The Institute of Certified Bookkeepers

Institute of Certified Bookkeepers Software Review

2017

Float

Company Background

Who are Float?

The Float Yard Limited, launched Float in 2010, they are based in Edinburgh and have won Xero Emerging Add-On of the Year Award 2014, Scottish Edge Award in 2015 and recently won the Software Excellence Award for best Forecasting, Planning and Analysis by Accounting Web. They have produced Float with small to medium sized businesses in mind allowing them to integrate with Xero, Quickbooks Online or FreeAgent giving them an always up-todate cash flow forecast.

Scope of Review

I have used a free trial of the software to complete the review. The trial version is fully functional, so it allows the user to completely try the software before committing to purchase.

My experience in preparing and running cash flows for clients and my own business have mainly been using Excel spreadsheet software. My experience with the Float Software has been an exceptionally positive one and there is no turning back to spreadsheets now I have this knowledge.

What does Float do?

"*Float is an online cash management and forecasting tool that helps you manage your business and keep on top of your cash flow. By projecting your future cash in the bank it's easier to make the right decisions for your business*." www.floatapp.com

The software itself is cloud based so there is no need to download software on to your computer. Instead using a web browser you can access the software from anywhere and I would recommend adding a bookmark or favourite to your internet browser that will take you straight to the login page.

The Product

Float links with Xero, Quickbooks Online or FreeAgent and it is very easy to get up and running.

When signing up for the free trial; it takes some personal details and sets up a password then connects to your chosen online accounting software.

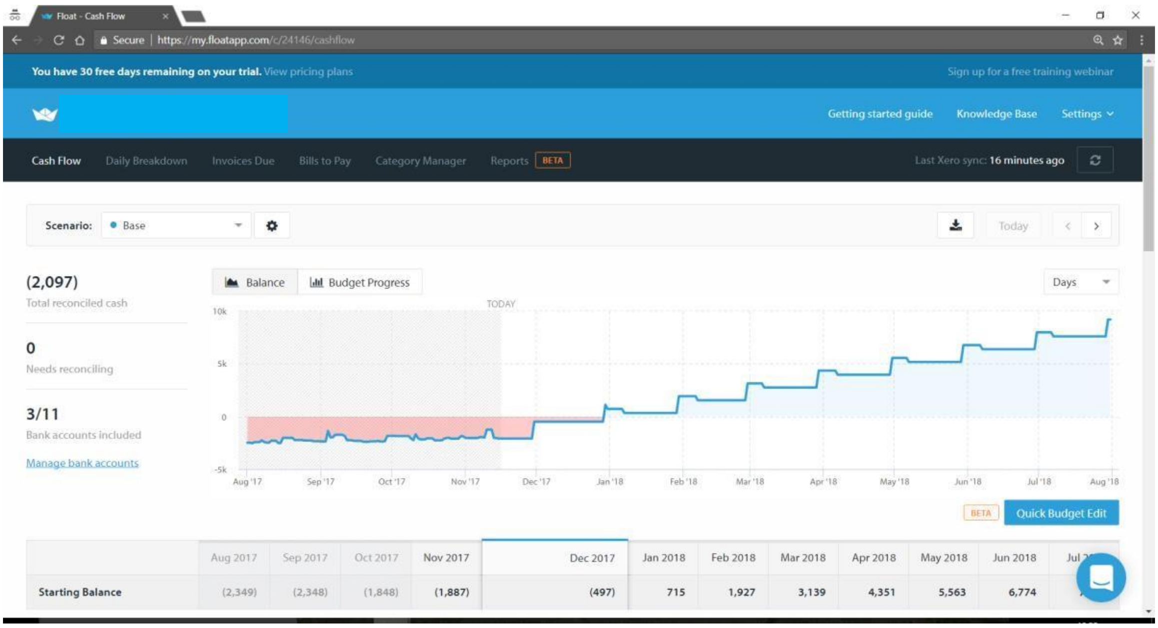
Once successfully connected, it asks you a few quick questions about your business so that it can tailor your experience with Float. Once the 6 questions are complete the Software automatically Imports all your data from Xero.

Once this has finished you receive an email advising the import is complete, or if you stay on the screen once each item is 100% it confirms it's 'finished' and allows you to launch Float.

I will now look at the main screen within Float and talk about the key functionality throughout the software. As I use Xero software and this is what is linked to obtain this data I will make reference to the links with Xero as opposed to mentioning each provider.

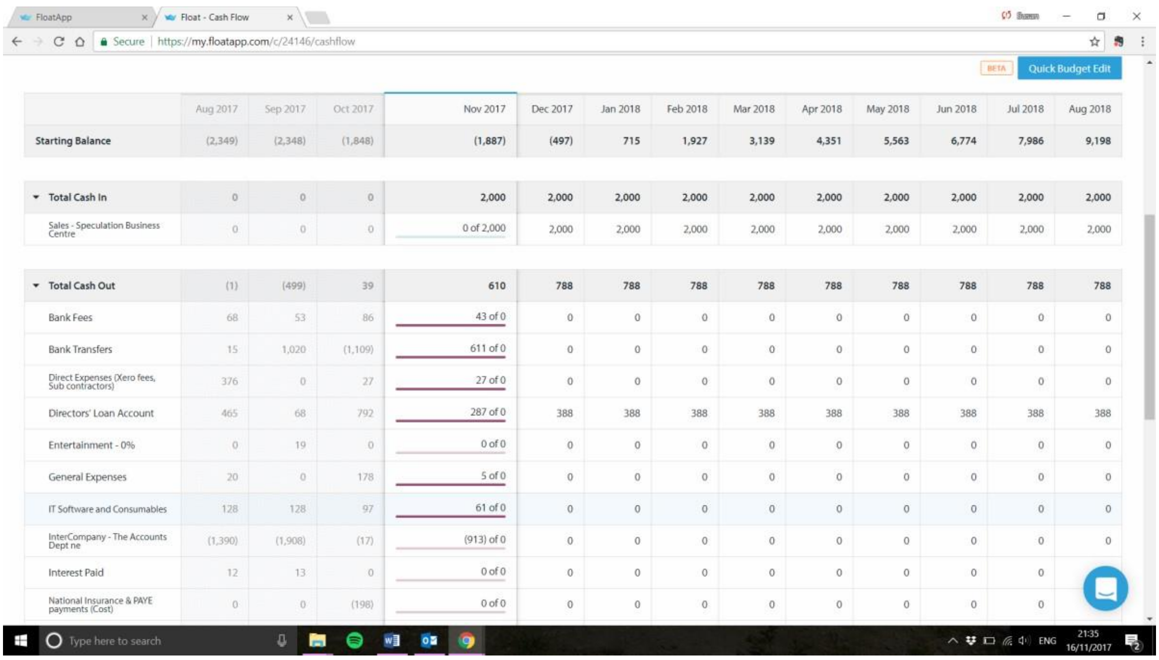
Using the Software

This is the main cash flow screen, the top left hand corner showing the name of the company you are looking at.



The first section gives information from Xero as to where the bank reconciliation is up to and which banks are included in the cashflow; for example you may want to exclude a credit card account from cash flow figures. The graph section shows the actual figures for the last 3 months – shaded slightly darker – this will reflect your actual Xero figures. Going forward in this example the projection line, as you can see, steadily goes up based on the budget figures you enter.

Scrolling down the page you will see a grid showing the categories in a list down the left and each month across in the columns.

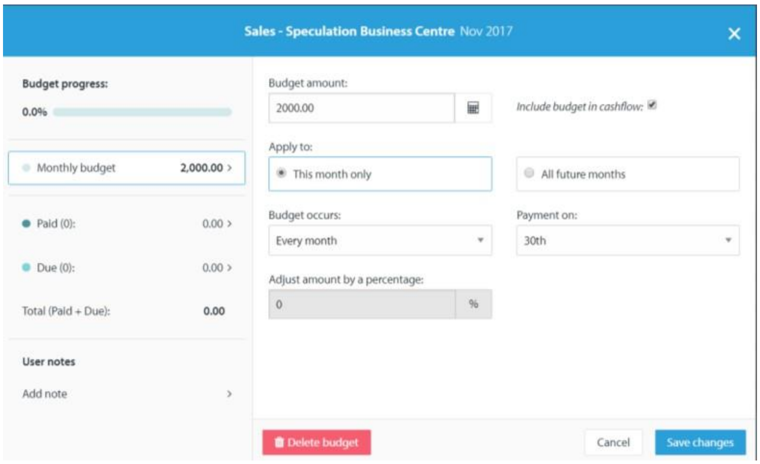


	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018
Starting Balance	(2,349)	(2,348)	(1,848)	(1,887)	(497)	715	1,927	3,139	4,351	5,563	6,774	7,986	9,198
Total Cash In	0	0	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Sales - Speculation Business Centre	0	0	0	0 of 2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Cash Out	(1)	(499)	39	610	788	788	788	788	788	788	788	788	788
Bank Fees	68	53	86	43 of 0	0	0	0	0	0	0	0	0	0
Bank Transfers	15	1,020	(1,109)	611 of 0	0	0	0	0	0	0	0	0	0
Direct Expenses (Xero fees, Sub contractors)	376	0	27	27 of 0	0	0	0	0	0	0	0	0	0
Directors' Loan Account	465	68	792	287 of 0	388	388	388	388	388	388	388	388	388
Entertainment - 0%	0	19	0	0 of 0	0	0	0	0	0	0	0	0	0
General Expenses	20	0	178	5 of 0	0	0	0	0	0	0	0	0	0
IT Software and Consumables	128	128	97	61 of 0	0	0	0	0	0	0	0	0	0
InterCompany - The Accounts Dept ne	(1,390)	(1,908)	(17)	(913) of 0	0	0	0	0	0	0	0	0	0
Interest Paid	12	13	0	0 of 0	0	0	0	0	0	0	0	0	[illegible]
National Insurance & PAYE payments (Cost)	0	0	(198)	0 of 0	0	0	0	0	0	0	0	0	[illegible]

When clicking on the current month this shows the progress to the budget – for example on the sales line it is showing 0 of 2000 – meaning there have been no sales receipts in the month and the anticipated amount is 2000. This budget can then be carried forward for each month. There is also a facility to increase the budget by a percentage each month.

Entering Budgets

By clicking on the sales cell for November 17 brings up the following information:

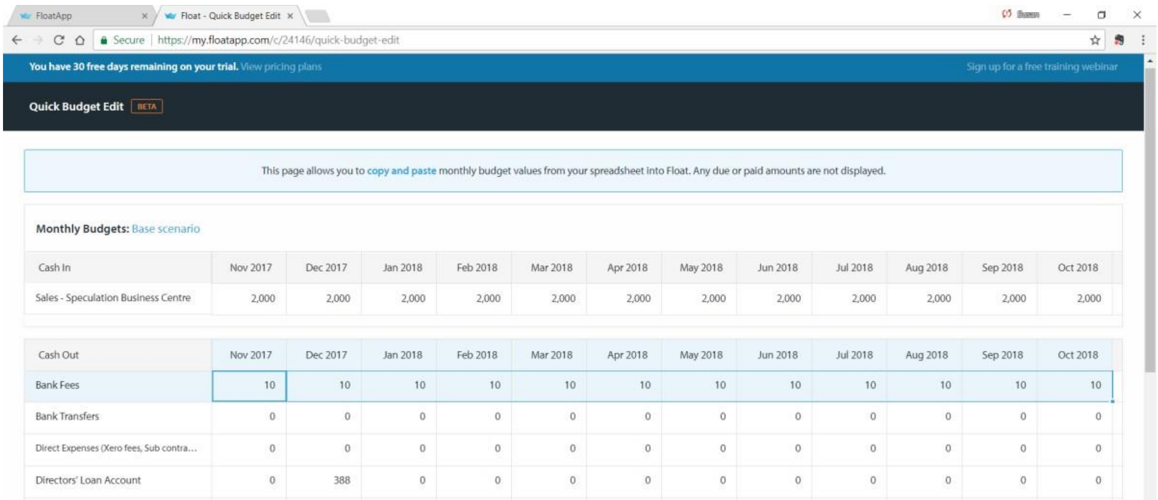


This gives you the opportunity to enter a monthly budget amount and apply it to this month only or all future months. You can also enter a percentage to adjust the amount by each month going forward.

There is a section to add notes which can be used to keep notes on the assumptions you have made in the budget. By clicking on the Paid and Due areas will give further detail and breakdowns within the figures.

This area is perfect for entering and flexing individual budgets but when you are just setting things up it is easier and quicker to use the Quick Budget Edit option.

Quick Budget Edits

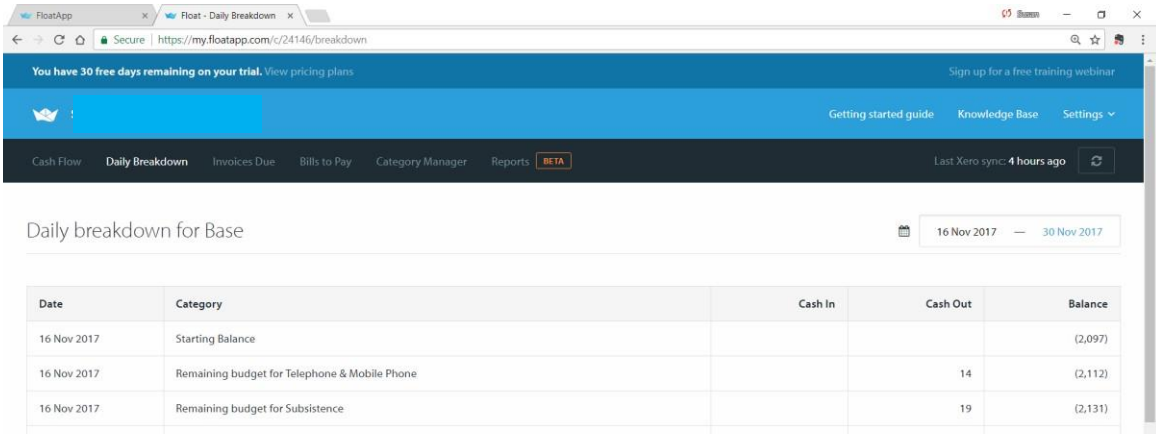


This option allows you to enter the budget figure in one month and then use an excel type function to drag the amount along all future months. It will also allow you to copy and paste monthly budget values from a spreadsheet.

Once the budget figures are in you will see the projection line begin to look more realistic as it becomes in line with your figures.

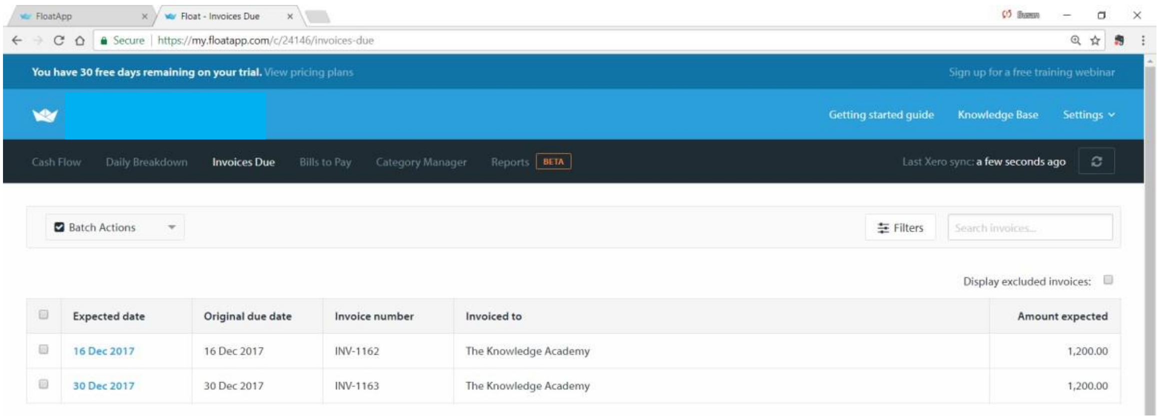
After entering budget figures going forward as you can see the projection line reflects the increases and decreases in cash flow. This bar can be changed into Days, Weeks or Months.

Daily Breakdown Menu



This menu allows you to see the daily breakdown for your cash flow and brings in remaining budget values. This can be shown over any specified date range.

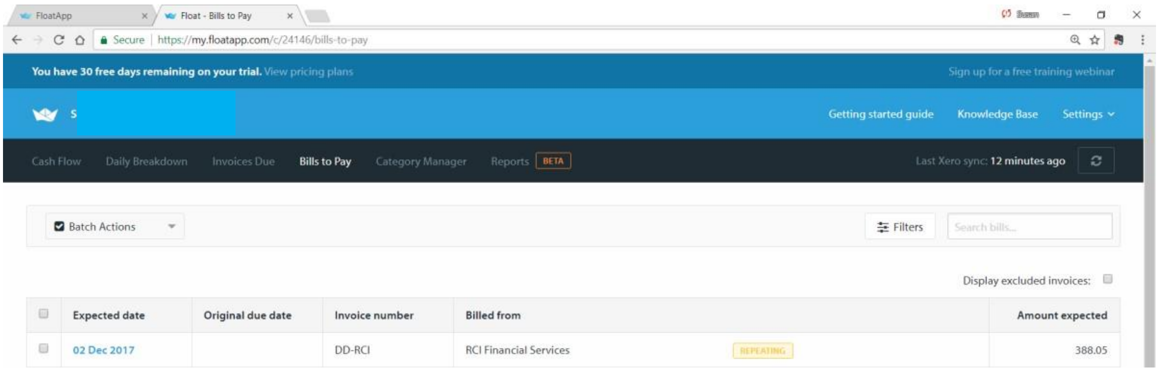
Invoices Due



This option allows you to look at the sales invoices that are entered and when they are due. This due date is direct from your due date in Xero so it's important to have an accurate date in here. You can also click into the invoice at this point and update the Expected date. Alternatively you can select multiple invoices from the list, go to 'bulk actions' and choose either a number of days from their due date, or a specific date in the future. You can also search for a specific client in the search box at the top and select all of their invoices at once. Another option on this screen and in 'Bills to Pay' is to exclude an invoice or bill from your cash flow if you don't want to factor it in.

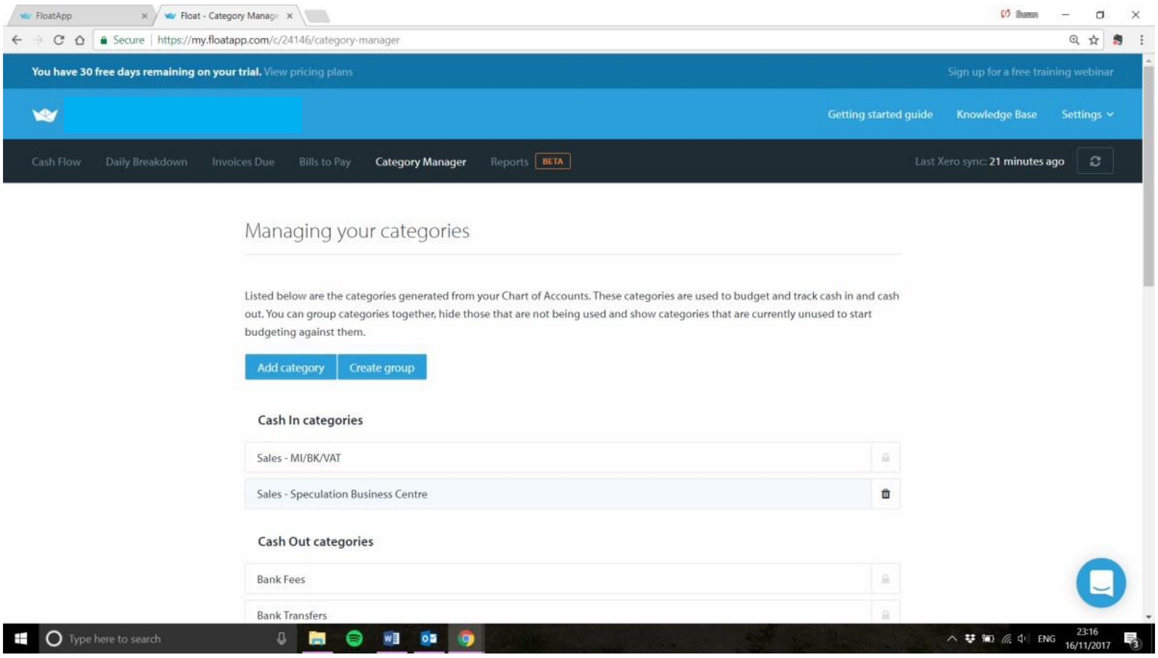
If an invoice is entered in Xero, or any other financial data, you can then click on the reload option and Float will synchronise with Xero and invoices will appear here and be taken into account in your cash flow. Float re-syncs with your accounting software every 24 hours automatically as well. It's very important to enter accurate expected payment dates on all bills and invoices so that your cash flow forecast is accurate.

Bills to Pay



The bills to pay section shows all of the bills entered in Xero and will refresh each day in the same way as the sales invoices. The expected payment date can be changed here which has an impact on the daily breakdown in's and out's. Also the projection line will be more accurate if the dates reflect when the payments will go in or out of the bank.

Category Manager



The category manager allows you to include or exclude certain categories. These are pulled directly from your chart of accounts in Xero.

I found it useful to be able to group the categories in Float into Sales; Direct Costs and Overheads – this means that it is possible to view only 3 lines as an overview instead of each individual line.

Reports

The reports section is still in Beta testing mode and still does need some development. It allows you to Export the Chart as a pdf for the projection line and the budget bar chart which I did not find too helpful.

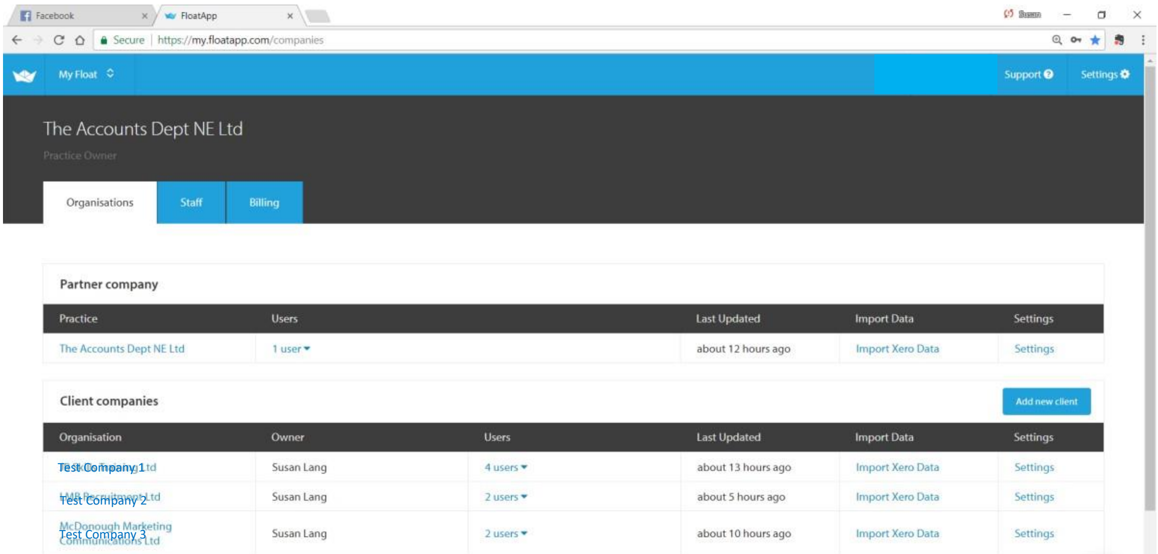
I found that the easiest way to produce a report on the cash flow is on the main cash flow screen using the download icon. This gives you the option of a .csv file or a .pdf report which is very useful.

Scenarios

From the main screen there is an option to enter different scenarios into your cash flow. For example, taking on a new employee or investment in a new website for the business. The scenario line is then plotted in a different colour alongside your base cash flow. This gives an excellent indication of what will happen to your cash flow in these different scenarios. Perfect for a small business with growth in mind.

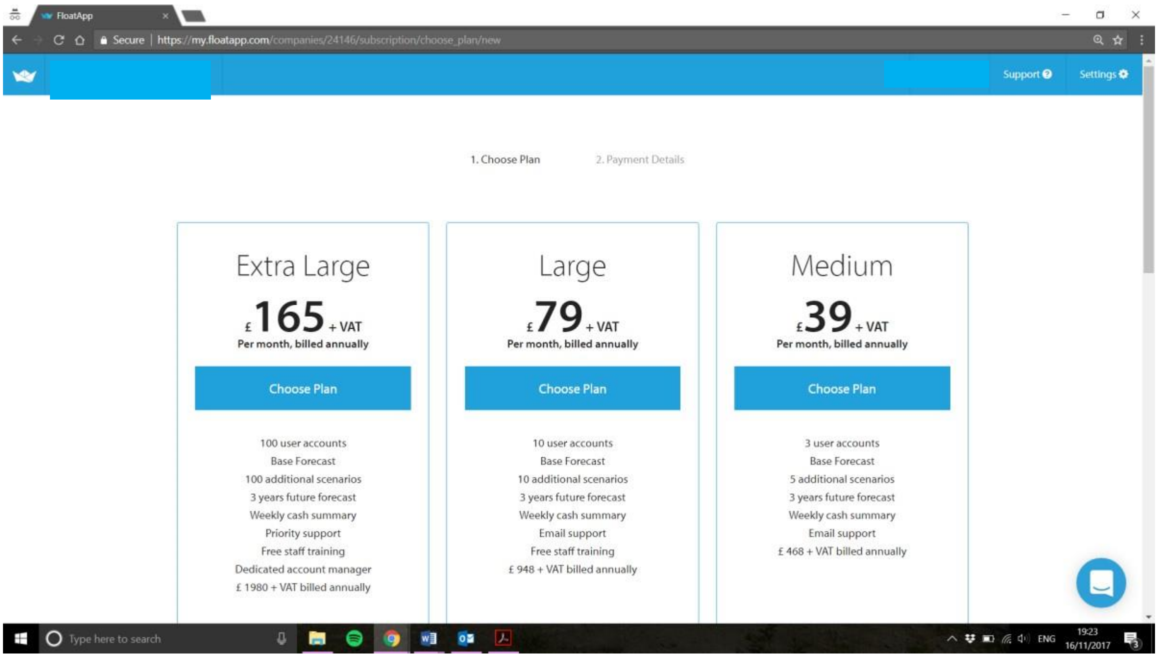
Partner Edition

Using the Partner Edition of the Software gives you a Practice Overview; once logged into your practice area it links to all of your clients and access to your own free cash flow too. Once you click into the required company the screens are the same as the demonstration above.

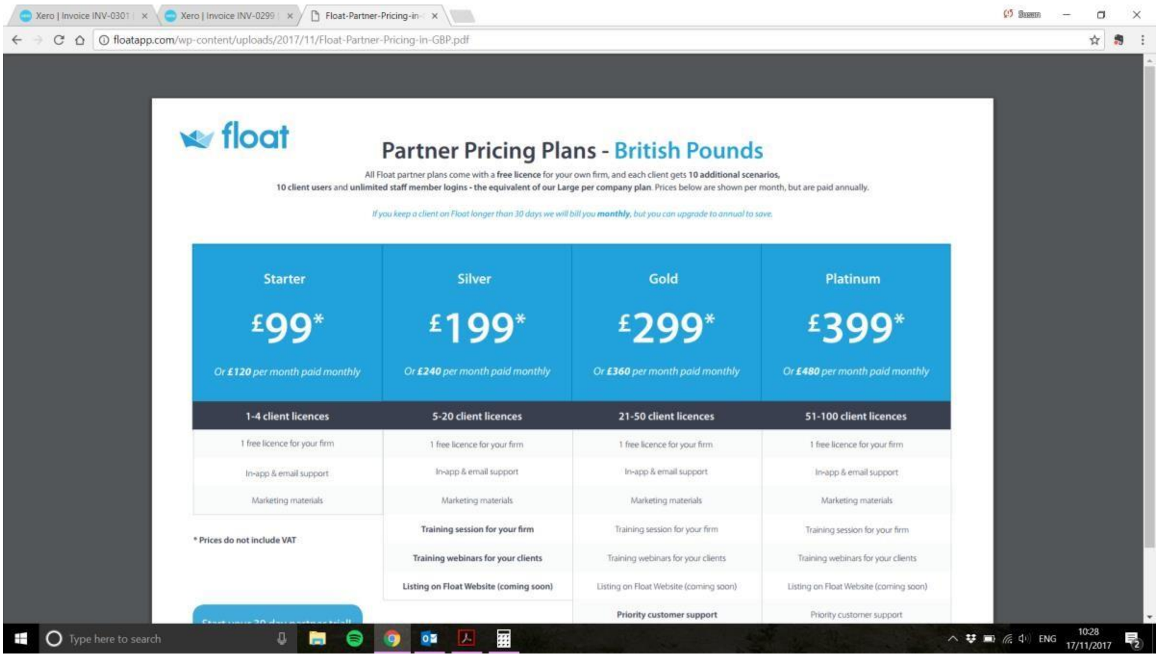


Pricing Structure

Standard Plans



Partner Plans



The Partner program gives the Practice their own licence of the software for free so you can get 4 clients on the starter plan, plus your own licence for £120 per month (excluding VAT).

Key Benefits & Strengths

- Cloud based, allowing access anywhere, anytime using any computer connected to the internet
- Automatic daily refresh with cloud accounting software every 24 hours.
- Time saving – taking away the need for manual data entry
- Error free – always accurate and up to date direct from cloud accounts software, so not as prone to human error.
- Comprehensive support from knowledgeable support team
- Free Webinars
- Free Tutorials and Online one-to-one sessions available with the support team

Weaknesses

I have been so impressed by the software that I am finding it difficult to highlight any negatives with the software so there are only a few.

- Some clients may think that it is a little bit expensive
- If your Cloud accounts software is not reconciled up to date then your cashflow will reflect this.
- Reports functions could provide more tailored reporting option.

Summary of Review

As mentioned above I have been very impressed with this software. Having read a lot of online reviews and social media posts in relation to it I am not the only one. The overall opinion is that the software takes the user away from clunky spreadsheets which users are taking a lot of time to keep up to date, and delivers them an always up to date cash flow using live data from your online accounting software.

This said, it does mean that your accounts software need to be up to date and the banks reconciled. The benefits of having up to date cash flow in line with your actual bank balance massively outweigh the need to reconcile off the bank transactions in Xero; and if you're not spending the time updating spreadsheets then you'll have more time to look at realistic cash flow projections instead.

It is an easy to use system and very straightforward to setup and use. It allows the business owner to stay in control of their cash flow without the need for spreadsheets that are prone to user error.

The assistance from the support team has been excellent throughout running the trial. They offer email support, webinars, online one to ones and ongoing free training so if you encounter an unusual situation a few months down the line they are still there to back you up and talk you through any training requirements as and when required.

I will certainly be continuing to use the software and can see the benefits it will offer to my business; no going back to spreadsheets now!

Disclaimer