



The Institute of Certified Bookkeepers

May 2025

# Institute of Certified Bookkeepers Software Review

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Conducted by Penelope Allard, Director, Wild  
Bookkeeping Ltd



## About you

Penelope is a keen open-water swimmer, a sustainability and clean water campaigner, and a mother to three grown-up children. She began her bookkeeping career as a teenager, working in her family's business. She initially trained in practice, later transitioning into industry. Penelope is a regular speaker at accounting events and creates a weekly video series of bookkeeping tips while swimming, which can be found on social media, including YouTube. She has won 3 ICB LUCA Awards: Social Media, New Practice and Large Practice. In 2024, Wild Bookkeeping was a finalist in the Sole Practitioner Category of the Accounting Excellence Awards. They support a wide range of clients across the UK.

## Company Background

ICB Luca award-winning accounting software, FreeAgent, was launched in 2007 and is headquartered in Scotland. Inspired by their own frustrating experiences of doing the books, founders and former freelancers Ed, Olly and Roan created accounting software that helps small businesses manage their finances with confidence and certainty and lets them work seamlessly with their accountants and bookkeepers.

Today, FreeAgent helps over 200,000 users take care of their finances - from the daily admin to big-picture planning - and do it all happily and successfully. Just like the founders set out to do all those years ago.

## The Product

FreeAgent is an end-to-end MTD for IT solution which is HMRC recognised and suitable for sole traders, limited companies and landlords. In 2018, FreeAgent was acquired by Natwest. This means that for businesses that bank with NatWest, Royal Bank of Scotland, or Ulster Bank, or make at least one transaction a month through a Mettle bank account, the software is free. This makes it an ideal choice for businesses new to accounting software that need to comply with Making Tax Digital as well as growing businesses who want better value from their software. FreeAgent also supports businesses with payroll and VAT.

Practices have access to a comprehensive dashboard listing all their clients. There is also FreeAgent's Accountant & Bookkeeper Directory, similar to Xero and Quickbooks, although I have yet to gain many leads from any of these. As you gain more clients on FreeAgent, you do receive discounted subscriptions; however, I must say that most of our clients are on a free license. The discounts available increase as you move up through the Partner Programme, which is based on the number of clients you have signed up to FreeAgent.

There is a CPD-accredited training program to help you learn the software. FreeAgent also holds biannual in-person and online roadshows and regular webinars.

For clients, there is an easy to understand dashboard, making it easy for them to see what needs doing. The Self Assessment window keeps track of tax due, making it easy for sole traders to set aside money for the dreaded tax bill. The dashboard includes the following:

- Flexible 12-month, 6-month and 3-month cashflow view
- Drag and drop customisation - show the KPIs that are most important to the user
- View recent expenses, bills, invoices and projects
- Live bank balance charts for all accounts
- Year-to-date profit and loss snapshot, including details of distributable reserves
- FreeAgent's unique Tax Timeline of important upcoming tax dates and deadlines



## SALES

Users can easily send clients estimates and invoices using the desktop or mobile app. Setting up price lists to make this quick and easy is possible. All invoices and receipts are recorded against the relevant customer account. You can customise your invoice template to ensure your documents are on brand, and send automatic reminders and “thank you for paying” emails too. It’s easy to see which invoices are due for payment. FreeAgent will also integrate with payment solutions to facilitate invoice payments.

## PURCHASE INVOICES AND EXPENSES

If users have paid for items personally, they can record this using the expense module to easily track items that need to be reimbursed. The app also allows users to record mileage claims, ensuring that nothing is missed when it comes to minimising their tax bill.

Clients can easily upload receipts using the mobile app. The Smart Capture functionality extracts key data from the documents, and you can convert them to bills or expenses. 10 documents are included each month for free, but you can include more for a small additional cost. For clients with a large number of documents to process each month, FreeAgent integrates with Dext, AutoEntry, and Datamolino. FreeAgent also has the functionality to deal with transactions in foreign currencies.

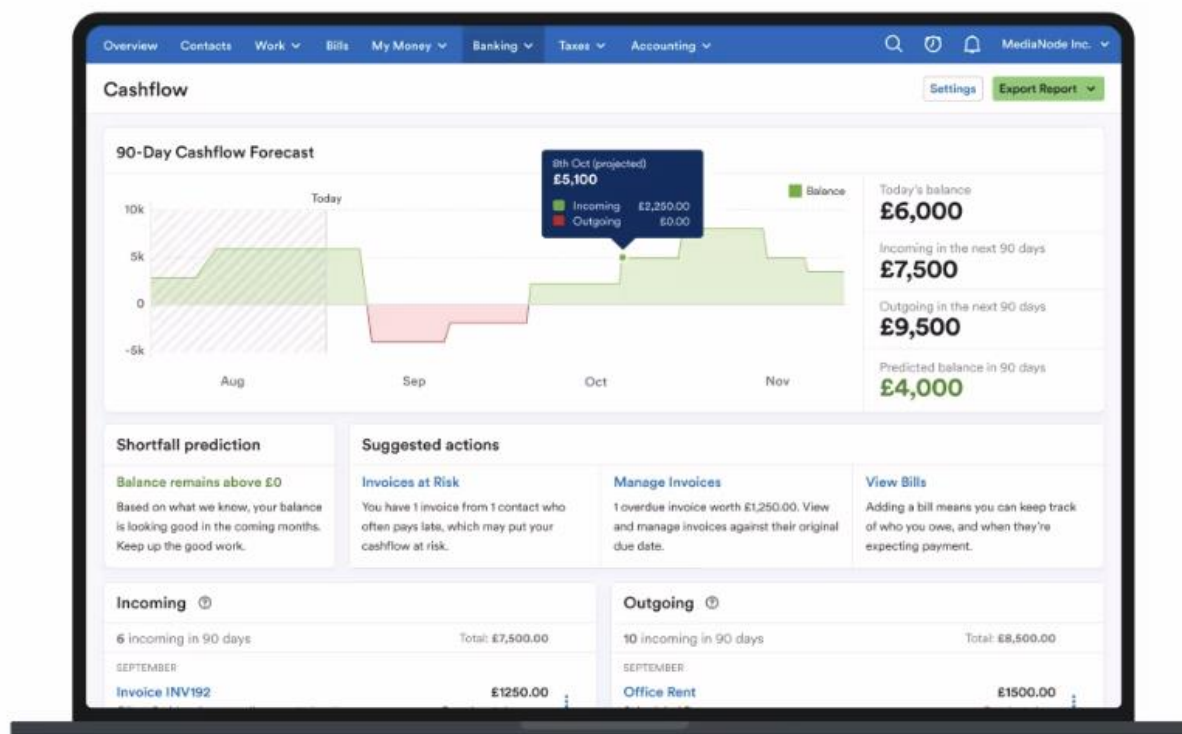
## BANKING

Bank feeds for all banks, not just Mettle and NatWest accounts, make it easy to track incoming and outgoing money. AI-powered smart categorisation makes this quick and easy, and transactions can also be explained in the FreeAgent mobile app. The bank feed will automatically suggest matches to documents uploaded via Smart Capture, saving even more time. Multi-currency accounts are also supported.

It is possible to explain bank transactions in bulk. I use this in combination with the search function to save a significant amount of time.

You can ensure that your client bank feeds are kept up to date using the Bank Connections option in your Practice Dashboard. This flags which clients' feeds are about to expire and allows you to renew feeds from supported banks in bulk.

Good cashflow is key to running a successful business and the built in 90 day cashflow forecast means you can easily track what's ahead.



## PROJECTS

Businesses that want to track separate projects can utilise the project functionality. This enables them to keep track of estimates, invoices, expenses and billable time in one place. The mobile app allows users to track time, which can be marked as either billable or unbillable. Time can be tracked against a task list for each project, making it easy to keep on top of work.

## REPORTS

It is possible to run reports covering profit and loss and balance sheet, along with the expected balance sheet control accounts. You can also run a transaction report for any GL Code you wish to analyse in more detail. The bank reconciliation report is handy for checking that the bank feeds are correct. Reports can be exported as a CSV file or a PDF.

If you find any errors while running your reports, the new "Find and Fix" feature lets you quickly correct miscoded transactions in bulk. This is particularly useful if clients have been doing their own bookkeeping.

Once you are happy that everything is correct, you can run the new "Management Reports" pack. This pulls together all the information you need in one document, professionally presented and

ready to give to the client. This report is available for clients to run themselves, but it could be helpful if you want to record a Loom video for clients explaining their numbers to them.

One thing to note is that reports in FreeAgent are produced in round pounds and show no decimal places. While this is probably more appealing to clients, it can be frustrating if you want to do further analysis or import the data into another package for tax returns or year-end accounts.

#### Reports

High Level			
<b>Profit &amp; Loss</b> Your business's income less its day-to-day running costs over a given period of time. You can also compare profit & loss reports.	<b>Balance Sheet</b> What your business owns and owes as at a given point in time.	<b>Performance Benchmarking</b> How your business's finances compare to past performance and similar businesses.	<b>Management Reports</b> A reporting pack which provides a comprehensive view of your business performance.
Breakdown			
<b>Aged Debtors</b> Shows you customers who owe you money and how long that money has been outstanding for.	<b>Aged Creditors</b> Shows you supplier bills that you've yet to pay and how long those suppliers have been waiting for payment.	<b>Capital Assets</b> A list of the capital assets owned by your business and how they depreciate over time.	<b>Customer Sales</b> A breakdown of your sales by customer over different time periods.
<b>Spending Categories</b> A breakdown of your expenditure by category over time.			
Detailed			
<b>Show Transactions</b> A breakdown of what's in all or any of your FreeAgent categories.	<b>Trial Balance</b> A list of the total amounts in all of your FreeAgent categories at a given point in time. You can also export this report.	<b>Audit Trail</b> A record of the changes that have been made to your FreeAgent data, including who made them and when they were made.	<b>Bank Reconciliation</b> A list of all transactions and a reconciliation summary for a bank account across a specified date range.

## PAYROLL

Payroll is built into FreeAgent and included at no extra cost. Whilst we don't use this at WILD Bookkeeping as not every client is on FreeAgent, it is a great option if you are not already using bureau payroll software. FreeAgent also offers a range of payroll integrations, as detailed below.

## HMRC AND COMPANIES HOUSE FILING

FreeAgent provides a one-stop shop for preparing accounts and filing. You can file VAT Returns, self-assessment returns, Final Accounts (FRS 105) to Companies House and Corporation Tax Returns to HMRC directly within the software. You can also generate Dividend Reports and printable dividend vouchers.

## LANDLORDS

FreeAgent has a separate Landlord option for clients needing to complete the property income section on their tax returns. Clients can allocate income and expenditure to specific properties. FreeAgent is also now able to deal with variable ownership splits where there is multiple ownership of properties, making it ideal for Making Tax Digital.

## INTEGRATIONS

- Amazon, and Sumup, ideal for retail and hospitality
- Stripe, GoCardless, Paypal
- Syft – management accounts
- Xenon Connect – we use this to provide a quarterly review service to clients doing their own bookkeeping.
- Engager.app, BrightManager- two of the market's most widely-use practice management tools
- BrightPay, Buddy, EmploymentHero
- SmartCapture - the built-in FreeAgent data capture tool, as well as Dext, Datamolino, and Jenesys
- BrightTax, Taxcalc, Capium, and Nomi- for tax filing
- Simple-Simon for work orders
- Basecamp
- Matters.Cloud
- Appointedd
- Float

## Key Benefits

- Dashboard to view all clients
- Free\*, so easy to convince clients to use
- Clients find it very intuitive to use
- Excellent support – there is a reason they keep winning the ICB LUCA Award for Friendliest Software
- Proactive account managers
- Free marketing material
- You can submit MTD-compatible quarterly filings and final declarations directly to HMRC

*\*FreeAgent is free for clients while they retain a NatWest, Royal Bank of Scotland or Ulster Bank business current account, or make Mettle their primary business account in FreeAgent. Optional add-ons may be chargeable.*



## Strengths

- Excellent price point, you can't get much better than free! But don't be misled by this, it is excellent software and worth considering, even if you need to pay for a license.
- Amazing support. The team really could not do more to help.
- Invoice capture software is built in, although, if you have a high volume of invoices, you may want to consider integrating with a dedicated invoice capture software such as Dext or Autoentry.
- Depreciation is calculated automatically
- Find and Fix to recode entries in bulk
- You can limit user access depending on needs, although you can only limit the main user if you set up their software initially.

## Areas to improve

- Recurring journals – at the moment, you need to copy a journal 12 times to set up monthly prepayments for example
- Ability to move invoices from files to Smart Capture. If clients upload files to the wrong area they cannot easily be moved
- Would love an integration with Apron
- Ability to link 2 accountants to the software where client is using a bookkeeper and a separate accountant for year end.
- If a client has set up their own software, they could file their self assessment independently, although a warning does come up advising them to consult a professional before filing.

## Value for Money

If a client is banking with NatWest, Royal Bank of Scotland or Mettle, the software is free. It doesn't get much better than that! As a Mettle bank account is free, there really is no excuse not to have all clients using software ready for MTD.

For businesses with low volumes of purchases, FreeAgent provides a totally free option, including payroll, VAT, and tax submissions.

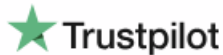
There are fees for Smart Capture if you want more than 10 documents per month. Whilst you can process bills without Smart Capture, it can be slow, so it is worth paying for if you have more than 10. For most smaller clients though, you can leave it on free and just process and excess documents manually. It is worth paying for this if you have a large number, but it may also be worth considering AutoEntry, Dext, or Datamolino as alternatives.

## Testimonials

Excellent



Based on 2,580 reviews



"FreeAgent changed the way our practice works and I can't imagine running the business without it! Thanks to FreeAgent, MTD IT is no longer a burden." **Anna Nikolovska, Digital Accounting Ltd**

"I've been using FreeAgent for 3 years now and the way they stay ahead of the game, always developing new features is just brilliant." **Linda Owen MICB, LMO Bookkeeping**

"It's so easy to use and clients love the mobile app. And because it's free with a NatWest or Mettle business bank account it's really a no brainer!" **Suzannah Whelan MICB PM.Dip, Sinclair Whelan Bookkeeping**

"It's no secret that I ❤️ FreeAgent. Their accounting software is brilliant but their support is above and beyond." **Clare Kendall FICB, CLK Books**

"Simplicity with functionality is the way I describe FreeAgent to my clients. Everything a business needs from a snapshot view on the Dashboard to more in-depth details within the reports." **Amanda Webb, Amanda Webb Accounts & Bookkeeping**

"FreeAgent is very simple to use, not only for bookkeepers and accountants but also for business owners. The visibility that comes with FreeAgent makes clients' lives much easier, and that makes my life easier too." - **Christine Aplin MICB PM. Dip, Caplin Bookkeeping**

"We picked up over 20 new clients between October and December last year thanks to the extra time created by using FreeAgent." **Zoe Simmons, Kernow Accountancy**

## Award-winning software... with award-winning support

### Winner

2024 UK Customer Experience Awards - SME  
Silver for Customers at the Heart of Everything

### Winner

2024 Contracting Awards  
Best Contractor Accounting Software

### Winner

2024, 2023, 2022, 2020 and 2019 ICB Luca Awards  
Friendliest Software of the Year

### Top Product

2021 and 2020 AccountingWEB Software Awards  
SME Accounting / Bookkeeping Software

## Summary of Review

FreeAgent is our go-to software for smaller clients that do not require the complex reporting functionality or tracking categories available in Xero. Clients find it easy to use and to understand. It provides everything needed for small businesses, including payroll.

With Making Tax Digital now getting ever closer, FreeAgent is the perfect low cost solution to get clients up and running on software. The team are friendly and extremely helpful. More and more integrations are coming live all the time. The future with FreeAgent is looking bright.

### Disclaimer

The Institute of Certified Bookkeepers having reviewed FreeAgent software package in May 2025. cannot be held responsible in any way for the actions of the company FreeAgent or their software. This review is merely an unbiased overview of the software package. Any enquiries should be directed to [www.freeagent.com](http://www.freeagent.com)

