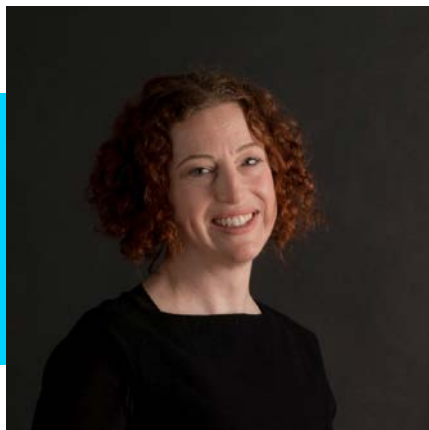
What do you use for document management?

We use SuiteFiles. It is good. It's definitely better than a server. I'm not sure we have automated everything that we can with it, because it's got its own digital signing section as well. There are so many (signing) options out there. Working from home now on lockdown would have been much, much harder if we hadn't been using SuiteFiles or something similar.

If you're on SuiteFiles that means you're on Microsoft 365. How are you finding Teams?

We're on Teams, absolutely. And Zoom as well. We're using Teams for daily chat on jobs, video calls between team members. We also use quite a lot of add-ons (for Teams) now like little mini (Kanban) boards for tracking projects, especially our internal work, not so much client stuff.





My Essential Apps: +MORE

Megan Plumridge, interviewed by Sholto Macpherson

As Head of Operations, do you have a top three list of areas that you want to look at for apps?

Two major things are getting more of the firm onto Karbon and then the Blue Prism (robotic process) automation piece. We're a mid-tier firm, there are a lot of different tasks but not a massive amount of volume on any one of them. We're finding a way that we can make it cost effective to have our little Blue Prism bot doing a whole lot of work when there are so many different types (of work) to take care of.

We're looking at tasks we can automate like company administration, very repetitive stuff. Or within onboarding and offboarding and managing our clients' relationships with Inland Revenue.

What is the greatest challenge in choosing technology for your firm?

Developing an app stack that fits neatly together, where everything talks to each other without entering things multiple times. Or integrations that aren't just a little bit squiffy.

We are using Microsoft Power BI to look at our XPM and Xero data to pull up our WIP reporting, debtors, WIP at the partner and employee level, and revenue. It's not really doing a fantastic job with our capacity, but it's trying.

Has that been useful?

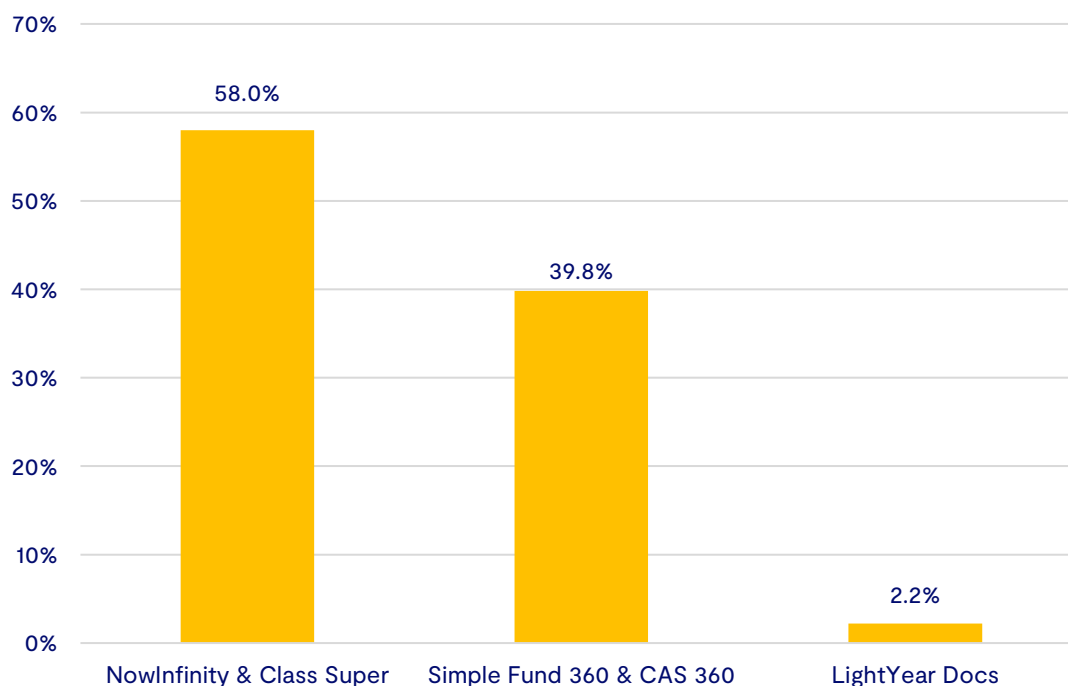
It has been useful, but we haven't quite liked the WIP data that comes out of XPM, it is a bit tricky. If you interim invoice the data comes out differently (in reporting) than if you final invoice. It means when we're trying to do calculations of how much write-on or write-off there are against individuals it's murky. We're trying to use that as a performance target mechanism and it's just not clean enough to actually do a lot with.

It shouldn't be this hard. Which is why I'm looking at Karbon.

“Developing an app stack that fits neatly together [is the greatest challenge in choosing tech for the firm].”



SMSF & Corporate Compliance



**This graph shows the % of firms using a particular app that have an SMSF & Corporate Compliance app*

***E.g. 58% of firms using an SMSF & Corporate Compliance App use NowInfinity or Class*

**** Note: Simple Fund 360 shares the same login as BGL CAS 360, so we have combined apps in this graph*

Compliance and SMSF is home to one of the best known rivalries in the accounting software industry. BGL dominated the market for desktop software in this category. The cloud-only Class Super and its recent acquisition NowInfinity won over many users before BGL launched its online response.

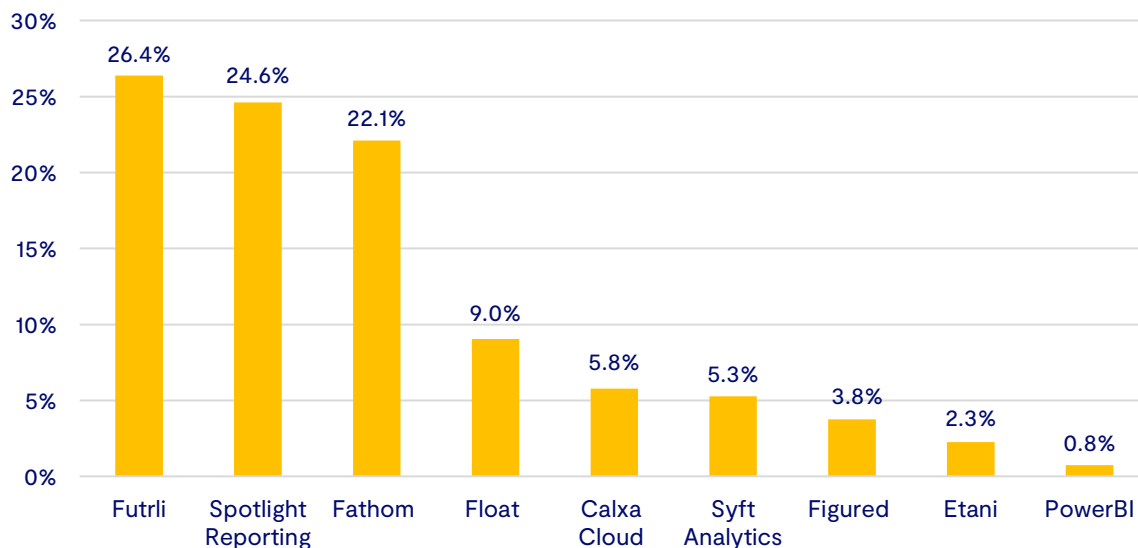
Firms liked features such as pre-populated ABN applications, automated emails for ASIC compliance, text message reminders, and digital signatures.

BGL CAS 360 has matched these features and deep integration with ASIC is now standard. Simple Fund 360 shares the same login as CAS 360 (via single sign-on), so the numbers are combined.

APP	% FIRMS USING	KEY PROPOSITIONS
 NowInfinity	33.5%	<p>Sync automated statements with ASIC and track debts across client companies to reduce late fees</p> <p>Use legally approved document templates to set up companies, trusts, SMSF, and loan agreements</p> <p>Create a cloud-based register for SMSFs & Trusts that automatically updates the entity profile as changes happen during its lifecycle</p>
 Class Super	24.4%	<p>Streamline tax statement data for SMSF funds to reduce data entry and preparation time for lodgement</p> <p>Process entities and corporate actions in bulk, automate income generation and store related documents</p> <p>Over 200 direct-connect data feeds for banks, brokers and wraps – daily, securely at no additional cost. ASAE3402 certified, reducing audit complexity and lodgement time frames</p>
 BGL CAS 360	39.8% <small>(combined with BGL Simple Fund 360)</small>	<p>Automates ASIC work with fast Annual Review processing that includes tracking alerts, downloads, database comparison review and delivery of the annual statement pack to clients</p> <p>Automate the management of all document deadlines and company debt with daily Smart Alerts plus, send SMS and/or email reminders to clients for document deadlines and company debt balances with ASIC</p> <p>Complete Trust management with support for all trust positions, unit holders, beneficiaries and prepare distribution documents including minutes, statements and reports.</p>
 Simple Fund 360		<p>Goes beyond data entry by growing your SMSF business with the AI-powered, innovative technology</p> <p>Identify potential SMSF compliance breaches at a glance by filtering fund data across your entire Simple Fund 360 database in seconds</p> <p>Prepare your funds for audit with the ability to store documents, record all evidence obtained during the preparation of financial statements, track statuses, and more</p>
 LightYear Docs	2.2%	<p>Comprehensive library of legal documents including estate planning, creation of trusts, entities, and companies, SMSF and HR</p> <p>Buy single documents (most cost \$99 each) or monthly subscription to access whole library</p> <p>Integrates with BGL CAS 360</p>



Reporting



**This graph shows the % of firms using a particular app that have a Reporting app*

***E.g. 26.4% of firms using a Reporting App use Futrli*






Reporting is another highly contested and crowded category. Three apps hold 70% market share among small firms. The UK-based Futrli, which arrived in Australia years ago as Crunchboards, ran a highly effective marketing campaign promoting its attractive dashboard design to capture a sizable market share.




Futrli closed its Australian office in 2019 and invested heavily in developing a business analytics tool, Futrli Predict, which provides five-way forecasts for small businesses. It has also released a traffic-light dashboard called Futrli Portfolio which shows firms the performance and financial health of clients in one view.

Spotlight Reporting bills itself these days as a business intelligence tool rather than plain old reporting. It has a wide range of performance reports, 3-way cashflow forecasting, customisable dashboards and advanced, consolidated reports and forecasts for multi-entity businesses and franchises. It also produces a lot of great content on how to build new revenue streams from advisory.

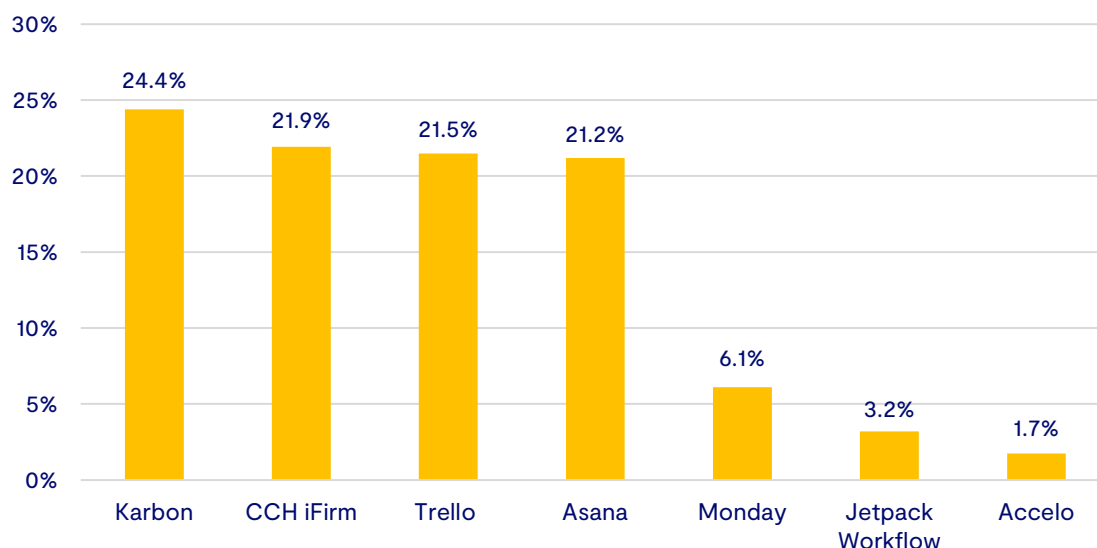
Fathom, run from Brisbane, took a highly interactive, online-focused approach to business intelligence reporting. Fathom has a very clean, sharp interface; Deloitte uses a white-label version to provide advisory services to SME clients.



APP	% FIRMS USING	KEY PROPOSITIONS
 Futrli	26.4%	<p>Futrli Predict gives small businesses a five-way forecast for sales, profit, cashflow, etc.</p> <p>Futrli Advisor creates dashboards and PDF reports for a CFO advisory service</p> <p>Futrli Portfolio creates traffic light grades for clients assessed by predicted cash and business health risk</p>
 Spotlight Reporting	24.6%	<p>Spotlight Reporting is designed for businesses through to enterprise firms, and is used extensively by the Big Four globally</p> <p>Create customised performance reports and 3-way cashflow forecasting, with consolidation across multi-currencies</p> <p>Includes dynamic dashboards and advanced multi-entity consolidation with benchmarking for 500 entities/franchises</p>
 Fathom	22.1%	<p>Combines performance reporting, three-way cash flow forecasting and actionable business insights in one tool</p> <p>Create custom management reports, and consolidated financial statements with multi-currency consolidation</p> <p>Conduct framework analysis for individual or groups of clients such as goal seeking, benchmarking and ranking</p>
 Float	9.0%	<p>Create detailed cashflow forecasts and scenarios synced in real time with accounting software</p> <p>Automatically imports invoices and bills to track against projections</p> <p>Export forecast as PDF and CSV</p>
 Calxa Cloud	5.8%	<p>Visualize customer, operational and financial data with interactive graphs and dashboards</p> <p>Create branded custom reports using elements from modules such as budget, forecast, consolidate, benchmark and valuation</p> <p>Schedule reports to automatically send to clients, investors, or team members</p>

APP	% FIRMS USING	KEY PROPOSITIONS
 Sfyt Analytics	5.3%	<p>Visualize customer, operational and financial data with interactive graphs and dashboards</p> <p>Create branded custom reports using elements from modules such as budget, forecast, consolidate, benchmark and valuation</p> <p>Schedule reports to automatically send to clients, investors, or team members</p>
 Figured	3.8%	<p>Create plans for farms in succession planning, expansion, diversification or managing volatility in commodity prices</p> <p>Monitor production quantities and volumes of milk solids, livestock and crops, and track all inputs associated with farm operations</p> <p>Integrates with Xero and farming software from John Deere, Agworld, BCMS and ICBF</p>
 Etani	2.3%	<p>Create reports with turnkey integrations for accounting, payroll and inventory software.</p> <p>Use budget, forecast, scenario, customer templates and data models for integrations</p> <p>Upskill staff with accountant-focused training videos</p>
 Power BI	0.8%	<p>Create detailed visualisations with drill-down reports for financial and non-financial datasets of almost any size</p> <p>Ask business questions in conversational language and receive AI-powered responses from your reports</p> <p>Connect Excel queries, data models, and reports to Power BI Dashboards for analysis or sharing</p>

Practice Management



**This graph shows the % of firms using a particular app that have a Practice Management app*

***E.g. 24.4% of firms using a Practice Management app use Karbon*

****This graph does not include XPM as we do not have data for firms using XPM*

HandiSoft, MYOB and Reckon, which dominated desktop practice software, have struggled to replicate that success in the cloud. Now, almost a third of the firms surveyed are using cloud-based alternatives.

The missing giant here is Xero Practice Manager, which dominates the cloud practice management category in Australia. Many firms log into XPM from their Xero accounts so it isn't possible to identify the exact number using XPM rather than just Xero.





CCH iFirm, formerly the NZ-born Acclipse, sits on 21.9%. The acquisition by Wolters Kluwer gave its users priority access to the online tax research platform iKnow, the digitised version of the Australian Master Tax Guide. CCH's iQ software takes the content from iKnow and matches it with relevant clients in the iFirm database to create a list of business-generating ideas for accountants.




Karbon has done as well as iFirm despite not being integrated with Xero. It is popular for its strong collaboration feature, where staff can assign actions, mentions and notes to client emails and jobs.

A growing trend in accounting is the use of generic project management tools for managing a practice. Kanban tool Trello and visually driven apps like Asana are used by almost as many firms as CCH iFirm and Karbon. The heavily advertised newcomer Monday is used by 6.1% of firms that use Practice Management apps, another 1.7% use the Australian-born Accelo.

Some firms are managing jobs with practice management software and internal activities with project management software, side by side.



APP	% FIRMS USING	KEY PROPOSITIONS
 Karbon HQ	24.4%	<p>Collaborate with staff by assigning actions, mentions and notes to client emails and jobs</p> <p>Manage client relationships with visibility across communication, jobs, client tasks and auto-reminders</p> <p>Standardise workflows with templates using customisable statuses, checklists, job roles and work types</p>
 CCH iFirm	21.9%	<p>Recently released a more modern user interface, improved navigation and experience</p> <p>Uses intelligent workflows and automation to improve visibility and service delivery on jobs</p> <p>Includes modules for Tax, Practice Manager, Client Portal, Document Management, Client Billing, Resource & Capacity Planning, Accounting, Reporting, CRM, etc.</p>
 Trello	21.5%	<p>Track jobs and tasks using cards in a simple Kanban interface</p> <p>Automate task workflows for moving cards between project stages or assigning tags, users or other data</p> <p>Integrates with Dropbox, Google Drive and Slack</p>
 Asana	21.2%	<p>View tasks in a list or Kanban board interface</p> <p>Manage workloads and track capacity using Gantt chart timelines</p> <p>Create rules to automate workflows such as status updates and turn requests into jobs using built-in forms</p>

APP	% FIRMS USING	KEY PROPOSITIONS
 Monday	6.1%	<p>Create workflows based on 200+ templates and customise with 30+ column types</p> <p>View jobs in Kanban, calendar, timeline, Gantt, map, form, or workload interface</p> <p>Automate tasks such as adding notifications, creating items in other boards, assigning owners, and updating statuses</p>
 Jetpack Workflow	3.2%	<p>Create standardised checklists for accounting jobs using a template builder or from 70 templates</p> <p>Message staff to keep notes and communication in one place</p> <p>Set tasks and jobs to repeat monthly, yearly, weekly, or daily</p>
 Accelo	1.7%	<p>Manage projects against budgets, schedules and resources to maximise profits</p> <p>Track time automatically by recording client meetings and time spent writing emails through integrations with calendar and email software</p> <p>Use automations to update fields, enter information, or automatically alert team members or clients</p>



My Essential Apps: Propeller Advisory

Katie Bryan, interviewed by Sholto Macpherson

Which apps are most important to your firm?

Karbon, we use that for our email, our workflow management, our internal communications. That's a massive one for us. And second to that is Practice Ignition because that leads our sales process and allows us to do direct debit and our fixed fee billing. So that's super essential. Also, in terms of our sales, reporting and KPI, we tend to utilise their dashboard quite a lot.

Other essential applications include HubDoc and Microsoft – the whole Microsoft suite, really.



Firm Profile

Propeller Advisory

Owner: Katie Bryan

Location: South Yarra, VIC

Essential Apps

Karbon

Practice Ignition

Microsoft 365 Suite

Microsoft was life-changing in terms of eliminating so many different apps.

What has your experience been with Karbon?

We probably first tried Karbon, I think four years ago but we didn't implement it correctly. So it fell off quite quickly. From before then and throughout that period, we were using XPM (Xero Practice Manager).

Why didn't the first implementation work out?

Instead of putting all of the systems and processes in place, and really building up everything that we needed to build before getting the team on board, we just said, 'Alright, let's just start using it on Monday'. And without any service templates, any workflow set up and without any real training. And of course, it was never going to work. Because that's not how you start using new apps within a firm.



My Essential Apps: Propeller Advisory

Katie Bryan, interviewed by Sholto Macpherson

Why did you come back to Karbon? What was your plan the second time around?

We came back to it because we just could not find something that served the purpose that we wanted it to serve. XPM did a little bit but it didn't do everything.

And Karbon seemed to be a one-stop shop for a lot of the problems that we wanted to solve. Mainly workflow management, and really being able to see what each staff member was working on, something that was visually appealing – we find that the team really are more engaged if something looks good. I know I am, personally.

Also internal communication. So for example, when an email comes (you can) add a comment and say, 'Hey, Johan, can you look at this for me', and reduce the internal emails bouncing throughout the firm and creating a lot of email anxiety from the team.

“

Karbon seemed to be a one-stop shop for a lot of the problems that we wanted to solve.

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When you say, problems with workflow management – XPM claims to solve that. What were the deal breakers with XPM?

It was just really hard to visualise the workflow. If I'm running a huddle in the morning, I just want to see exactly what that person's going to be working on that day, what's required for them, where they're up to, etc. And Karbon is better for assigning multiple people to the one workflow.

The main downfall with Karbon is that I'm finding it really hard to get the reports that I was getting out of XPM in terms of profitability on jobs and those sorts of things



My Essential Apps: Propeller Advisory

Katie Bryan, interviewed by Sholto Macpherson

How do you calculate ROI on more expensive apps such as Practice Ignition so you can say, 'Yes, this is worth it'?

Practice Ignition is definitely worth it in terms of the time that I save creating a proposal. It also means that anyone from my team can create the proposal really easily because our service templates are all set up with the pricing for each service. I can just say to my admin team, 'Can you send out a proposal with this, this and this on it?' And they'll send it out. I don't have to think about it again.

Whereas in the past, I'd have to flesh out a proposal and think about what I was going to charge. I think it also empowered us to be more confident with our fixed-fee pricing and our billing.

And also the workflow – even though the integration isn't as good with Karbon as it was with XPM – is still great. It creates all of our workflows and sets up all of our contacts. So you're only entering things into Practice Ignition, and you're not then entering it again into Karbon.

In the past, I'd have to flesh out a proposal and think about what I was going to charge.

Does sending out proposals faster help you in winning deals and adding more customers? And has using Practice Ignition for fixed-fee billing also impacted your debtor days?

I think that it has helped us to convert clients in terms of how Practice Ignition allows you to build out your brand and your vision from within the proposal. So you've got a brochure that's attached to your proposal that details everything about who you are, you can add a little video that says, 'Great to talk to you today, really excited to have you on board, here's our pricing and terms'. It's very interactive and engaging.

In the past, we have had massive issues with debtors and Practice Ignition has eliminated that. We don't allow a client to sign up if they're not willing to provide their bank details for direct debit.



CA Catalyst

Want to know more?


Technology has disrupted the accounting profession; it is also acknowledged that technology has enabled accountants to make the shift over time from data-entry bean counters to that of their client's trusted partner and adviser.

In 2018, CA ANZ launched CA Catalyst, a strategic initiative designed to help members build personal and organisational capabilities, explore new markets and services, and provide greater value to their business and customers. CA Catalyst provides members with the clarity and readiness they need to make informed decisions, grow their digital capability and deliver value to their clients and their communities.

The initiative partners with technology providers, innovation communities and experts in the field to develop [resources](#), customised training programs and other opportunities to keep pace of new solutions, technologies and insights.

Want to know more about CA Catalyst and how you can get involved?

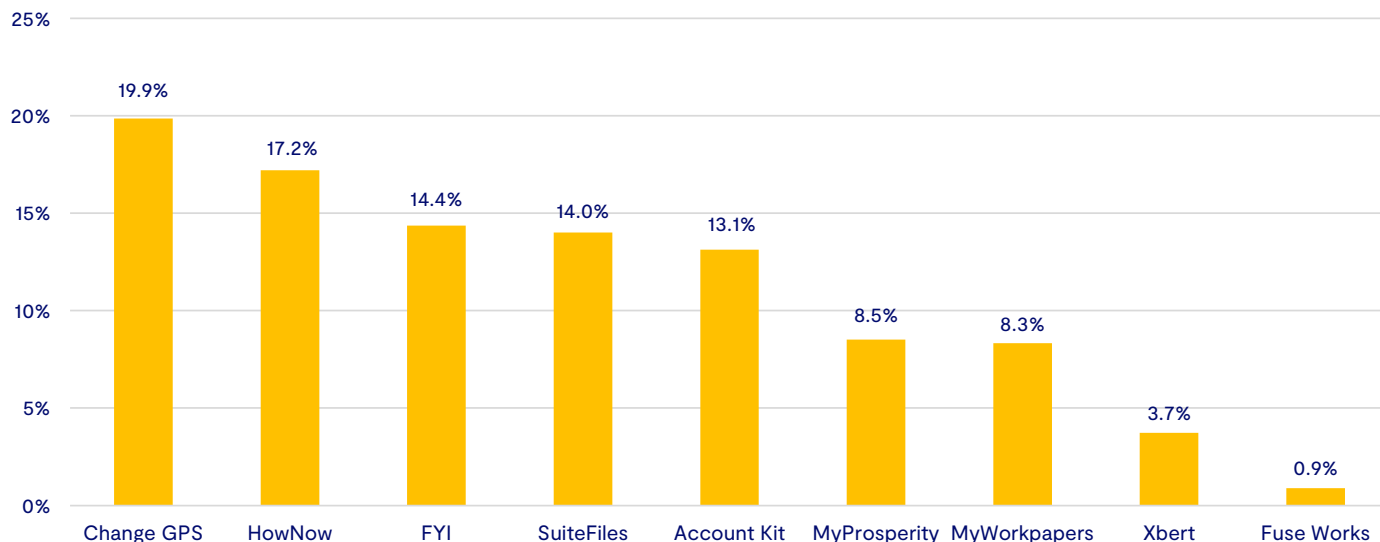
FIND OUT MORE



CA Catalyst has built its reputation on being future focused and providing practical courses that are useful resources, as well as an ability to explain digital tools which we haven't really experienced before.

Sue Pak FCA
Head of Accounting
Xero

Practice Tools



**This graph shows the % of firms using a particular app that have a Practice Tool app*

***E.g. 19.9% of firms using a Practice Tool app use Change GPS*

This category contains a grab bag of useful tools to improve efficiency in the compliance workflow. ChangeGPS has recently rebranded its suite of apps, tools and calculators into Core (compliance and practice management), TaxPlan, Progress (manages year-end planning) and Engage (engagement letters, onboarding systems and a payments portal).

HowNow's online software includes HowNow Workpapers (47% of HowNow logins), Business Fitness (27% of HowNow logins) and HowNow HQ (26% of HowNow logins). HowNow HQ governs access to HowNow's full suite of apps including document management, reporting, online portal and e-signing, and Smart Suite compliance tools.



The two dedicated document management apps, SuiteFiles and FYI, are neck and neck in this survey. With Suitefiles having been in the market for longer, this shows that FYI have seen rapid growth since their launch just 3 years ago. FYI claims it has 500 firms as customers and is growing at 8% month on month.


SuiteFiles gives Microsoft SharePoint an interface better customised for an accounting firm.

FYI extends beyond document management to task management, collaboration, and automating tasks such as email filing, document creation and capture, and other repetitive processes in accounting firms.

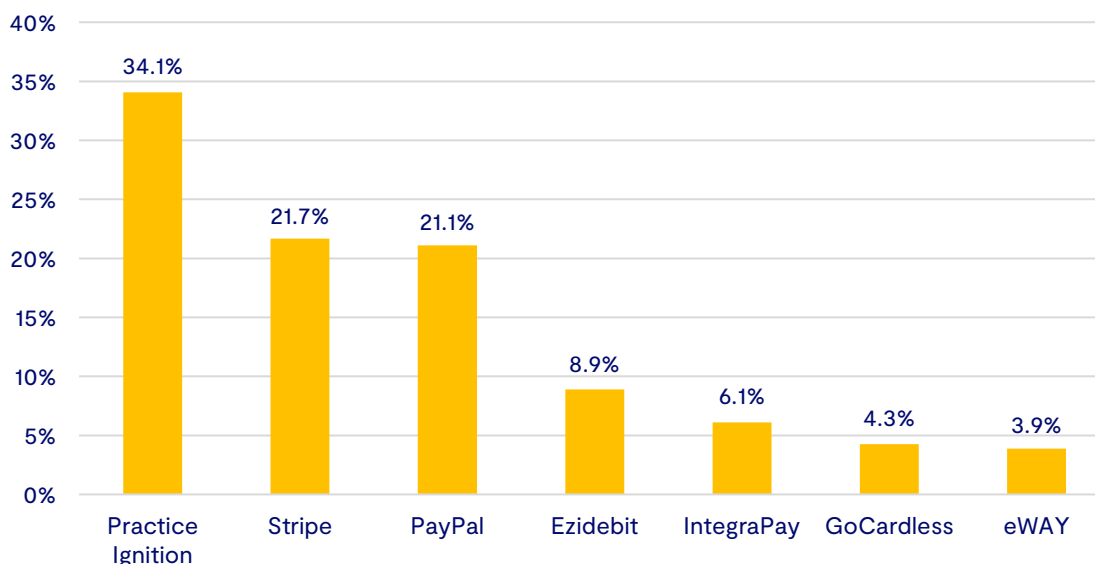
With AccountKit, MyWorkpapers, MyProsperity and other contenders, small firms have a rich selection of providers for the size of the market.



APP	% FIRMS USING	KEY PROPOSITIONS
 Change GPS	19.9%	<p>ChangeGPS Core includes templated documents, checklists, systems and apps for compliance and practice management</p> <p>ChangeGPS TaxPlan bundles 90+ tax strategies, cashflow and tax flow reports, and ChangeGPS Progress manages year-end planning</p> <p>ChangeGPS Engage contains engagement letters and onboarding systems with a payments portal</p> <p>ChangeGPS Progress helps you have meaningful client conversations through a beautiful year end reports that helps you set up the next years fears and shows clients the progress they made towards their goals in the prior year</p>
 HowNow	17.2%	<p>HowNow SmartSuite includes 800+ procedures, letter templates, forms, checklists and Smart Workpapers for compliance, practice management and business advisory</p> <p>HowNow Workflow Manager tracks projects and tasks and manages workload on analytics dashboards</p> <p>HowNow X creates documents with pre-populated data from practice management software and files documents and emails in a centralised location</p>
 FYI	14.4%	<p>Cloud DM for accountants that attaches tasks, jobs, emails, documents, reports and tax returns from Xero, BGL and NowInfinity etc. to the client file</p> <p>Create emails and documents from templates with data from practice software, co-edit documents with team and clients, send docs to clients securely</p> <p>Manage tasks, document workflows, XPM jobs and time recording; set up automations for any multi-step process such as engagement letters, client onboarding, ITR checklists, etc.</p>
SuiteFiles SuiteFiles	14.0%	<p>Automatically store documents, emails and tasks in a central location and add messages to staff about next tasks</p> <p>Send documents to clients for e-signatures through an online portal</p> <p>Review and customise PDFs and make annotations without opening up other tools</p>

APP	% FIRMS USING	KEY PROPOSITIONS
 AccountKit	13.1%	<p>Use a suite of tools to streamline compliance activities and client advisory on loans, super, retirement, etc.</p> <p>Centralise and automate inter-entity loans, equipment finance, Division 7A, fuel tax credits and other compliance activities, synced to Xero Practice Manager</p> <p>Capture client correspondence, business names, important documents and your team's professional development in dedicated registers</p>
 MyProsperity	8.5%	<p>Communicate with clients and their financial professionals in online rooms with chat, document uploads, e-signatures and tax checklists</p> <p>Review live data from top banks, property, car, planning and investment platforms when giving wealth advice to clients</p> <p>Store important documents, insurance policies and wills, and produce an executor's kit</p>
 MyWorkpapers	8.3%	<p>Track workflow, manage clients, and sort by client, deadline, status, etc. to quickly distribute work</p> <p>Automatically apply the latest standards to all cloud workpapers via the content pack marketplace</p> <p>Communicate with clients and auditors through dedicated portals</p>
 XBert	3.7%	<p>Runs 60+ AI-driven audits on client data continuously to identify errors, anomalies and missing data</p> <p>Provides workflow management linking errors directly to the accounting app for quick resolution</p> <p>Provides analytics and insights into client data, trends and patterns to assist the bookkeeping practice in providing advice to clients</p>
 FuseWorks	0.9%	<p>FuseWorks delivers purpose-built tools for the Accounting Industry (By Accountants for Accountants)</p> <p>Flagship product, FuseDocs, completely automates the collation of annual and recurring client documents leveraging the data in your Practice and Document Management Systems. The output is professionally branded, consistent and is delivered in a fraction of the time</p> <p>Their other tools FuseSign and FuseCharts solve real problems for the profession – with simple yet flexible digital signing and automated structure/relationship charts on a page</p>

Payment Services







**This graph shows the % of firms using a particular app that have a Payment Services app*




***E.g. 34.1% of firms using a Payment Services app use Practice Ignition*

Taking payments is such a commoditised activity that it is surprising there are so many players in this category. Practice Ignition tops the leaderboard and shows the value in providing an integrated payment gateway with online proposals.

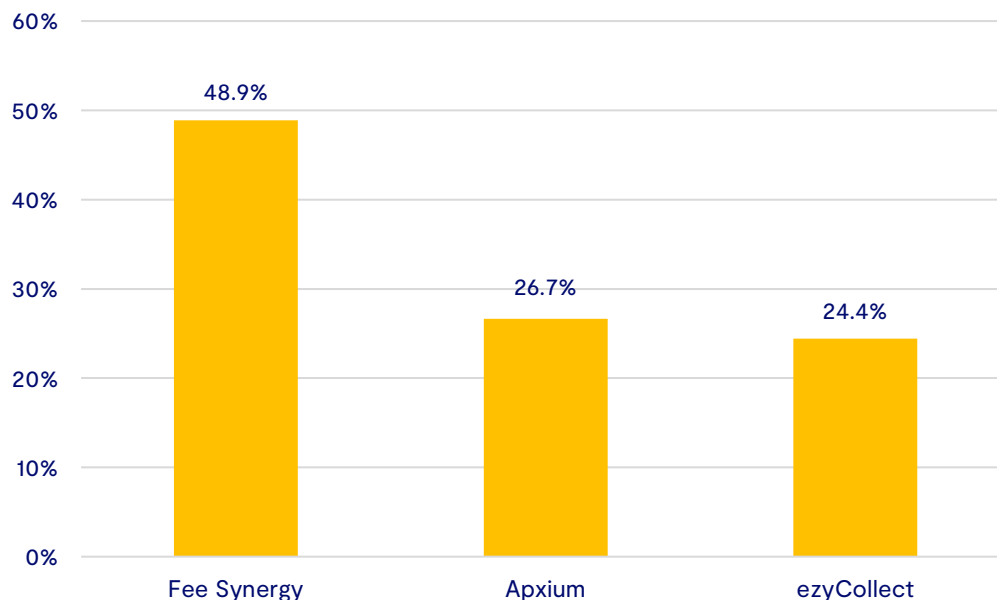
Xero has invested heavily in creating deep integrations for Stripe, PayPal and direct debit specialist GoCardless, with dedicated sections in Xero's online invoice settings. In the past, separating transactions from fees created a lot of work reconciling PayPal payments. Xero solved this problem by creating payment feeds for Stripe and PayPal.

Stripe and PayPal have many more firms than the combined tally for the Australian contingent of payment gateways, Ezidebit, IntegraPay and eWay.

APP	% FIRMS USING	KEY PROPOSITIONS
 Practice Ignition	34.1%	<p>Take a deposit for one-time services and bill the remaining amount when the work is complete</p> <p>Set up a recurring subscription for fixed fee services and spread payments throughout a month to even cash flow</p> <p>Monitor cashflow and project your revenue for the year ahead using reporting dashboard</p>
 Stripe	21.7%	<p>Receive payments for Pay Now invoices in Xero via credit or debit card or with Apple Pay</p> <p>Automatically matches payments and fees to invoices using the Stripe feed in Xero</p> <p>Receive recurring card payments for repeat billing customers using auto-pay feature</p>
 PayPal	21.1%	<p>Receive payments for Pay Now invoices in Xero via credit card, debit card, and PayPal payments in 20+ currencies</p> <p>Automatically matches and reconciles payments and fees to invoices using the PayPal feed in Xero</p> <p>Set up instant payment notifications to receive notifications on transaction events such as payments received</p>
 Ezidebit	8.9%	<p>Receive payments via credit and debit cards, direct debit and BPay</p> <p>Set up recurring billing as a direct debit against credit and debit cards</p> <p>Decide if you want to absorb fees or pass on to clients</p>

APP	% FIRMS USING	KEY PROPOSITIONS
 IntegraPay	6.1%	<p>Receive payments for Pay Now invoices in Xero via credit and debit cards and direct debit</p> <p>Collect recurring payments automatically</p> <p>Reconcile transactions with one-click matching</p>
 GoCardless	4.3%	<p>Automate direct debit payment collection and reconciliation for invoices in Xero</p> <p>Collect recurring payments via direct debit from 30+ countries</p> <p>Receive email notifications for failed payments or cancellations and enable intelligent payment retries</p>
 eWay	3.9%	<p>Receive payments for Pay Now invoices in Xero via credit and debit cards, PayPal and Social Payments</p> <p>Set and pass on credit card surcharges to the customer</p> <p>Automatically matches and reconciles payments and fees to invoices using the eWAY feed in Xero</p>

Debt Collection



**This graph shows the % of firms using a particular app that have a Debt Collection app*




***E.g. 48.9% of firms using a Debt Collection app use Fee Synergy*

Despite the push towards selling core accounting and bookkeeping services by subscription, debtor management software still makes sense for those services sold on a fixed price or hourly rate. The apps in this category have expanded well beyond email reminders; firms can receive payment for an invoice upfront and leave it to the software company to collect in instalments.

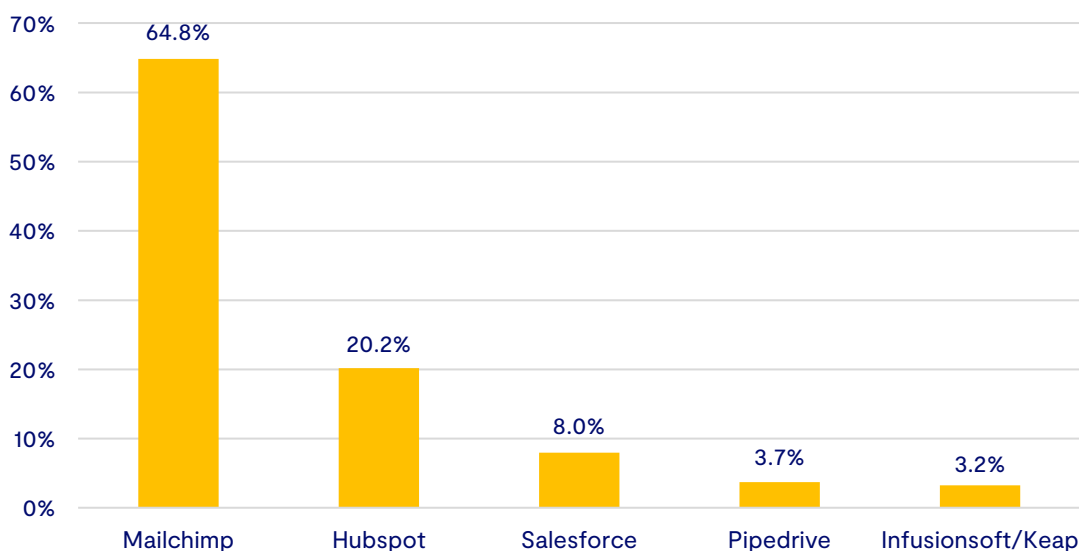
FeeSynergy runs its own call centre and will call up clients to negotiate payment plans and take credit card payments.

Services such as QuickFee and Fee Synergy are popular with larger firms but have little takeup with smaller firms, as this survey shows. Now with newcomer Apxium there is more competition for small and medium practices. QuickFee specialises in accounting firms only, while Fee Synergy markets to accounting and legal firms, and Apxium also sells to small businesses.

All three services also provide payment gateways, which makes them highly attractive as a one-stop shop for punctual and late-paying clients.

APP	% FIRMS USING	KEY PROPOSITIONS
 <p>Fee Synergy</p>	48.9%	<p>Send online invoices, engagement letters and proposals, and set up automated email reminders</p> <p>Receive payments via credit and debit cards and direct debit, and set up online payment arrangements and fee finance instalments</p> <p>Outsource collection activities to FeeSynergy call centre to negotiate payment plans and take credit card payments</p>
 <p>Apxium</p>	26.7%	<p>Send online invoices, engagement letters and proposals, and set up automated email and SMS reminders</p> <p>Receive payments via credit and debit cards, EFT and direct debit, and set up online payment arrangements and fee finance instalments</p> <p>Reconcile payments automatically in practice management software</p>
 <p>ezyCollect</p>	24.4%	<p>Send online invoices with monthly statements and set up automated email, SMS and postal reminders</p> <p>Receive payments via credit and debit cards, and set up online payment arrangements and fee finance instalments</p> <p>Segment customers for bulk communications, daily call lists and detailed reporting</p>

Email Marketing & CRM



**This graph shows the % of firms using a particular app that have Email Marketing or CRM software*

***E.g. 64.8% of firms using Email Marketing apps or CRM software use Mailchimp*






34% of the firms in the study use email marketing and customer relationship management (CRM) software. Mailchimp, which began life as an email marketing platform, has transformed into a marketing giant. A monthly subscription now gives you email newsletters, online landing pages, a free website, social network posts and ad management – even physical postcards.

Mailchimp also has one of the deepest integrations with Xero, which no doubt has contributed to its popularity among firms. Intuit acquired Mailchimp in 2021 for US\$12 billion. The app is certain to expand its popularity even further with the addition of an e-commerce store and a website builder.

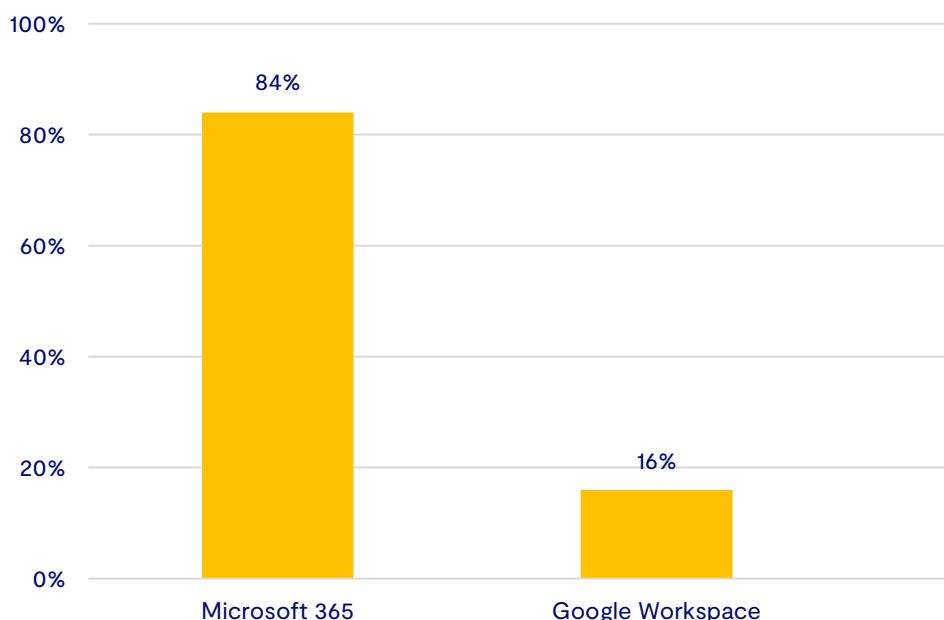
HubSpot's free CRM is popular among small businesses, though its marketing plans are comparatively expensive. HubSpot also has modules for email marketing, customer service, content marketing and help desk or operations.

The enterprise-grade CRM Salesforce is a very pricey option for small firms, with a single licence costing \$95 a month for its Professional edition. Like HubSpot, Salesforce has a variety of other modules including marketing.

Keap (formerly InfusionSoft), has a strong history with automated email sequences and lead scoring. With the rebrand it has added more CRM features.

APP	% FIRMS USING	KEY PROPOSITIONS
 Mailchimp	64.8%	<p>Contact clients via email newsletters, online landing pages, website, social network posts and ads, and physical postcards</p> <p>Schedule appointments with clients with an online calendar and track client details with a basic CRM</p> <p>Analyse effectiveness of marketing activity with segmentation, multivariate testing and detailed reporting</p>
 Hubspot	20.2%	<p>Run marketing, sales, customer service and operations departments with enterprise modules</p> <p>Track client behaviour on website pages with deep content marketing functionality and pipelines integrated with a CRM</p> <p>Analyse effectiveness of marketing activity with segmentation, multivariate testing and detailed reporting</p>
 Salesforce	8.0%	<p>Run marketing, sales, customer service, e-commerce and operations departments with enterprise modules</p> <p>Track customer actions and behaviour at scale with business intelligence and data warehouse integrations</p> <p>Analyse effectiveness of marketing activity with segmentation, multivariate testing and detailed reporting</p>
 Pipedrive	3.7%	<p>Track leads and deals in pipelines with recommended actions based on AI analysis of client behaviour</p> <p>Manage sales conversations from your inbox and automatically link emails to deals and contacts</p> <p>Analyse performance to understand sales cycle duration and how to improve win rate and sales process</p>
 Keap	3.2%	<p>Contact clients via email newsletters, online landing pages, website, dedicated phone line and SMS broadcasts</p> <p>Automate lead scoring with an automation builder that segments leads based on their behaviour and other factors</p> <p>Book appointments online and send quotes</p>

Google vs Microsoft



**This graph shows the % of firms using Microsoft 365 or Google Workspace*

***E.g. 84% of firms using Microsoft 365 or Google Workspace use Microsoft 365*

Excel is the cornerstone to most accounting activities, which makes the profession a Microsoft shop by default. The data clearly reflects that.

Under a quarter of firms also have a Google login, reflecting the popularity of Excel imitator Google Sheets with SMEs.

One insight from this data is that Microsoft Exchange servers have been completely replaced by online mail. Every firm in the survey has either a Microsoft 365 or a Google Workspace account (or both).

One note on security: firms using Google overwhelmingly use Single Sign-on rather than the less secure password approach. Microsoft firms are still happier to rely on passwords. Microsoft has recently announced that it is moving to a passwordless login system.



Methodology

The source data is the aggregated and anonymised data of 1,170 Australian accounting and bookkeeping firms on the Practice Protect platform. The dataset was a collated list of login URLs stored on Practice Protect's secure dashboards that the firms' staff use to log into cloud applications. The sample size of 1,170 firms represents more than 10% of the Australian market.

The typical profile of a Practice Protect firm is fewer than 20 employees who are typically heavy users of Xero, and often Xero Practice Manager. Firms using Xero are more likely to use cloud apps in the Xero Marketplace to automate their processes.

In most categories, the report excluded applications that were used by fewer than 10 firms.

