

# Chapter 1

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# Introducing Sage One

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## *In This Chapter*

- ▶ Appreciating the advantages of Sage One
  - ▶ Presenting Sage One's three variants
  - ▶ Registering the service online
  - ▶ Finding your way around Sage One
- .....

**Y**ou may already be familiar with Sage and know that the company has been producing popular accounting software for some time. Perhaps you've used the well known Sage 50 software or Sage Instant Accounts. If so, you're probably wondering what Sage One is all about.

Sage One is unlike any other Sage service in that you use it entirely online. Therefore, you don't have to worry about discs to load or complicated installation schemes. As long as you have an Internet connection and a computer, you can access Sage One.

This chapter introduces you to Sage One, taking you through the product's benefits, available variants and navigation processes. I also guide you through online registration, which really is as easy as 1, 2, 3.

## *Meeting the Typical Sage One User*

Sage One is designed for sole traders (one-person operations) and very small businesses. The service is intended for people who want to organise their finances in a more effective way than simply using a spreadsheet; for instance, business

people who want to control their finances but don't necessarily have the accounting background or time for software training. With Sage One, you can be up and running very quickly, and yet still have the ability to allow your accountant (if you have one) to check the data held online.

Three forms of Sage One are available, as I discuss in the later section 'Acquainting Yourself with the Three Variants of Sage One', but as a user, you have only two options: the Cashbook and Accounts variants (the third type is for accountants).



Reading this introductory chapter gives you enough information to decide which variant best suits your needs.

## Enjoying the Benefits of Sage One

Here are just some of the many benefits of using Sage One:

- ✔ Cheap to use – as little as £5 per month for Cashbook and £10 per month for Accounts.
- ✔ Quick to set up, and so ideal for small or startup businesses.
- ✔ No complicated software to install – you simply need to register (something I lead you through in the later section 'Registering for Sage One').
- ✔ 24/7 support available, and so if you decide to do your books in the middle of the night and get stuck, you know you can always get someone at the end of the phone to help you.

The fact that Sage One is an online accounting service means that you can work remotely from your office; you simply need an Internet connection and your laptop and you can work from anywhere. (Sage recommends you use an up-to-date browser.)

The online nature of Sage One ensures that you're always using the most up-to-date service, and you don't waste valuable time installing updates or new versions. The updates are made automatically online and you don't pay additionally for them.



## Introducing cloud computing

Sage One uses *cloud computing* technology, which is a way of storing and accessing information in a web-based location. The data can be accessed, updated and maintained – and is secured remotely.

Cloud computing removes the need to back up large chunks of data in-house. All you need is an Internet connection and you can access your information anytime, anyplace, anywhere (as a well-known drinks company used to say).

Cloud computing isn't new, and has been used for accessing personal data for some time: think about accessing hotmail messages while away from home or making a purchase via PayPal.

Sage Pay is a fantastic example of how cloud computing works in practice. The system is completely online and the customers of over 31,000 businesses rely on it to buy goods over the Internet.

Sage One also allows your accountant to access your data quickly and remotely, enabling him to provide a more efficient service and perhaps pass on those savings to you as a client; or is that wishful thinking?



Sage One's tagline is 'Safe, Simple, Online Accounting':

- ✔ Safe, because the online security is taken very seriously.
- ✔ Simple, because the software is extremely easy to use.
- ✔ Online, because, well, as you know, it's online!

## Acquainting Yourself with the Three Variants of Sage One

The three different types of Sage One are:

- ✔ Sage One Cashbook
- ✔ Sage One Accounts
- ✔ Sage One Accountant Edition

At the time of writing, a new variant is about to burst onto the scene – Sage One Payroll which will be a fully functioning payroll system.

This section looks at the basic features of each variant in turn.

## *Cashing in with Sage One Cashbook*

Cashbook is a very simple service: a straightforward cash management module that, crudely speaking, allows you to manage the movement of cash flowing in and out of your bank account. You can also keep a record of all your customers and suppliers, managing all your contact details within your Cashbook.

The Cashbook program is ideal for small cash-based businesses who simply want to track their cash and provide some useful information, such as a Profit and Loss account.

To ensure the accuracy of your data, the service provides you with a bank reconciliation process, which allows you to check each individual transaction on Sage One against your bank statements, just to make sure that you've included everything.

You also have the ability to analyse your income and expenses and then produce a Profit and Loss report at the end of each month, which is calculated using the information that you entered.



On the summary screen of Sage One Cashbook, a graph shows the bank balance over the period. This feature is useful for monitoring your cash closely (which in this economic climate is something everyone needs to be doing!).

Your accountant can access your Cashbook (provided he has the Sage One Accountant Edition, which I describe in the next section, 'Sharing data with Sage One Accountant Edition') and use your data to make corrections if you get into difficulties, or simply use the information to prepare your self-assessment tax returns and your VAT (if you're VAT registered).

Chapters 10 and 11 contain loads of details on using Cashbook.

## *Keeping track with Sage One Accounts*

The Accounts variant contains more functions than the Cashbook service. Here are just some of the tasks that Sage One Accounts allows you to do:

- ✔ You can produce sales invoices and email them to your customers; this process is very quick and provides really professional-looking invoices in minutes!
- ✔ You can manage all your customer and supplier contacts online, creating records quickly and easily and then entering invoices as they're received from your suppliers.
- ✔ You can track your cash flow using the banking facility and prepare bank reconciliations to ensure that you've included all your transactions.
- ✔ You can produce a Profit and Loss account and a Balance Sheet, as well as a Trial Balance; usefully, your accountant can view your Trial Balance and use it to prepare statutory accounts if you so desire.
- ✔ You can calculate and submit your VAT return online.

As with the Cashbook service, if your accountant has the Sage One Accountant Edition he can access your data in real time, and therefore sort out any queries that you may have with your data and make the necessary adjustments. Your accountant can also use the data to produce your self-assessment returns or prepare your year-end accounts.

Turn to Chapters 4–9 for all about using Sage One Accounts.

## *Sharing data with Sage One Accountant Edition*

This variant of Sage One allows your accountant to access your data and work collaboratively with you in real time, which means that any data you enter into Sage One is immediately available for him to see. Therefore, if you need help reconciling your bank account or preparing your VAT return, your accountant can have a quick look at your data and help you solve the problem.



Only accountants who purchase the Accountant Edition or are members of the Sage Accountants' Club (in which case, they get it for free) can access the appropriate software.

The more effective use of your accountant's time that the Accountant Edition provides should (in theory) lead to lower costs for yourself, as a client.

Your accountant can customise your income and expenses to make them more relevant to your business. He can also do journals, allowing you to get on with your day-to-day running of the business without having to get involved with the nitty-gritty of your accounting system.

Chapter 13 covers using the Accountant Edition in more detail.

## Registering for Sage One

Sage allows you to try the service before you buy and register for a 30-day free trial. The following list guides you through the easy registration process:

1. **Go to [www.sageone.com](http://www.sageone.com) where you're presented with the Sage One homepage (as shown in Figure 1-1).**

Three boxes are at the top of the page: one for Accounts, one for Cashbook and one for Accountant Edition. You can register for Sage One Accounts or Sage One Cashbook. For the purposes of this chapter, you're going to register for Sage One Accounts. If you want to see how to register for Sage One Cashbook, flip to Chapter 10.

2. **Click the More About Accounts box in the middle of the Sage One homepage.**

Doing so loads up the Accounts page where you can discover more about the software.

3. **Scroll down the page; you see an option to Sign Up to Accounts.**

Click this button to sign up **for a 30-day free trial**.

4. **Submit your basic business details, such as name and contact details, in the sign up form that opens.**

Click Continue (see Figure 1-2).



Figure 1-1: Viewing the Sage One homepage.



Figure 1-2: Completing your contact details during the registration process.

**5. Complete the basic requested details, such as your business address, accounts details and whether you're VAT registered.**

If you answer yes to the VAT registration question, you need to identify which VAT scheme you use: for example, VAT standard rate, flat rate or cash accounting. Then click Continue (see Figure 1-3). You have the option of leaving this blank on sign-up and completing the details later.



Figure 1-3: Filling in your financial details.

**6. Supply a password in the now-displayed security details screen, and select three security questions and answers.**

When you've agreed to Sage's Terms and Conditions, click the Complete Sign Up box.

**7. Click the link to activate the account when you receive the activation email.**

You can now use your free version for 30 days (check out Figure 1-4).



Figure 1-4: Activating your Sage One service.

And that's it. You're ready to start using Sage One.

## *Navigating Sage One*

When you've completed the registration process that I describe in the preceding section, you can start using Sage One. Log on to [www.sageone.com](http://www.sageone.com), enter your email address and password, and click Sign In; the home screen then opens (as Figure 1-5 shows).



**Figure 1-5:** Signing in to Sage One.

The first screen you see is the Summary page (as shown in Figure 1-6), which displays your accounts data. Obviously to start with, it looks pretty blank and uninteresting!

Notice that the Summary screen is one of several tabs of information, the others being:

- ✓ Sales
- ✓ Expenses
- ✓ Banking
- ✓ Contacts
- ✓ More



Figure 1-6: Viewing the Summary screen.

In addition to the above tabs, which I describe in the section ‘Checking out the Summary screen’, the following three buttons are to the top right of the summary screen:

- Help
- Settings
- Sign Out

The Help button is very useful when you need to find out a bit more information about Sage One. For example, some video walkthroughs show you how to carry out certain tasks, such as setting up records.



Be prepared to keep pausing the video, because the videos whiz through the content at a rate of knots!

Turn to Chapter 2 for a detailed review of Settings.

When you finish using Sage One, simply click Sign Out to close down your Sage One session. Of course, the program saves the data you input.

## Checking out the Summary screen

The Summary page is a graphical representation of the data that you input into Sage One. To the left of the screen, you have Sales to date, Expenses to date and Profit (all show the

monthly figure and year to date). To the right of the screen, you have a graph showing the current bank balance over a specified time period. Below, you can find your top 5 unpaid sales invoices. These pieces of information indicate your cash flow, and how you can improve it by getting the money from your outstanding sales invoices.

### ***Sales tab***

This tab has three submenus:

- ✓ Sales Invoices
- ✓ Other Income
- ✓ Products and Services

### ***Sales Invoices***

You can use this screen to create new sales invoices, review existing ones and enter credit notes (as Figure 1-7 shows).



**Figure 1-7:** Viewing the Sales Invoices screen.

### ***Other Income***

Here you can record cash sales and any other income that you receive for which you don't need to generate a sales invoice (see Figure 1-8).



**Figure 1-8:** Looking at the screen where you can record Other Income.

### ***Products and Services***

Here you can create a product and/or service list so that you don't have to keep typing the same details into the invoice. When you come to raise your sales invoice, simply select the appropriate product or service record that you've created and a new line is created on your invoice without you continually having to type the details (see Figure 1-9).



**Figure 1-9:** Create new products and services using this screen.

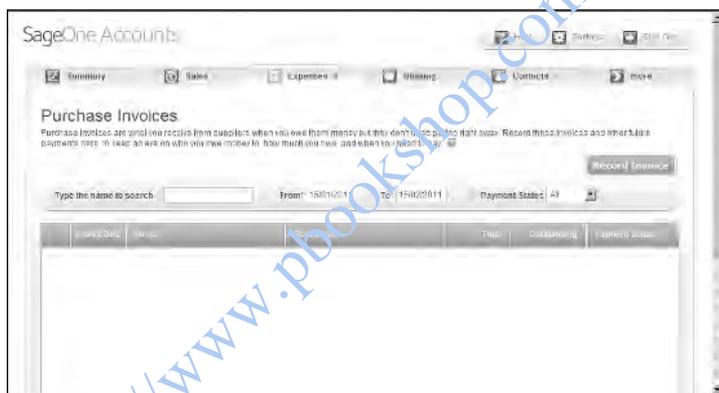
## ***Expenses tab***

This tab has two submenus:

- ✓ Purchase Invoices
- ✓ Other Expenses

### ***Purchase Invoices***

Here you can record the purchase invoices that you receive from your suppliers, but haven't yet paid. You can also enter credit notes. If you're entering an invoice from a new supplier, you can create a new contact here (check out Figure 1-10).



**Figure 1-10:** Record purchase invoices using this screen.

### ***Other Expenses***

Here you can record cash payments that you make for which you don't have an invoice. You can choose from three different payment methods:

- ✓ Bank payment
- ✓ Cash payment
- ✓ Credit card payment

The payment method selected affects the bank accounts that are available to choose from on your dropdown menu. For example, if you click Cash payment you can use only the Cash in Hand account (see Figure 1-11).



Figure 1-11: Showing the Other Expenses screen.

### Banking tab

Under this tab you can manage all your bank accounts as well as Credit cards, Savings and Loans. Here you can create new bank accounts relevant to your business.



I often create a new bank account for petty cash, just so that I can keep an eye on what I spend from my petty cash tin.

You aren't restricted to only the two accounts given as default (see Figure 1-12).



Figure 1-12: Showing the two default bank accounts.

### ***Contacts tab***

The Contacts tab allows you to record and manage the details of both your Customers and Suppliers, as shown in Figure 1-13.

The two submenus are:

- ✓ Customers
- ✓ Suppliers



**Figure 1-13:** Showing the Contacts screen, where you can manage your contacts.

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### ***Customers***

Use this screen to set up new customer records (see Figure 1-14).



**Figure 1-14:** Create new customers on this screen.

### ***Suppliers***

Set up new Supplier records here (as Figure 1-15 illustrates).



**Figure 1-15:** Create new suppliers on this screen.

### ***More tab***

Click this tab to gain access to the various reports that you can use (see Figure 1-16) as follows:

- ✓ Profit and Loss report
- ✓ Balance Sheet
- ✓ Transactional Trial Balance

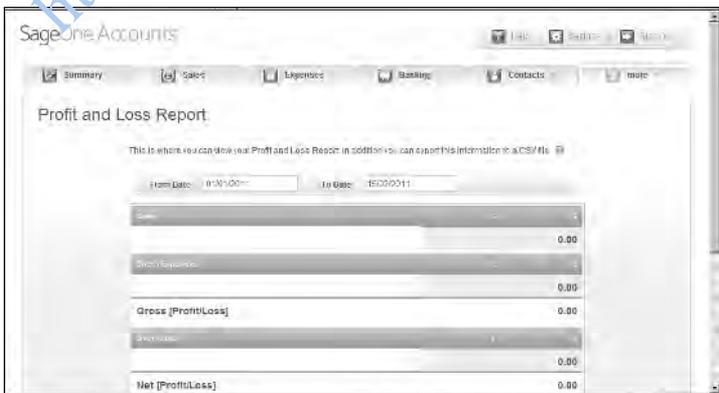
- ✓ VAT return
- ✓ Outstanding Purchase Invoices
- ✓ Outstanding Sales Invoices



**Figure 1-16:** Showing the reporting options in Sage One Accounts.

### ***Profit and Loss***

Here you can view your Profit and Loss report (see Figure 1-17). You can also export this information to a CSV (comma separated value) file. CSV files are a particular type of format that can be accessed by most spreadsheet and database management software systems. For example, you or your accountant may want to take the data from Sage One and use another piece of software to analyse the data.



**Figure 1-17:** Showing the Profit and Loss report.

### ***Balance Sheet***

Here you can view your Balance Sheet report, but you can also export this information to a CSV file in the same way as the Profit and Loss report (as shown in Figure 1-18).

Balance Sheet Report	
This is where you can view your Balance Sheet Report. In addition you can export this information to a CSV file.	
Date:	1/02/2011
Total Assets	0.00
Net Assets	0.00
Total Equity	0.00
Print	

**Figure 1-18:** Showing the Balance Sheet report.

### ***Transactional Trial Balance***

Here you can view and print a Trial Balance, which your accountant can use to produce a set of accounts (see Figure 1-19). You can also print each report to PDF or export as a CSV.

Transactional Trial Balance		
This is where you can view a Transactional Trial Balance. This might be useful for your accountant.		
From Date:	01/01/2011	To Date: 15/02/2011
TOTAL	0.00	0.00
Print		

**Figure 1-19:** Showing a Transactional Trial Balance.

## Introducing Jingles

The best way to find out how software such as Sage One works is simply to use it. Therefore, instead of messing about with your own information (although by all means get stuck in if you prefer!), I invite you to play around with some dummy data and see just what Sage One can do for you. To help with this approach, I use the fictional company *Jingles*.

Imagine that Jingles is a party planning company and Jeanette, the owner, has a shop from which she sells all sorts of party-related items. Throughout the book I use fictional records and transactions so that you can see how the Sage One software works and the kind of information that you can get from it.



You aren't obliged to use these 'have a go' sections and you can simply start using the system with your own data. The choice is yours.

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