

# A simple equation

**Do you really want to spend your working week fighting spreadsheets or old-fashioned ledgers? If the answer is 'no' – and we hope it is – we've drawn together six small-business accountancy software packages to help you figure out your finances.**

**A**ccounting software can be godsend for a small business, yet many people shy away from it. This is partly because paper cashbooks often seem simpler. Also, not all of the packages on the high street are as easy to use as they could be. However, the right software speeds up bookkeeping, eliminates arithmetical mistakes and often removes the need to understand double-entry accounting.

Some businesses use spreadsheets for accounting. This has advantages over pen and paper, but it's easy to enter a formula incorrectly, and spreadsheets can require a considerable amount of setting up. There is also hassle in extracting information to create reports.

The cost of a dedicated accounting package is small when you consider that most packages integrate the functions of a spreadsheet with databases of suppliers, customers and stock, and a desktop publisher for producing invoices, purchase orders and the like.

This integration can save a lot of time: when you enter an invoice into an on-screen form, a delivery note can be automatically produced and the transaction entered into the ledger. Quick access to information is a good reason for getting a dedicated accounting package. In most packages, within seconds you can find out how much you spent at B&Q in the past year, or how much you've spent on office equipment and you can sort reports by any field instantly. Whether you buy an accounting package is really a question of whether you are in business to spend all day fighting with a spreadsheet, or to get the paperwork done as quickly as possible. A pretty simple equation to solve.

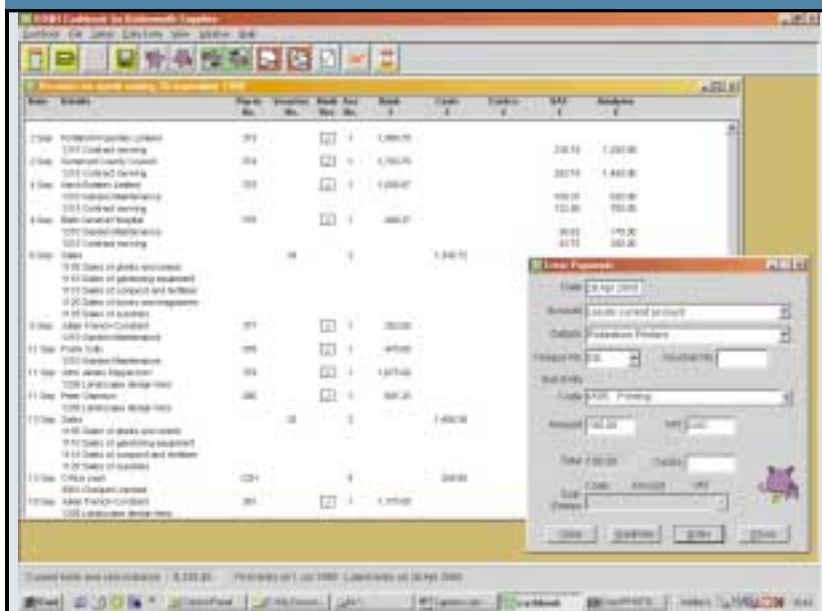
To help with your choice we've tested six dedicated small business packages, along with a couple of suitable personal accounting packages (Microsoft Money and Intuit Quicken). Read on to find out which is the right package for you.

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• *Software tested and reviewed by Alex Singleton*

## DO\$H CashBook



*Out of the packages we tested, DO\$H CashBook is the easiest to operate*

**DO\$H CASHBOOK** is the easiest of the accountancy packages to get into and is aimed squarely at the lower end of the market. Designed by a chartered accountant, its intended market is the one or two-man band that simply needs an electronic cashbook, has no demands for tracking debtors and creditors, and has no need to print invoices. CashBook has sold over 100,000 copies, doubtless boosted by a partnership with Lloyds TSB, which gives the software to startup businesses.

DO\$H is designed for businesses that are either not VAT registered or that use the VAT cash-accounting scheme. This is the scheme that businesses with small turnovers can sign up to so that they only pay VAT to Customs and Excise once they have received payment from their customers. This has the advantage that the firm doesn't end up owing the tax office when customers don't pay on time. DO\$H, therefore, is unsuitable for businesses on the more

usual accrual scheme, where VAT is due when invoices are issued. Companies dealing with stock or supplying on invoice should similarly look elsewhere.

The program has two windows for entering transactions. One is for entering receipts (payments into the business) and the other for entering payments (to suppliers). Both are very easy to understand and the average user should be entering real transactions within minutes. The dialog boxes are not as keyboard-friendly as they could be – if you type in 'Pers' as the supplier, it won't automatically expand this to 'Personal Computer World', for instance. Instead, you have to select the supplier from a pop-up menu. Admittedly, the keyboard can be used to operate the menu, but this isn't as straightforward as it could be. However, CashBook's users are likely to have fewer transactions to deal with than users of the other software on test here, so this may not be such a big issue.

CashBook lets you categorise each transaction with a code, but there is no facility to attach a note to an entry – for example, explaining that the payment was because the customer had been overcharged. New codes may be added, although not deleted – presumably to prevent keen new users from deleting all the default codes and then realising that they are there for a reason.

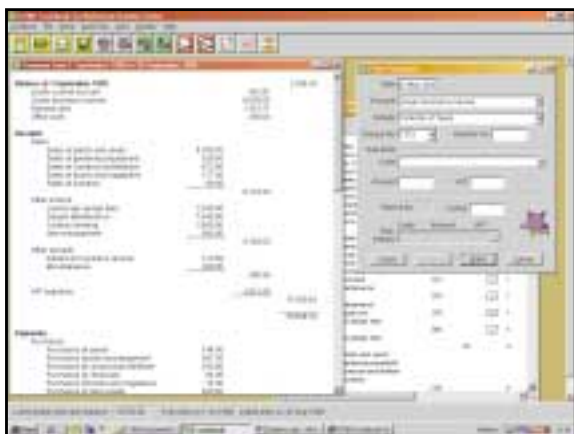
Two spreadsheet-style displays are provided for showing

past transactions, again one for receipts and the other for payments. These displays will only show a single month's transactions at a time and cannot be sorted except by date. Also, unlike the two personal packages examined later, entries cannot be directly entered or altered here. We found it frustrating that everything has to be done through a dialog box. The exception is bank reconciliation, which is done by ticking a box. Also, splitting transactions between several categories is not as easy as in some of the other packages reviewed here.

Reporting is somewhat limited, but, nevertheless, CashBook does provide for most needs. Printouts of the spreadsheet-style displays can be made, along with some summary reports (which can include any number of months). Again, these have to be sorted in the way CashBook wants to sort them. Additionally, CashBook won't print a list of transactions related to a particular customer or supplier, or create any of the graphs offered by QuickBooks. However, a VAT report, showing what you need to write on a VAT return, is available at the click of a button.

The beauty of CashBook is that it has virtually no learning curve. All of the other packages in this group test will require a novice to spend several hours ploughing through the manual and finding out the right way to enter transactions. Not so with CashBook. The 80-page manual is outstanding – taking you through the program in clear and simple English – and a multimedia tutorial is provided on a CD-ROM.

There isn't much of an upgrade path from CashBook – you can't swap up to a networkable version if your business expands. That said, the sort of business CashBook is aimed at is the proprietor who keeps all the invoices in a box file until the end of the VAT quarter and is unlikely to be in a rush to upgrade. An optional payroll module is now available and DO\$H has announced an invoicing program, DO\$H Invoice, although clearly using this along with CashBook isn't going to be as convenient as having an integrated program.



*The Summary window lets you see income and outgoings*

## DETAILS



**PRICE** £59.99 (£51.06 ex VAT)

**CONTACT** Dosh Software 0800 026 4666

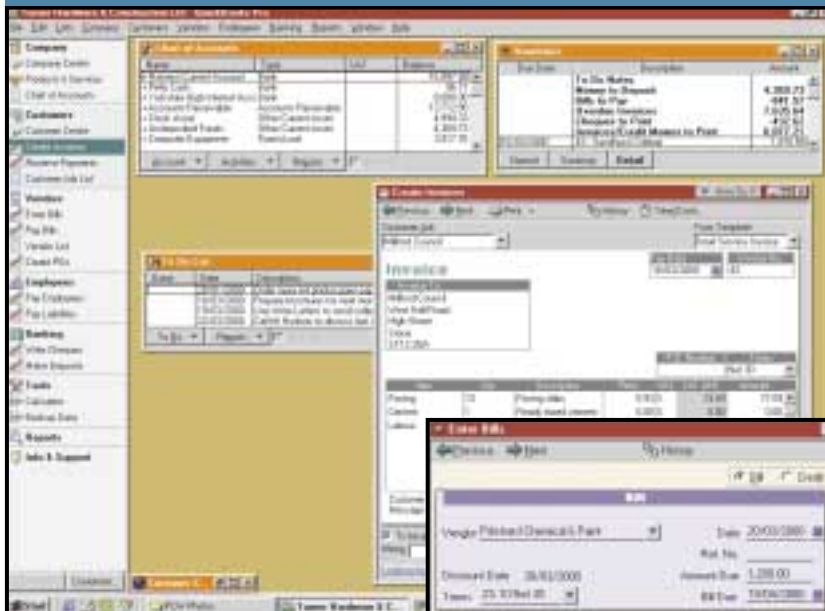
[www.dosh.co.uk](http://www.dosh.co.uk)

**PROS** The easiest package to learn with an outstanding manual

**CONS** Limited feature set could be a hindrance

**OVERALL** If the package has the features you need, go for it

## Intuit QuickBooks 8

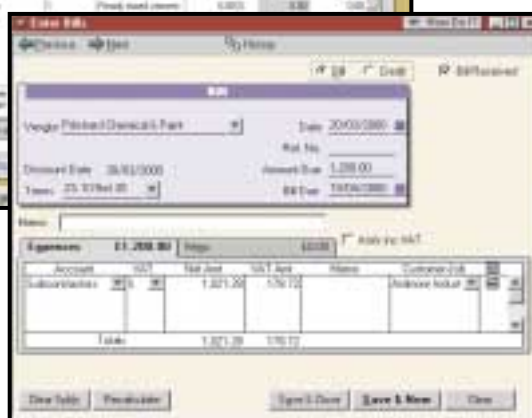


*On-screen invoices imitate their paper equivalents giving a sense of familiarity*

**EARLIER VERSIONS OF** QuickBooks have won much praise from PCW, and it is one of the most frequently updated packages in the group test. Version 8 sees a re-worked user interface, with many of the information windows being web pages (the software uses Internet Explorer 5). Gone is QuickBooks' big Navigator window (a graphical menu that gave access to the program's key features). This has been replaced by a new Navigation Bar, which smartly rests at either side of the screen. The items on the bar can be customised and, since it can always be in full display – unlike its predecessor – it makes navigating your way around the program that much quicker.

Setting up QuickBooks 8 for the first time is done by answering a series of questions. The software takes greater care to explain the consequences of different options than any of its competitors and, after asking what industry the business is in, it creates a set of default categories relevant to that industry. In use, we were impressed by the level of help offered, in particular through the context-sensitive 'How Do I?' menus attached to every window. QuickBooks' ease of use is still outstripped by MYOB Accounting, but not by much. All lists can now be sorted by any of the columns, which should make it easier to find the most overdue customers.

Invoices, statements and purchase orders can, for the first time, be sent by email. QuickBooks integrates with most email clients, such as Outlook, Outlook Express, Eudora and Netscape Messenger. It sends the invoice as a cover note, which can be altered for



*Entering a supplier's bill is easy as, if you enter the first few letters of a name, Quickbooks will guess the rest*

each invoice, with an attached PDF file. Although emailed invoices are not to everyone's liking, this feature was impressive and, at the very least, beats faxing replacements.

Entering day-to-day transactions is extremely quick and easy with QuickBooks. Many of the other packages make you select items from pop-up menus or windows, or remember codes. With QuickBooks, if you know what you are looking for, you can simply type the first few letters and QuickBooks will find it. When selecting a particular company, it will even remember the category and price of the last transaction. Also, a feature called QuickAdd lets you enter new suppliers or customers without having to enter details about them into the supplier or customer databases.

If you wish to send your accounts to your accountant by disc or email, QuickBooks can create an Accountant's Review file. This lets you continue using QuickBooks at the same time as your accountant makes alterations. When you receive the file back, you can import the adjustments into your main file.

Payroll facilities have also been introduced in QuickBooks 8. All the appropriate deductions from an employee's pay are automatically calculated and the software prints payslips along with end-of-year reports

such as P60s. A subscription to QuickBooks' payroll service ensures that the software's tax tables are always correct and when you access the Internet (even without QuickBooks loaded), any updates to the tax tables are downloaded in the background.

Although QuickBooks is not a fully multi-currency package, it does let you print invoices with the VAT and total amounts in a foreign currency as well as in sterling. Every monetary field now links to a currency calculator, which lets you enter the amount in a foreign currency and then convert it to sterling to record in QuickBooks.

A higher-end version of the software, QuickBooks Pro, introduces Microsoft Office integration. Letters chasing up overdue invoices, or general sales letters, for example, can be designed in Word and later mail-merged from within QuickBooks. However, unlike TAS Books Accounting, QuickBooks cannot use Word to produce invoices. That said, designing invoices inside the package is unsurpassed by its peers. The layout designer is the least fiddly, although it lacked the undo facility

provided by MYOB.

We were impressed that when viewing a report in QuickBooks Pro, a couple of clicks can send the reports automatically into Excel, keeping all of the formulae and most of the formatting intact. Also, the problems of keeping records in an accounting package and a contact manager have been eliminated – contacts can be synchronised between QuickBooks Pro and either Outlook or Act!

QuickBooks Pro can produce estimates, quotations and pro-forma invoices and supports job and time costing. A software stopwatch is provided to track how long a job takes, and the results can be applied to invoices and payroll timesheets. Pro is also network ready, enabling multiple users to operate the software simultaneously.

### DETAILS

★★★★★

#### PRICE

QuickBooks 8 £99 (£84.26 ex VAT)

QuickBooks Pro £199 (£169.36 ex VAT)

**CONTACT** Intuit 0800 585 058

[www.quickbooks.co.uk](http://www.quickbooks.co.uk)

**PROS** Fast data entry combined with a solid user interface

**CONS** None of significance

**OVERALL** The best small-business accounting package is now better



## MYOB MYOB Accounting

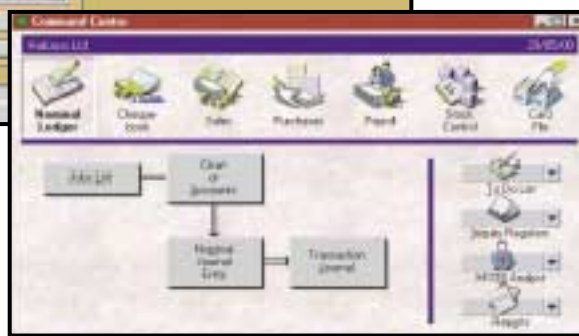


**Invoicing a customer is a quick operation**

**MYOB WAS ORIGINALLY** released as a Macintosh product in 1989 and the PC version has been a past winner in PCW group tests. It was upgraded to version 8 last autumn (although MYOB doesn't actively publicise the version number). A higher-end version, Accounting Plus, is also available if you need to upgrade later and it offers multi-currency support and enhanced stock control.

Setting up the package is not initially a complex process, as a wizard is provided to guide you through each step. However, MYOB asks a lot of not terribly relevant questions, making it a longer task than in the packages from Sage, TAS or Intuit. It creates the default categories based on the type of industry selected in the wizard. Nevertheless, in general use, MYOB is the easiest package in the group to use (ignoring DO\$H CashBook) and this isn't achieved by sacrificing features either.

The thick, single-volume manual is superb, but help within the program isn't as good as in QuickBooks. On loading the package, a Command Centre gives access to the program's main functions.



**The Command Centre gives access to the main features**

This is great because it is split in two – selecting Sales from the top row of icons makes a flowchart of sales-related options appear underneath. The use of a flowchart makes it obvious which tasks need to be done first.

Entering transactions is more straightforward than in any of its competitors, bar QuickBooks, which is similar in design. Paying a supplier involves writing an on-screen cheque. Under the cheque are fields for categorising the transaction; if you need to split the category, this is clearer than QuickBooks' method.

MYOB lets you create new suppliers while filling out the cheque, making it more productive than Instant Accounting. However, it required users to either remember a numeric code for each category or select the category

from a pop-up dialog box. Unless you have a brilliant memory, this makes it slower to operate than QuickBooks. Having said that, MYOB remembers the last categories to be applied to a supplier. Also, if you are entering a firm you have previously bought from, you can type in the first few letters of the name, and it will find it for you. If you enter bills as unpaid, when they are due

for payment, a list is displayed when the program loads.

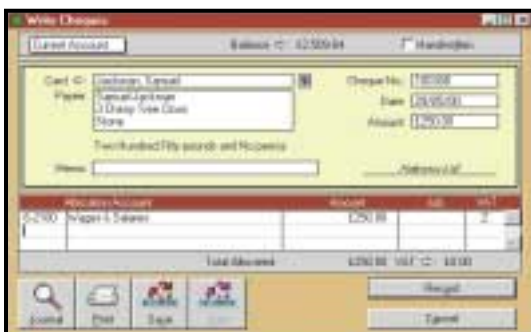
Invoicing customers is a clear-cut process and there are fields for the salesperson's name, the delivery method and a special message. Invoices can be batched ready for printing. A good invoice designer is provided, but is slower to use than QuickBooks', lacking time-saving features such as centring of text boxes. Reporting is excellent, with MYOB able to export reports as a web page. Software called OfficeLink allows you to pipe reports to Microsoft Excel. Similarly, the package is able to use Microsoft Word and WordPerfect to produce personalised letters. However, there is no integration with the contacts manager side of Outlook, nor can you email documents from MYOB.

Looking up past transactions is done in almost the same way as in QuickBooks. Everything entered into MYOB is listed in the transaction journal and clicking on an arrow beside each entry shows the original invoice, credit note, etc. These can be altered directly. However, we preferred the QuickBooks

method, because it keeps the listing of transactions for customers, for example, in the Customers window, rather than hidden away as in MYOB.

When chasing up overdue invoices by phone, or dealing with suppliers that have mischarged you, it is a good idea to keep records. MYOB has the best features for doing this, as, in its customer and supplier databases, you can attach notes of conversations. It will also dial phone numbers for you, assuming you have a modem.

It will not be easy to outgrow MYOB. Job costing is implemented, along with pro-forma invoices (which it calls 'pending' invoices) and good stock control. New to version 8 is an integrated payroll module which makes it a good choice for expanding businesses. The package is network-ready, too; multiple users can operate the software at the same time, as long as enough licences are bought.



**To pay a supplier you just write an on-screen cheque**

### DETAILS

★★★★★



**PRICE** £229.13 (£195 ex VAT)

**CONTACT** MYOB 01752 201 901

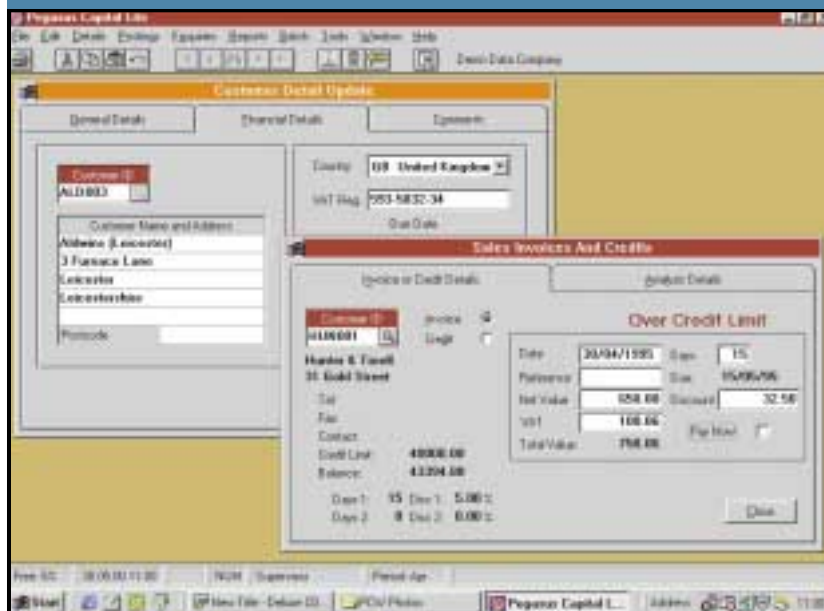
[www.myob.co.uk](http://www.myob.co.uk)

**PROS** Incredibly easy to operate

**CONS** Not quite as efficient as QuickBooks

**OVERALL** A excellent package that will not baffle you with jargon

## Pegasus Capital Lite



*Capital Lite's invoicing facilities aren't the clearest to navigate*

**PEGASUS IS THE** UK's number two supplier of accounting software, mainly attracting customers from medium to large businesses. Capital Lite is Pegasus' small-business product and is available on the high street. Capital Lite was the only package to come on floppies rather than a CD-ROM – two for the program and one for a graphical tutorial. A consequence of using floppies is that the on-screen help is virtually non-existent. There are some cue cards available, but they cannot be viewed at the same time as entering data, except when setting up a new company. Bubble help can be activated, but offers only a couple of words for each field.

Installing and setting up the package was not easy. The manual is badly organised and skims over some of the more complicated operations. For some reason it splits setting up a new file into two parts, separated by 20 pages on how to use Windows. Installation was not helped by an assumption that the user would be using Windows 3. Setting up a new file is helped by cue cards, but having to click 'Next' on the cards to move to the next field slows the process down. Once the file has been created, the program goes into 'opening balances mode'. The problem is that the program makes no attempt to show you what to do or that this mode is for entering the outstanding invoices of your customers and suppliers. Nor is it clear how to exit this mode, but once the opening balances mode has been quit, you cannot return to it.

After all the setting up, the user is provided with a blank screen. There isn't a Sage-style button bar with the program's main features, but if you can work out where to find it, a navigator is

provided, which works in a folder format such as Windows Explorer. The navigator is not in the same league as those provided by QuickBooks and MYOB. When entering transactions, Pegasus does not use any paper-like forms, which makes its learning curve steeper than the other packages in this group test. Estimates and pro-forma invoices can be produced along with ordinary invoices, which – combined with the program's handling of stock – make it ideal for companies trading with goods.

There is no job costing, so the program is not suitable for businesses that need to assign purchases to particular customers or tasks. Pegasus does not come with an invoice designer, nor can it integrate with Word, so you are pretty much required to buy pre-printed stationery, and the program cannot print cheques. The lack of an invoice designer makes it less suitable for the smallest of businesses that are unlikely to be producing enough invoices to make pre-printed stationery worthwhile.

Like many of the packages, Capital Lite works out if a transaction's date refers to a previous VAT period and forward dates it if necessary, but it would be better if transactions were given both an invoice and a posting date. Oddly, it assumes that everyone deals in VAT-exclusive prices, so if you buy regularly from retail outlets,

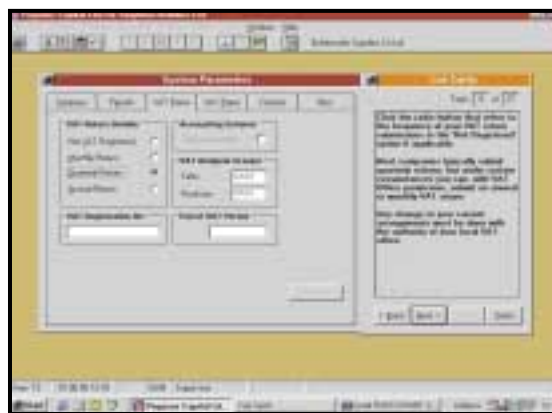
which often only publish a VAT-inclusive price, you will find the package somewhat irksome.

For small-business packages, it is important that users can correct mistakes easily. Pegasus is of the traditional school in accountancy software, which means that mistakes cannot be corrected easily. If you type in the wrong figure for a purchase, you cannot simply call up that purchase and make a change. Instead, you have to enter an additional invoice or credit note to increase or decrease the amount. This really shouldn't be necessary.

The ability to look up past transactions was not as good as in other packages and while you can drill down to see a summary of the transaction, you cannot see the details of an invoice as originally entered. The reporting facilities are good, with over 50 available reports that can be exported in a number of formats, including Excel and Word.

Capital Lite fails to offer the ease of use provided by the other packages in this test which, combined with a below par manual and the use of accounting terms without explanations, makes it a bad option for non-accountants.

The package was not entirely reliable either, regularly complaining about lack of memory for no apparent reason. If you specifically need a product that is compatible with the higher-end versions of Pegasus, Capital Lite will do the job, but otherwise you would be better off choosing something else.



*Capital Lite works out the VAT period of transactions' dates*

### DETAILS



**PRICE** £99 (£84.26 ex VAT)

**CONTACT** Pegasus Software 01536 495 000

[www.pegasus.co.uk](http://www.pegasus.co.uk)

**PROS** Good for those used to Pegasus' higher-end packages

**CONS** A poor user interface makes Capital Lite difficult to use

**OVERALL** There are better packages on the market

## Sage Instant Accounting



Entering a credit note in Instant Accounting

**INSTANT ACCOUNTING** is an impressive package, although not the most powerful in this test. Published by Sage, the world's largest supplier of accounting packages, it has an excellent upgrade path for growing businesses. The package is one of the less powerful in the group, but users can upgrade later to Sage Line 50, safe in the knowledge that it has a similar interface.

Setting up a business in Instant Accounting was trouble-free due to an easy startup wizard. This is much better than Pegasus' or even MYOB's equivalent, but the explanations given by QuickBooks' are a touch clearer. The manual is well-written too, giving a detailed explanation of how to enter opening balances and containing a glossary of accounting terms. Wizards are also used for adding new customers and suppliers and we were particularly pleased to note that on adding a customer, we were asked if there were any outstanding invoices or credit notes that needed entering. We were then given the option to enter them as a single figure or individually.

Navigation around the package is helped by a clear button bar, containing both icons and text. Useful context-sensitive help was also provided. Sage has worked hard to remove much of the accounting jargon found in its higher-end products, making it more appropriate to the business owner or manager. For example, instead of purchase and sales ledgers there are suppliers and customers. We were suitably impressed.

Nevertheless, Instant Accounting is not as easy to use as MYOB or QuickBooks. Working out how to invoice customers is initially confusing.



Direct debits are easily set up in the Payments section

The invoice option in the customer database is for entering sales where a paper invoice is not required. For paper-based invoices you have to go to a separate invoicing section.

In general, invoicing was straightforward and, in particular, it was obvious how to change between a product invoice (which prints stock number and quantity columns) and a service invoice. The Invoicing window gives a list of past invoices, which you can double-click to get to the original invoice, making it simple to print out duplicate invoices for ones that have gone astray. Many of the on-screen forms impersonate their paper-based equivalents – paying suppliers involves writing an on-screen cheque, for example.

In most of the software reviewed here, there are several ways of doing the same thing, with options duplicated in the places they would most likely be needed. QuickBooks was strongest on this, offering menu buttons on many of the windows, giving access to other relevant parts of the program. But in Sage, you have to remember where it keeps a particular feature – dropdown lists of customers do not contain an option to add a new one, for example.

Instead, you have to go into the program's customer window and click 'New'. Add to this the fact that some tasks actually prevent you from accessing other parts of the package and you soon start to feel that the program is not as integrated as it could be.

Sage is the only package that does not let you split transactions between two categories. If, for example, you bought both a computer (which needs to be depreciated over time) and stationery from the same firm, you would have to enter the transaction as two separate invoices, which is hardly ideal. There is no job costing either, making the program unsuitable for businesses that need to work out how much they have spent on a customer's job.

Nearly 100 reports can be created by

Instant Accounting. A report designer is provided, allowing the majority of reports (along with invoices, credit notes and statements) to have their layouts altered. The default settings are compatible with Sage's stationery products, but there is no reason you cannot design your own. Bulk letters to customers and suppliers can be sent using the package, but there is no

integration with Microsoft Office. Also, Instant Accounting is not suitable for businesses needing to print cheques. The software lacks any estimating facilities, which limits the range of businesses that Instant Accounting will appeal to and, despite tracking stock (as do all programs in the group apart from DO\$H CashBook), there is no support for pro-forma invoices.

A Microsoft Outlook-styled Task Manager lets you create a to do list, track bills that are due for payment and keep an eye on recurring entries such as standing orders and direct debits. This was superb, but it is a shame that Instant Accounting doesn't integrate with Outlook itself.

### DETAILS



**PRICE** £99 (£84.26 ex VAT)

**CONTACT** Sage 0191 255 3000

[www.uk.sage.com](http://www.uk.sage.com)

**PROS** Clear interface and good upgrade path

**CONS** Low on features and not the easiest package to use

**OVERALL** If you think you may need Sage Line 50 in the future, this is a good place to start

## TAS TAS Books Accounting

Posting Details:

Department: 100  
Posting No:  
Date: 15/04/1999  
Source: PL  
Type: PL Invoice

Invoice Details:

Code: NEWTONS  
Name: Newtoms Computer Systems PLC  
Ret No: C9423  
Date: 15/04/1999  
Disc: Purchase Invoice

Line	Account	Debit	Description	Debit	Credit
1	2100 100		Purchase Ledger Control		1527
2	2300 100		VAT Account	227 90	
3	5510 100		Consultancy Fees	150 00	
4	5500 100		Staff Training	1190 00	

### Entering purchase orders is quick and easy

**TAS BOOKS** first entered the market in 1991 as a DOS package. Back then it was revolutionary, being the first PC package to allow mistakes to be corrected easily. Now TAS runs under Windows and is the most powerful package in this group test. Several versions are available, all sharing the same user interface, but here we're looking at the entry-level version, TAS Books Accounting.

The software allows you to configure it for a new business quickly and easily, without creating a fuss about less relevant options. Good explanations of the more complicated choices are provided on-screen, such as the difference between accrual and VAT cash accounting. However, after the initial setup, TAS makes less effort than QuickBooks or MYOB to show you where to start entering your data. There is no pictorial command centre, instead you have to dig around in the menus. Having said that, the program's windows are clear and the software has particularly logical menus.

Data entry is fairly quick, with the program noticeably designed for users with large numbers of transactions. As you might expect, all the program's functions can be accessed with the keyboard. Each window has its own three-digit number assigned to it, so regular users can simply press Alt and the relevant number to get there quickly.

TAS requires purchase invoices to be entered and paid separately. Users cannot simply write cheques to suppliers as they can in QuickBooks, for example. TAS is therefore best suited to businesses that enter purchases as they go along, paying mainly on account. Entering purchase invoices is

Customer Code: 201-9444 Name: T M Jones & Co

General Information:

Address: 1st Fl  
Green Trading Estate  
Canal  
Kingsley  
Postcode: S42 2TA  
County:

Telephone: 01222 870 280  
Fax: 01222 824 224

Dates:

Date Created: 21/07/2004 Price: 2 Trade  
Date Last Used: 11/05/1998 G/S Bal: £00  
Date Last Paid: 15/07/1998 G/S Due: £00  
Avg Paid Days: 34% G/S Paid: 5000.00

### TAS Books Accounting's customer database is the most powerful in the group test

nevertheless efficient. Suppliers can be selected from a menu and the software remembers (from previous entries) how to categorise the transaction. Transactions may be split between different categories. The oddity is that TAS requires the amount to be entered twice, both at the top of a purchase order window and later when categorising the entry, but this does at least help prevent typing mistakes.

TAS Books is easily the best package when it comes to handling VAT. When entering an invoice, you are asked for both an invoice date and a posting date. TAS Books always posts invoices to the correct VAT quarter, even if the invoice has been entered late. The other packages either prevent transactions from being entered in a previous quarter or let you set a date that you can't post before. This is less satisfactory because it makes it more difficult to find invoices later on.

TAS' supplier and customer databases are the most sophisticated in this group test, which makes the software especially suitable for

businesses with networked users, where paper records are not readily to hand. As TAS effectively keeps only one database of customers and suppliers, a supplier can be designated also as a customer at the touch of a button. This means contradictory entries can be made easily (this is where a purchase invoice is paid off by subtracting the value of what a supplier owes in the form of a sales invoice). A Customer Activity Report lets you see if customers are buying less than they used to, which might mean you give them a call or offer them a greater discount. Pro-forma invoices can be produced by TAS, making the package a good choice for businesses with stock that invoice and receive payment before delivery.

Getting reports out of TAS is straightforward, and each report can be

'printed' to the screen or disc (in the form of a comma separated values (CSV) or text file) as well as to a printer. Unlike QuickBooks, TAS will not link in with Excel, although the CSV files can of course be transferred. The package integrates with Microsoft Word for designing invoices, purchase orders and so on, which

means that TAS users are likely to have the best-looking printouts. Cheques with remittance advice slips can be printed if you have the appropriate stationery.

Two manuals were supplied – a tutorial and a reference book. The tutorial was rather disappointing, not really giving enough information for the new user and tending to say what the program can do rather than how to do it. Nor is the help within the program particularly useful. So although TAS Books is not the easiest program to use, compared to the others reviewed here, it is definitely the most powerful.

## DETAILS

★★★★

**PRICE** £149 (£126.71 ex VAT)

**CONTACT** TAS Software 01372 727 274

[www.tassoftware.co.uk](http://www.tassoftware.co.uk)

**PROS** Exemplary handling of VAT

**CONS** Not as easy to use as MYOB or QuickBooks

**OVERALL** Perfect for larger companies in the market for accounting software



## Personal accounting packages

Many view personal accounting packages as too much hassle. Certainly in days gone by, entering transaction after transaction was a time-consuming process. However, with the advent of PC banking (where transactions can be downloaded from a bank) this has changed.

Many people's affairs are simple enough that they just want to know how much money they can afford to spend in any given month. For these people, mobile phone and Internet banking is probably sufficient. Nevertheless, the two main packages – Microsoft Money and Intuit Quicken – have tried hard to expand their usefulness, adding features such as home inventory and share tracking facilities.

Money 2000 is the first version of the product to be available in three editions: Standard, Financial Suite and Personal and Business. Standard includes the product's core features, meaning that it will look after a person's day-to-day finances, and includes a home inventory and portfolio manager. Financial Suite adds financial articles to read, has a long-term financial planner (for managing mortgages, loans and so on) and a will writer. Personal and Business is Money's first edition to look after Business users in a meaningful way, adding support for tracking VAT and checking up on outstanding invoices. At £69, it is not much cheaper than some of the packages designed specifically for business users.

Quicken comes in two versions – a standard version and Quicken Deluxe. Quicken has some business support, notably the ability to send statements, but its VAT handling is cumbersome. You have to go into a separate window and split each transaction's category. Rudimentary invoicing facilities are provided in both Quicken and Money, but the invoices they produce are unattractive and the design

cannot be altered. Disappointingly, the manuals with both products can best be described as 'slim', and neither gives enough information about setting up business accounts.

Included with Quicken Deluxe is a program for producing self-assessed tax returns. This may be a bit of a gimmick, especially for the more financially-aware, but Money users would have to fork out an additional £25 if they wanted Microsoft's equivalent package. Quicken Deluxe offers similar business features to Money Personal and Business, while being £20 cheaper. For this reason, if you really must buy either Quicken or Money for business use, go for Quicken.

There is little to separate either program in terms of design. Both have a web-style interface and present users with a 'home page' when the package is started. This home page gives a summary of the user's finances and the information displayed can be customised. Yet in both packages, a sheet of transactions, known as the 'register', is the main display. Like a spreadsheet or cashbook, this lets you enter payments in or out of your bank account one after another down the page. Quicken's register was a bit better, letting you enter transactions directly without reducing the number of items visible.

PC banking is offered by both packages, allowing transactions to be downloaded through a modem. Quicken, however, only supports PC banking with NatWest, so if you have accounts elsewhere, you may be better with Money, which supports most major banks and has the ability to pay bills electronically. It can be a job remembering to pay bills on time and both packages can



*Money (above) comes in three flavours and supports most major banks. Quicken (left) offers a summary of the user's finances on the home page*

warn of overdue bills when Windows starts up. The latest versions let you enter basic transactions without the need to load the full versions of the software.

Inevitably, the features of both products have mushroomed. The question for many purchasers must be whether the software remains easy to use. It's all very well having a home page and portfolio tracking, but most first-time users don't want to dig around to find the register. Both packages are more complicated than they once were and it can be argued that some of the business packages – DO\$H, QuickBooks and MYOB – are simpler to get to grips with. However, both Intuit and Microsoft have done a lot to compensate for increased complexity, including audio

and video clips and comprehensive help systems.

Business users would undoubtedly be better off purchasing a dedicated package. Home users with unambitious requirements should consider whether they will actually have the motivation to keep the package up to date, or whether a spreadsheet will suffice. However, if you plan to use the more advanced features, both Quicken and Money will do an excellent job.

### DETAILS

#### INTUIT QUICKEN 2000



**PRICE** £29.99 (£25.52 ex VAT),  
Deluxe version £49.99 (£42.54 ex VAT)  
**CONTACT** Intuit 0800 585 058  
[www.intuit.co.uk](http://www.intuit.co.uk)

#### MICROSOFT MONEY



**PRICE** Standard £29.99 (£25.52 ex VAT),  
Financial Suite £49.99 (£42.54 ex VAT),  
Personal and Business £69.99 (£59.57 ex VAT)  
**CONTACT** Microsoft 0345 002 000  
[www.microsoft.com](http://www.microsoft.com)

COMPANY	Do\$H SOFTWARE	INTUIT	MYOB	PEGASUS	SAGE	TAS SOFTWARE
PRODUCT	CASHBOOK	QUICKBOOKS 8	MYOB ACCOUNTING	CAPITAL LITE	INSTANT ACCOUNTING	TAS BOOKS ACCOUNTING
Contact tel no	0800 026 4666	0800 585 058	01752 201 901	01536 495 000	0191 255 3000	01372 727 274
URL	<a href="http://www.dosh.co.uk">www.dosh.co.uk</a>	<a href="http://www.quickbooks.co.uk">www.quickbooks.co.uk</a>	<a href="http://www.myob.co.uk">www.myob.co.uk</a>	<a href="http://www.pegasus.co.uk">www.pegasus.co.uk</a>	<a href="http://www.uk.sage.com">www.uk.sage.com</a>	<a href="http://www.tassoftware.co.uk">www.tassoftware.co.uk</a>
Price inc VAT	£59.99	£99 (Pro £199)	£229.13	£99	£99	£149
Price ex VAT	£51.06	£84.26 (Pro £169.36)	£195	£84.26	£84.26	126.71
Accrual VAT	X	✓	✓	✓	✓	✓
VAT cash accounting	✓	✓	✓	✓	✓	✓
Report designer	X	✓	✓	X	✓	✓
Invoicing	X	✓	✓	✓	✓	✓
Pro forms/estimates	X	✓ (Pro only)	✓	✓	X	✓
Cheque printing	X	✓	✓	X	X	✓
Integration with MS Office	X	✓ (Pro only)	✓	X	X	✓
Job costing	X	✓ (Pro only)	✓	X	X	✓
Spreadsheet-style editing	X	✓	X	X	X	X
<b>EASE OF USE</b>						
Transaction entry	Good	Good	Good	Fair	Good	Fair
Access to data once entered	Good	Good	Good	Poor	Fair	Good
Error correction	Good	Good	Good	Poor	Fair	Good
Help	Good	Good	Good	Poor	Fair	Fair

## Choosing the right package

Obviously an important consideration when choosing a particular package is whether it can grow with your needs. It is generally a good idea to buy a more powerful package than you need to begin with, unless that product has a much steeper learning curve. You don't initially have to use all its facilities and it will negate the need to learn a new package at a later date. That said, if you buy from a company with a range of products, learning a new product is generally less of a problem.

Transferring data from one package to another is not as important as you might think, as long as you change packages at the end of a financial year. However, you could run into problems if the end of one of your VAT returns does not coincide with the end of your financial year. When buying, bear in mind both the cost of



*If you buy Instant Accounting now, you could upgrade to Sage Line 50 when you need more power*

the package and how much it would cost you at a later date to upgrade to that publisher's higher-end software, and whether you will need to pay for extended technical support.

It is a good idea to get a demonstration disc of the software and work with it, entering transactions for an hour or two. Only then will

you have a feel for the software. After all, different businesses have different needs: some have only a few, large, incoming payments from customers, but hundreds of small payments to suppliers. For them, it doesn't matter too much if invoicing takes a long time, as long as entering purchases can be done quickly.

It's sensible to ask your accountant for advice. If they are used to your package, they may be able to help you and they may even be able to work with your software producing end-of-year accounts.

Unlike their publishers, we are reluctant to recommend the personal finance packages for business use. Get a package designed for your size of business. DO\$H CashBook is ideally suited to the one or two-man band that doesn't deal with stock and would rather leave invoicing to a word processor. CashBook fits the bill because, for this size of business, it is likely to be the proprietor doing the accounts. No doubt they will not have studied accounting and would rather have a package they can use straight out of the box. The other business products are all powerful, but it's sensible to check whether they work in the same way as you do.

# Editor's Choice

In the small-business sector, most users are not trained bookkeepers and generally do not employ consultants to install the software or provide training. Ease of use is therefore paramount. Everyone knows how a paper invoice or cheque works, so it makes sense for the software's windows to mimic their paper-based equivalents. Speedy data entry is also important, which is why the DOS accounting market survived for so long, but software vendors have realised that Windows software can be just as productive.

Quicken and Microsoft Money both have pretensions of being suitable for business users, but unfortunately we felt that they weren't geared up to the job. Unlike the dedicated packages, the interfaces were designed without the business user in mind and the tiny amount of manual space dedicated to business accounts means that users are inevitably going to get stuck. That said, both personal finance programs could teach the business products a thing or two about data entry. They both let you enter transactions down the page in their registers, just as you would if writing in a paper cashbook. While we liked the use of dialog boxes that looked like cheques and invoices in the business packages, we would also have liked the option to enter transactions as with Quicken and Money. QuickBooks came nearest to this, but the register it offers is cumbersome for VAT-registered businesses.

## The winners

The six packages in this test each have their advantages, but one product stands out as a good all-rounder for the small business. That product is QuickBooks, which garners our **Editor's Choice** award. Entering transactions was faster than in the other packages, so we really would agree with the name QuickBooks.

The in-product help was unrivalled and the software really was easy to learn. This is mainly because QuickBooks has gone to extreme lengths in order to hold the user's hand when setting up the software. The package was also one of the more powerful on test, offering fully-integrated payroll, the most comprehensive integration with Microsoft Office, emailing of invoices and an integrated currency calculator.

The **Highly Commended** award is given to MYOB Accounting, which was

marginally easier to operate than QuickBooks, but has slightly slower data entry and lacks some of QuickBooks' more exotic features. The software even helps you find which tool you should be using thanks to its Command Centre, which shows what to do with the use of flowcharts. Integration with Office was a bonus, along with integrated payroll.

A special mention goes to TAS Books Accounting which just missed out on an award. It was the most powerful of the group and we particularly liked its clear interface and the ability to produce invoices in Microsoft Word. It was the only package to ask for two dates for each entry, providing the best solution to the problem of posting invoices in the wrong period. At £149, it costs less than either QuickBooks Pro or MYOB, making it terrific value for money.

We felt that Pegasus Capital Lite is dated and, while it has a strong heritage and a good upgrade path, it fails to provide the same level of ease of use as its competitors. Its Windows 3-style interface suggests that Pegasus is not investing enough in the package's development.

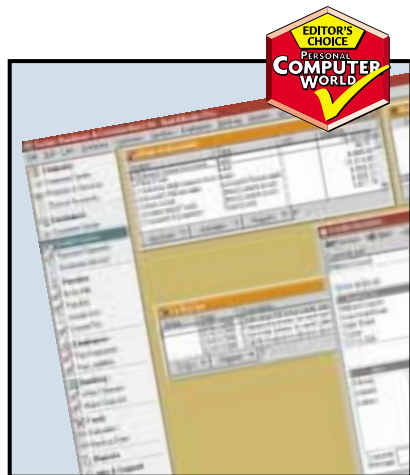
It makes little attempt to explain or bypass accounting jargon, which makes it more appropriate for businesses employing trained bookkeepers. The software is also difficult to set up initially and an owner or manager is unlikely to have the understanding or the patience to do this themselves.

Sage Instant Accounting is a good package, particularly for businesses that think they may need to upgrade to Sage Line 50 at a later date. It has a clinically-

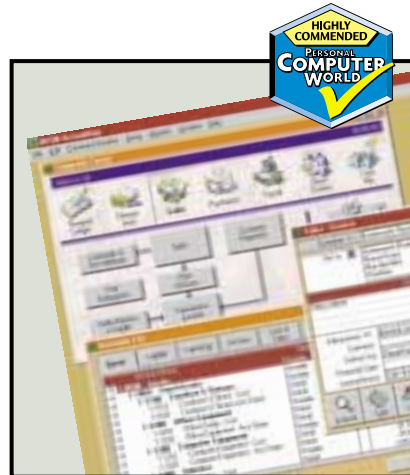
designed interface, but is not as easy to use as MYOB or QuickBooks, nor is it as powerful. We liked Instant Accounting's use of wizards, which, among other things, made setting up new customers easy. Sage is a popular product range with accountants which means Instant Accounting would be a fine choice.

By a long way, the easiest package to use was also the least powerful – DO\$H CashBook. We were impressed that it could be up and running within a matter of minutes and, when you consider that it only has four main windows, it is great for the computer-wary. Combining this with its first-rate manual, low cost and the fact that Lloyds TSB is including it as part of its new business package, CashBook's already popular following can only grow. It does not offer the functionality of the other programs, but its low price does mean there is no great loss if you need to upgrade to a different package later.

Overall, accounting software, which was once seen as the preserve of trained bookkeepers, is now straightforward enough for anyone to use. Nevertheless, it is important to try some of them out to find out which one best suits your way of working. Business accounting software still has a way to go before it has nailed the usability factor. For example, apart from QuickBooks, the business packages require every transaction to be entered into on-screen forms, which is friendly, but it would be better if simple purchases and sales could be entered into a spreadsheet-style list, as you can in the personal accounting packages.



**QuickBooks 8: a good all-rounder for small businesses that lives up to its name**



**Lacking the exotic features of its rivals, MYOB Accounting proved an easy package to use**