

John Tiltman explains how *ACCA Practice Manager* provides a simple but effective method of time recording to help your firm increase its profitability.

are you recovering all of your time costs?

■ **The most profitable firms are those that successfully invoice out all of their time costs. After all, if your firm has provided good service it is simply common sense that a client is properly charged for it.**

Unfortunately, all practitioners know that to charge for all of their firm's time is usually a lot harder in practice. There are two common problems which prevent proper billing:

- staff and partners either forget to record the time spent on each client or simply do it incorrectly. There are many reasons for this – time pressures, concerns about non-chargeable time or a lack of a proper system of recording for instance
- once the time has been recorded it is not presented to the client in a manner that they understand and can appreciate.

ACCA Practice Manager provides the answer to these problems. Its integrated systems allow time and expenses to be clearly and easily recorded and produce detailed reports for submission to your clients which explain exactly what the firm has been doing on their behalf and why. It also provides a vital means of monitoring staff performance.

simple set up

One of the biggest problems that practitioners face is time pressure. Many firms realise that they are missing out on the benefits that an organised system would bring, but they simply do not have the time to put in a new computerised system. *ACCA Practice Manager* provides a database that allows time recording to be set up quickly and easily (see diagram 1). The simple steps are:

- clients are set up using a menu type entry system
- staff/partners and their charge out rates are then put on. Charge out rates are divided into units which can cover any criteria needed by the firm. They are also split into basic rates and then higher rates for more specialised work. Each employee can therefore be charged out in a number of different ways
- staff timesheets are filled in on screen. The detail of the services provided to each client is input with as much narrative as needed. The timesheet is then approved or rejected by the manager/partner so that they can monitor their staff's performance

- the software automatically allocates all costs and produces detailed summaries of the work which can be sent to the client without any further editing needed
- the time summaries are reviewed for any adjustments needed. The flexibility of the software means that time can be written off, billed or carried forward as necessary
- an invoice is then automatically produced which links in to the summaries provided.

flexibility

ACCA Practice Manager allows its database to produce reports covering a whole range of criteria. For instance time summaries can be produced by employee, by date range or by billed/un-billed costs. Each firm can thus tailor its time reports according to the sophistication of the client (see diagram 2).

performance monitoring

Another area where practitioners want to do more but simply do not have the time is monitoring staff costs and charge out recovery. This is a vital task but one which is normally overlooked. Using *ACCA Practice Manager* the manager/partner can easily:

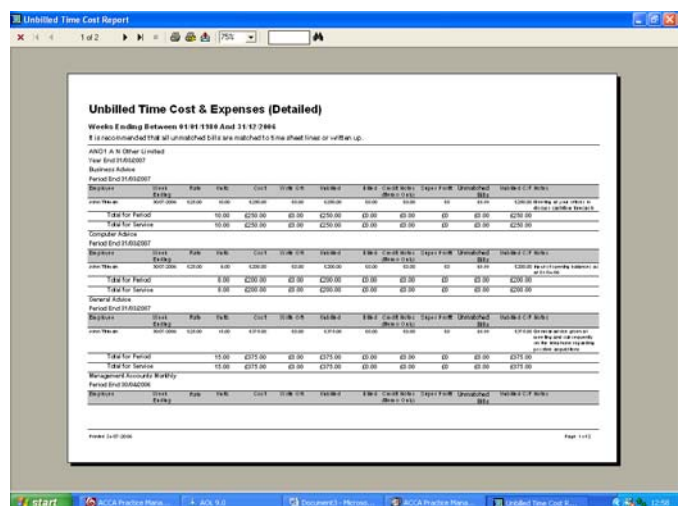
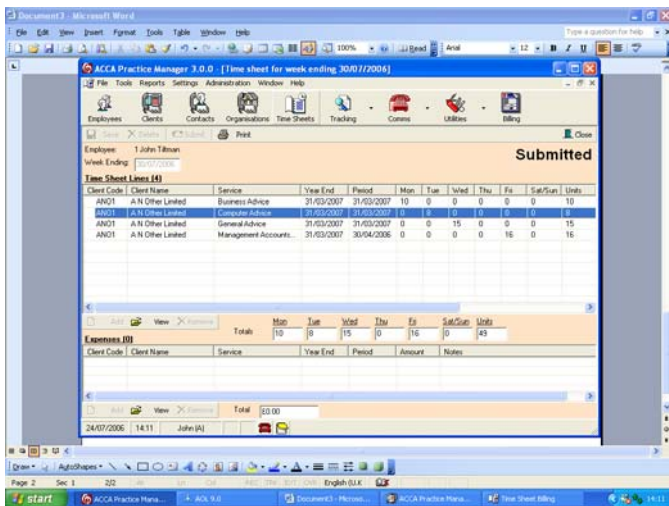


Diagram 1: example of a weekly time sheet for a particular client

Diagram 2: example of unbilled time costs report

- review the work output of each member of staff for any given period
- assess their recovery rate by comparing total time charged to each client against the budgeted fee
- produce reports on time written off and also on work where time costs are under budget
- charge specialised rates for different types of work ensuring that the experience and skills of each employee are properly invoiced.

what will the client think?

The client now knows just how hard your firm has been working on their affairs. The time costs report shows the type of work performed and the time spent on each area by each employee. The resulting invoice will now be more understandable and should remove any doubts that the client has about your firm's fees. It will also be a prompt for the client to improve their records if necessary as they will see the savings that could be made if they improved things, for instance their bookkeeping. ■

To find out more about *ACCA Practice Manager* visit www.accaglobal.com/practicemanager. Alternatively call 020 8866 7161 or e-mail practicemanager@accaglobal.com for a free 30 day trial.

fee control

Although most firms will have separate accounting records, *ACCA Practice Manager* has a number of useful fee control options such as receipts and standing order matching and the generation of statements to clients.

John Tiltman FCCA – Director of Stourton Accountancy Services Limited which has used *ACCA Practice Manager* for the past two years.

the result

Monthly, weekly or even daily invoices are effortlessly produced which clearly explain to the client the amount of time spent on their work. The firm can then be satisfied that its staff costs have been properly recorded with the minimum of effort and that all time has been properly charged out.