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An Investigation into the Field of Cloud Accounting

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Abstract: *The accounting sector is at the forefront of the widespread adoption of cloud computing. "the cloud" means remote servers and computing resources that may be accessed online. It is critical to keep abreast of new technology developments. Your company might reach new heights thanks to the competitive edge of this innovative technology. Scalability, remote access, low maintenance, and cost reduction are all features it offers. Everything you need to automate, streamline, and improve the efficiency of your company is right here. We must participate in cloud accounting as it is the wave of the future. The article delves into the conceptual notion and examination of cloud accounting*

Keywords: Accounting, Technology, IOT, Cloud, Software, Services

I. INTRODUCTION

Think about when you use internet banking. Every time you access your bank data, you're using the cloud. The cloud makes data and software accessible online anytime, anywhere, from any device. The hard drive on your computer or laptop is no longer the central hub. In the case of cloud accounting, you keep your business books online. That includes records of income and expenses, and assets and liabilities. The information is encrypted, much like a bank's, so only people with the login can view the data. Businesses started using cloud accounting software – also known as online accounting software – in the early 2000s. Most systems come with tools for quoting, invoicing, managing bills and more. Learn more about what cloud accounting software can do. Users subscribe to an online accounting software solution and move their books to the cloud. From then on, they can access their accounts from any web browser, or from an app on their phone. Most users connect the software to their business bank account, so that banking transactions flow automatically from the bank to the books. This saves them from a lot of data entry.

Over time, accounting software has revolutionized from supporting basic accounting operations to performing real-time accounting and supporting financial processing and reporting. Cloud accounting software was first introduced in 2011, and it allowed the performance of all accounting functions through the internet.

II. ACCOUNTING

Accounting is the process of keeping track of all financial transactions within a business, such as any money coming in and money going out. It's not only important for businesses in terms of record keeping and general business management, but also for legal reasons and tax purposes.

Accounting is a means by which necessary financial information about business enterprise is communicated and is also called the language of business. Many users need financial information in order to make important decisions. These users can be divided into two broad categories: internal users and external users. An accounting system is a system that is employed in a company to organize financial information. It can be either manual or computerized. The main reason why you should be using an accounting system is to keep track of expenses, income, and other activities.

Accounting is important as it keeps a systematic record of the organization's financial information. Up-to-date records help users compare current financial information to historical data. With full, consistent, and accurate records, it enables users to assess the performance of a company over a period of time. The primary functions of an accounting system are to track, report, execute, and predict financial transactions. The basic function of financial accounting is to also prepare financial statements that help company leaders and investors to make informed business decisions.

Types of accounting

Broadly speaking, accounting refers to the process of gathering, analyzing, and reporting financial information. A company might use this data to gain internal insights into its financial health. It could also use this data for reporting to external parties—such as potential business investors, regulatory agencies, or tax collectors.

Each type of accounting has its own distinct purpose. A professional specializing in a given accounting field will use specific tools and techniques (such as accounting software) to achieve that niche's given goal. As a business owner, you can hire experts with distinct specialties to achieve your objectives.

Let's go over some common accounting types a business may need.

Financial accounting

Financial accounting involves capturing and summarizing a business's financial transactions and creating reports to provide a clear overview of those business transactions. Financial accountants also generate financial records that provide valuable information about a company's fiscal health, such as balance sheets, cash flow statements, and income statements. Financial accounting is focused on past performance, not the future.

The statements created by financial accountants are useful for internal purposes, providing businesses with a snapshot of a company's performance. Creditors and tax authorities like the Internal Revenue Service (IRS) may request such statements in audits. Finally, companies that are traded publicly must issue statements in line with the International Financial Reporting Standards (IFRS) that investors can access.

Since a company's financial statements can be used for official purposes, financial accounting experts must stick to strict guidelines as outlined by the Generally Accepted Accounting Principles (GAAP). These guidelines ensure consistent financial reporting across companies and are set by the Financial Accounting Standards Board (FASB).

Managerial accounting

The management accounting method is used by businesses to gain greater insights into a company's operations. Since managerial accounting is strictly focused on providing accounting information for internal use, it doesn't have to stick to the same strict GAAP guidelines as financial accounting. Instead, it focuses on things like financial analysis, budgeting, and cost analysis.

By analyzing past financials and forecasting future outcomes—for example, how much a company could cut expenditures by switching software providers—managerial accountants provide business owners with the data they need to make savvy business decisions. Generally, the emphasis is on strategic management, risk management, or performance management. Techniques commonly used by management accountants include margin analysis, capital budgeting, and constraint analysis. Trend analysis—which identifies patterns in business expenditures over time—is also useful. The primary goal of managerial accounting is to improve business outcomes by ramping up profits and minimizing losses.

Cost accounting

Cost accounting is considered a subcategory of management accounting, focusing specifically on a company's cost of doing business. This is used explicitly for internal purposes, helping determine how to reduce costs and increase profit margins. Companies may hire cost accountants to determine how to streamline overall operations.

Cost accounting is particularly useful in manufacturing environments. It takes into account various expenditures, including fixed costs and variable costs, including from sources like commercial rent, materials costs, and labour expenses. The aim is to ensure the cost needed to produce a good (the cost per unit) is reasonable. If not, business owners can strategize on how to lower costs.

There are different types of cost accounting methods, each with its own focal point. For example, activity-based cost accounting considers all activity needed to produce a company's goods or services, while lean accounting focuses on eliminating waste.

Meanwhile, standard cost accounting compares the actual cost of producing goods to the total costs theoretically needed to produce those goods, and marginal cost accounting calculates fluctuations in the cost of production.

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Tax accounting

Tax accounting ensures a business, non-profit, or individual abides by applicable tax laws and regulations. In the U.S., tax accountants operate according to guidelines set forth by the Internal Revenue Code (IRC), which helps ensure a level playing field across all taxpayers in the country.

When working with a business, a tax accountant's primary goal is to ensure the entity accurately calculates and reports its tax liabilities. Proper tax preparation can help a company avoid errors on their tax paperwork that can result in getting an audit from the IRS—a time-consuming and potentially costly process that small businesses want to avoid. A tax accountant has in-depth knowledge of applicable tax laws, which vary at the state and federal levels, and can help business owners navigate these complex guidelines. A tax accountant can also support future tax planning, finding ways to avoid unnecessary tax burdens.

For example, if a business owner doesn't claim all possible expenses, they're paying more taxes than needed. Claiming additional deductions can lower the company's overall profits, resulting in a lower tax bill.

Auditing

Auditing is a type of accounting that provides an independent analysis of a business's financial activity. By objectively tracking and reporting all activities, auditing ensures the company abides by relevant regulations and best practices. Auditors are never directly involved in the organization that they audit. After reviewing financial records, they create an in-depth audit report detailing their findings.

An audit can be external or internal. Internal auditors aim to determine how effective a business's current accounting processes are. This can help a company improve financial planning by identifying potential wasted resources, mitigate the risk of fraud, and avoid mismanagement. External auditing involves reviewing a company's formal financial statements, ensuring they're prepared in line with GAAP.

The IRS also conducts audits to ensure a company's accounting records comply with tax laws. Proactively initiating an audit can help a company avoid an IRS audit in some cases. For example, investigative internal auditing initiated by a company can reveal mismanagement on the part of executives, allowing the business to remedy the situation and avoid criminal penalties.

Forensic accounting

Forensic accounting investigates discrepancies and fraudulent activities. It uses a blend of auditing, accounting, and investigative skills to analyze and interpret business data. Forensic accountants are often used in legal disputes to detect and provide evidence of fraudulent activities. Accounting firms, law firms, banks, government agencies, and insurance companies rely heavily on their services.

One of the primary roles of a forensic accountant is to act as an expert witness in court cases. They use their expertise to dissect complex financial data and present it in a way that judges, juries, and attorneys can understand. They can assist in various types of cases, including embezzlement, money laundering, and other financial irregularities. Their ability to unravel complicated financial transactions makes them invaluable in these situations.

The skills and tools used by forensic accountants also play a key role in cybercrime detection and prevention. Forensic accountants can help trace the source of cybercrimes, such as identity theft and online fraud, and provide evidence for prosecution.

Governmental accounting

Governmental accounting focuses on the financial operations of government entities. The primary purpose is to ensure transparency and accountability in the handling of public funds. Governmental accountants meticulously track revenues and expenditures. They adhere strictly to budgets and produce detailed records that accurately reflect the public entities' financial health. Other fields of accounting use GAAP or IFRS, but governmental accounting operates under a unique set of standards set by the Government Accounting Standards Board (GASB). These standards address government entities' unique needs and responsibilities with a strong emphasis on public accountability.

One of the key differences between GAS and GAAP or IFRS is the purpose of the financial records produced and how that affects their creation. Governments need documents that show accuracy, reliability, and compliance. Businesses

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use GAAP and IFRS to produce financial records necessary for decision-making. Also, while GAAP and IFRS use the accrual basis for accounting, GAS uses a modified version of accrual accounting.

Governmental accountants serve various local, state, and federal government entities. Their work is crucial in ensuring these entities operate within their budgets, responsibly manage public funds, and comply with all relevant financial regulations. They play a vital role in maintaining trust in public institutions by promoting financial transparency and accountability.

International accounting

As businesses expand globally, they're confronted with different accounting standards and practices across countries. They must also account for exchange rate fluctuations and international tax issues.

One of the significant challenges is the difference in accounting standards across countries. For instance, the United States uses GAAP, while many other countries adopt the IFRS. Differing standards can create complexities when consolidating financial statements for multinational corporations.

International accountants play a crucial role in navigating these complexities. They consolidate financial statements from global subsidiaries, which involves converting foreign currencies and reconciling different accounting standards. These professionals also manage the impact of exchange rate fluctuations on the company's financial performance and position.

Additionally, they manage international tax issues, ensuring compliance with the tax laws of each country where the company operates. International accountants play a crucial role in cross-border transactions and mergers and acquisitions by providing insights into the financial health of potential partners or targets. They also ensure the financial aspects of these deals align with relevant accounting standards and regulations.

Accounting Software

Accounting software manages and records the day-to-day financial transactions of an organization, including fixed asset management, expense management, revenue management, accounts receivable, accounts payable, subledger accounting, and reporting and analytics.

IoT and Accounting

The internet of things (IoT) and accounting both help us manage a business from a distance. Using these tools we do not have to be physically present to sense the flow of products through a factory or understand their costs. Combining the IoT with accounting has the potential to provide a powerful means of making organisations more effective. In theory we can improve the management of people, assets and risks, we can better forecast future performance and we can make better decisions. It could be argued the IoT provides the opportunity for a breakthrough in management accounting. However, there are significant concerns about the ethical use of data produced by the IoT and IoT security. Malicious actors can damage vital infrastructure – what can be managed from a distance can be attacked from a distance. We urge accountants to embrace the opportunities provided by the IoT while working to address the issues.

Accounting and Traditional accounting software

There are several key distinctions between cloud accounting and traditional, on-site accounting. For one, cloud accounting is more flexible. Accounting data can be accessed from anywhere on any device with an Internet connection, rather than on a few select on-premises computers. Secondly, unlike traditional accounting software, cloud accounting software updates financial information automatically and provides financial reporting in real-time. This means account balances are always accurate, and fewer errors take place due to manual data entry. They are also better able to handle multi-currency and multi-company transactions more efficiently. In the on-premises world, every time a firm grows, they encounter greater software license and maintenance costs as well as new licenses and fees for database, systems management and other software. The firm might also have to make expensive capital purchases of new hardware, such as servers. With cloud solutions, businesses don't get stuck with permanent, expensive equipment and licenses when your business contracts are up and, likewise, there are no big spikes in costs when it expands a little.

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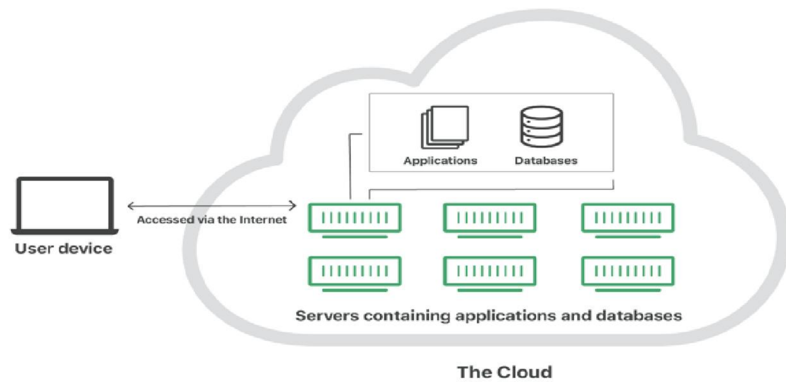
Also, cloud accounting requires far less maintenance than its traditional counterpart. The cloud provider completes the backups, updates occur automatically and nothing needs to be downloaded or installed on a company computer.

III. CLOUD COMPUTING

"The cloud" refers to servers that are accessed over the Internet, and the software and databases that run on those servers. Cloud servers are located in data centers all over the world. By using cloud computing, users and companies do not have to manage physical servers themselves or run software applications on their own machines.

Figure: 01



The cloud enables users to access the same files and applications from almost any device, because the computing and storage takes place on servers in a data center, instead of locally on the user device. This is why a user can log in to their Instagram account on a new phone after their old phone breaks and still find their old account in place, with all their photos, videos, and conversation history. It works the same way with cloud email providers like Gmail or Microsoft Office 365, and with cloud storage providers like Dropbox or Google Drive.

For businesses, switching to cloud computing removes some IT costs and overhead: for instance, they no longer need to update and maintain their own servers, as the cloud vendor they are using will do that. This especially makes an impact for small businesses that may not have been able to afford their own internal infrastructure but can outsource their infrastructure needs affordably via the cloud. The cloud can also make it easier for companies to operate internationally, because employees and customers can access the same files and applications from any location.

Cloud computing work

Cloud computing is possible because of a technology called virtualization. Virtualization allows for the creation of a simulated, digital-only "virtual" computer that behaves as if it were a physical computer with its own hardware. The technical term for such a computer is virtual machine. When properly implemented, virtual machines on the same host machine are sandboxed from one another, so they do not interact with each other at all, and the files and applications from one virtual machine are not visible to the other virtual machines even though they are on the same physical machine.

Virtual machines also make more efficient use of the hardware hosting them. By running many virtual machines at once, one server can run many virtual "servers," and a data center becomes like a whole host of data centers, able to serve many organizations. Thus, cloud providers can offer the use of their servers to far more customers at once than they would be able to otherwise, and they can do so at a low cost.

Even if individual servers go down, cloud servers in general should be always online and always available. Cloud vendors generally back up their services on multiple machines and across multiple regions. Users access cloud services either through a browser or through an app, connecting to the cloud over the Internet — that is, through many interconnected networks — regardless of what device they are using.

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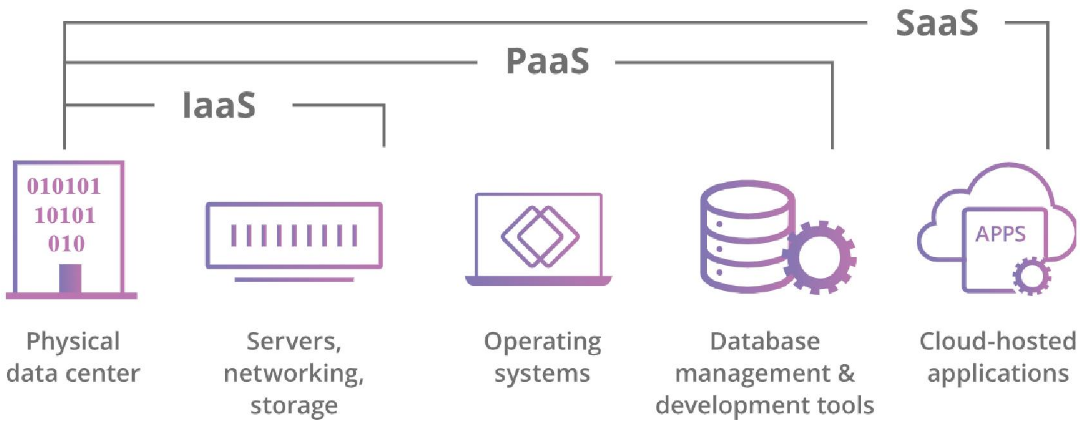
Cloud Services

The resources available in the cloud are known as "services," since they are actively managed by a cloud provider. Cloud services include infrastructure, applications, development tools, and data storage, among other products. These services are sorted into several different categories, or *service models*.

Service Models of Cloud Computing

Figure: 02



Cloud based accounting tools

In the 1960s J.C.R. Licklider wanted to connect people and share data anytime from anywhere, hence he invented Cloud Computing. Cloud accounting (or online accounting) has all the same functionality as desktop accounting, but moves the whole process to the cloud and expands upon it. There's no desktop application – you log in to an always-up-to-date online solution and all data is safely stored on a cloud server.

IV. PROS AND CONS OF CLOUD ACCOUNTING

The Cloud is ever-looming overhead and getting larger as time goes on. More and more businesses are turning to Cloud software and solutions. This means that the software you, your team, or your outsourced partners use isn't hosted on any one physical computer that you have in the office, but rather on servers in an entirely different location. This means that you can access that software across the internet and data is sent back and forth from those servers, which are known as "the Cloud."

The Cloud is transforming how we do business, regardless of how large or small the business is. One of the ways it's doing that is through Cloud accounting with the help of tools like Xero bookkeeping. But before you jump into the Cloud feet first, let's make sure it's a wise decision by looking at some of the pros and cons.

Pros: It's efficient, simple, and convenient

With Cloud accounting tools like Xero accounting, you don't have to wait on lengthy install and setup periods to start with your bookkeeping processes. They are hosted entirely online, so all you need to do is register, input a few quick details, log in and start making use of them. You don't have to go about installing it anew on every new system, so it's much easier for all members of your team to start making use of it. You can focus less on the logistics and more on learning how to most effectively use the software.

Cons: A lack of specialised tools

The most popular Cloud accounting tools, like Xero accounting, provide all the functionality that most small businesses could want for. However, for more specialised businesses like construction, they may not have all the features that you need. There is a growing diversity within the Cloud accounting market, however, so it's worth doing your research and seeing what's out there. It's only reasonable to expect that more specialised options will become available as the market continues to grow, too.

Pros: Improved security

The idea of someone gaining unauthorised access to your accounts is enough to make most business owners scream in terror. If all the accounting data is sitting there on one device, ready to be lifted at any point, it can put your business at serious risk. Few businesses make it more than two years after a major data breach, after all. However, top-of-the-line tools like Xero bookkeeping ensure enhanced security for all their services. Security features like access control, user authentication, strong data encryption, and network protection means that their systems are much harder to crack. The data centres/servers are stored in secured, remote locations, as well, so your chances of suffering a breach are much reduced.

Cons: Demands strong security practices from your team

Yes, Cloud accounting is much safer, but that's only true if you put the practices in place that ensure you and your team aren't leaving your systems vulnerable. Every business and employee have some responsibility to ensure they are doing their part in keeping that crucial data secure. This might include teaching practices such as a password safety and not leaving workstations logged in and unattended. Those in more senior, administrative roles are wise to make use of the access control features, to ensure that every individual employee or team only has access to the parts of the Cloud accounting system that is directly relevant to them. It requires a little effort to protect but it is worth it.

Pros: You don't have to pay for installation, maintenance, and upgrades

The lack of a lengthy installation and setup process doesn't only save you time. It might also save you money. Most Cloud accounting tools run on a software-as-service model, meaning you're paying a subscription over time to make use of them. On the contrary, with software that is built or installed onto your systems, you may be constantly forking out cash to ensure they're in good working order. Business owners who have their own software on their own systems have to not only pay for the initial product but the ongoing maintenance and upgrades that they need. With Cloud accounting, the software development is handled entirely in-house by the provided and, so, they eat the costs, as well. All you have to pay for is access to the software.

Cons: It's an ongoing cost

While it may be cheaper to use Cloud accounting, it's still a constant, ongoing cost that has to become part of your regular overheads. Many Cloud accounting providers offer some flexibility in how and when you pay, but all of them require regular payments. For some packages, this might mean that Cloud accounting is more expensive in the long-term, so you have to make sure that you choose your service carefully and know the costs before you dive in.

Pros: Makes it much easier to move to a paperless system

Since Cloud accounting is handled entirely digitally, that means that it's much easier to stop relying on a paper trail as long as your arm. Not only can you save on the costs of paper, but the costs of stocking and maintaining printing machines, and both the money and space spent on storing all your accounts physically. The Cloud allows you to save reports and documents on your own computer, while the remote data centres/servers act as a backup, so you don't necessarily need a physical copy. Of course, most businesses will always rely on some level of paper storage, but Cloud accounting can at least help you reduce it.

Cons: Online only

You need an internet connection to access the Cloud. While this offers some benefits, as we have explored and will dive deeper into in the next point, it is also a potential weakness. If your internet cuts out at the office, traditional accounting software allows you to keep working with it. With Cloud accounting, however, you will be unable to use the tool effectively. This problem can be mitigated by the fact that you can always simply move somewhere that provides a different internet connection, but if that isn't readily accessible, it can mean significant potential downtime. The fact you have to use it online means that Cloud accounting can also be quite bandwidth hungry, so you need to make sure that your current internet connection can handle it without issue.

Pros: You can use it from anywhere

Tying back into the accessibility and convenience, the simple fact that you can use Cloud accounting tools like Xero bookkeeping from anyone is one of its greatest benefits. You can be on any device, on the phone, laptop, PC or tablet. You can be in your office, your home, in a café, or even away on vacation and it's accessible so long as you have the right login credentials. It's perfect for the business that's always on the move or is looking to rely on remote workers. Multiple teams from across the country can collaborate together on the same account with no issue.

VI. BENEFITS OF CLOUD ACCOUNTING

Cloud technology has many benefits, especially when you consider managing accounts from the perspective of business expenses.

Some of the crucial benefits have been discussed below-

Time-saving

With cloud accounting, manual and repeatable tasks are automated, which saves a lot of time. The latest accounting techniques permit the transmission of financial data easily. As they are free of human intervention, chances of error are also reduced. Accountants can easily analyse financial data and gain valuable insights, which otherwise would take a lot of time and effort.

Flexibility

Cloud accounting allows persons to access their data anytime and from anywhere. This permits real-time analysis and helps in making informed decisions whenever it is required to be made.

Data security

One may be reluctant to store sensitive information in the cloud. This is because the breach of data can be catastrophic in financial terms and it would also lead to lawsuits etc.

However, many need to learn that cloud accounting increases security for most businesses. Cloud providers ensure multiple security levels that only authorized persons can access your data. The data is also backed up automatically.

Automation

With the physical process, getting an accurate and updated view of the business can take time and effort. Moreover, it can cause errors or issues that may go unnoticed. Cloud accounting eliminates this issue by providing a real-time view of the business through the automated process. It also improves efficiency by automation, and various tasks can be efficiently performed. Automation saves time and enhances productivity, which can be an added advantage in the future.

Centralize Tasks

With cloud-based accounting, it can serve as the one-stop provider for all your accounting requirements. The automated process allows helping you to centralize and consolidate the accounting processes on a single, comprehensive platform. Thus, you can concentrate your tasks with cloud-based accounting.

Maintain relationships

It is necessary to have a good relationship with vendors, distributors, etc. With the help of cloud accounting, you can locate invoices and bills quickly. Also, you can identify in case any payments were missed. This form technique allows business owners to collaborate with accountants to ensure that the financial information is up to date. This will ensure that the filing of tax-related compliance is completed seamlessly and efficiently.

Accuracy and back-up

Human error in accounting can cause losses at times. However, with the help of cloud accounting, such errors are mitigated, and the accuracy is improved drastically. Issues such as repetitions, duplication, and incorrect data entries can be identified easily and are resolved instantly.

Further, the data processed is backed up to an external server. In case of any security attack, the data can be recovered since it is backed up.

Cloud Accounting Software

The history of accounting is a long one that began with simple receipts and ledgers. It has evolved from more complicated systems like double-entry bookkeeping to what we use today – cloud accounting software. Until recently, accountants and finance professionals were historians of sorts, sifting through historical data to come up with a picture

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of where you've been. In other words, it wasn't until after you recorded your sales that you could go back through them (reconcile) and prepare an accurate balance sheet for your company's owners or shareholders. Modern cloud-based accounting software includes tools that let you view performance in real-time, but also allows for forecasting and future modelling to aid in decision-making!

Develop Cloud Accounting Software

Cloud computing is a relatively new technology, but software programs have been around since the 1960s. The first program to automate accounting functions was written in 1965 at IBM's Research Laboratory. This program ran on an IBM System/360 computer exclusively for internal use by IBM employees; it was not available to customers or made publicly available until 1978 when it was marketed as a "stand-alone" product under the name Commercial Financial Statement Preparation System (CFSPS). In 1979, Cleveland State University programmers released their first version of what would become Peachtree Accounting, which they sold through mail orders later that year. Within a few years, sales were taking off, and in 1987 they founded Peachtree Software Inc., which was one of the world's largest providers of general ledger systems for decades. The company was purchased by ERP giants Sage in 1998.

In 1986, Intuit released its first TurboTax tax preparation software on floppy diskettes for DOS computers. This eventually became one of Intuit's most successful lines after Quickens personal finance software was introduced in 1990. In 1993 Microsoft launched Windows NT 4 with some basic accounting features built into Windows Explorer, such as "Money" which allowed users to track their bank accounts online at CompuServe — a feature that became defunct after AOL bought out CompuServe (AIM) in 1998 due mainly because AOL did not want competition from another internet service provider besides itself. By the mid-2000s, cloud computing was beginning to create buzz, but many didn't trust the availability/hardiness of the technology, nor the security of it. The rapid growth of not only front-end technology but also tech infrastructure, plus the blossoming of Web 2.0, all set the stage for the hyper-scaling of cloud-based accounting software. Cloud accounting software is the latest evolution of accounting software. While traditional desktop-based systems have been around since the 1960s, cloud accounting software has offered a much more efficient and secure way to do your accounting.

Let's take a look at how the rise of cloud accounting software has taken hold in recent years:

In 2010, there were only 6 million users of cloud-based applications. By 2017, there were 200 million users globally!

By 2022, over 90% of companies were using cloud platforms, with 60% of all corporate data stored in the cloud.

Cloud-Based Accounting

Accounting services and the cloud have become inseparable and profitable for most businesses. With the accounting systems hosted on the cloud, multiple companies have gained the ease of accessing their digitally hosted system anytime and from any place.

The data access is not just limited to the 'Read Only' versions but also gives you the benefit of sharing, editing, copying, and working on the files collaboratively. With this, you can also track:

- Expenses
- Sales
- Inventory

To explain more, we studied a report published by Sage "The Practice of Now," where 67% of accountants approved the introduction of cloud-based solutions that have streamlined and enhanced their work quality.

In another **"Accounting Today"** report, 58% of organizations recognized and accepted the benefits of shifting to the cloud and are using cloud-based accounting systems.

The Best Cloud Accounting Software of 2023

Freshbooks: Best for overall cloud accounting software

Xero: Best for multiple users

Intuit QuickBooks: Best for maximizing tax deductions

Sage Business Cloud Accounting: Best for freelancers and solopreneurs

Wave Accounting: Best for free accounting software

Kashoo: Best for easy setup

Neat: Best for business with a lot of expenses

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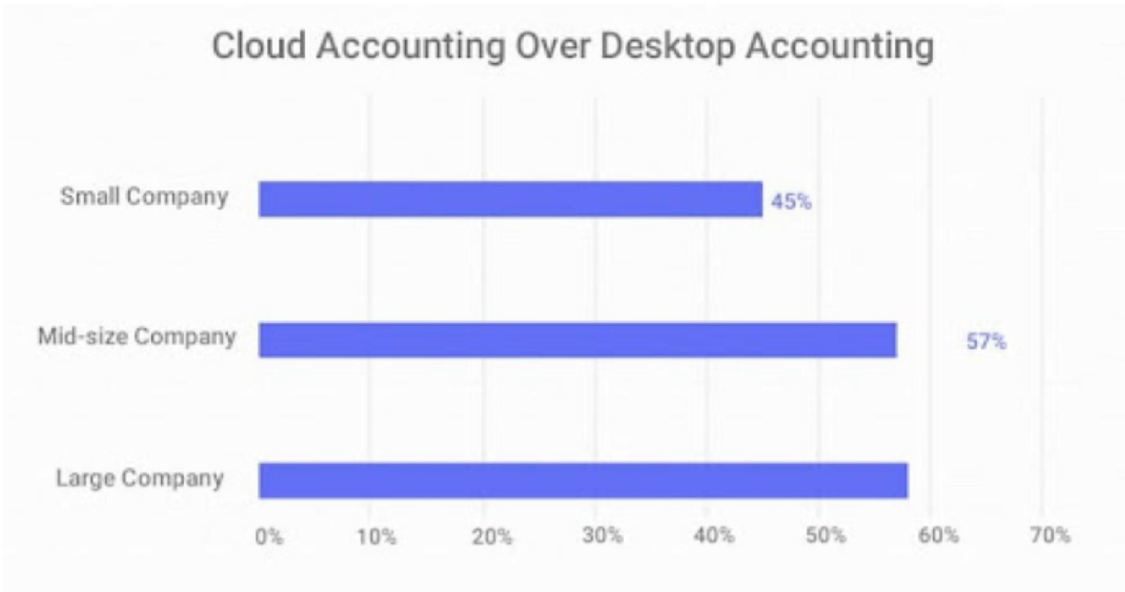
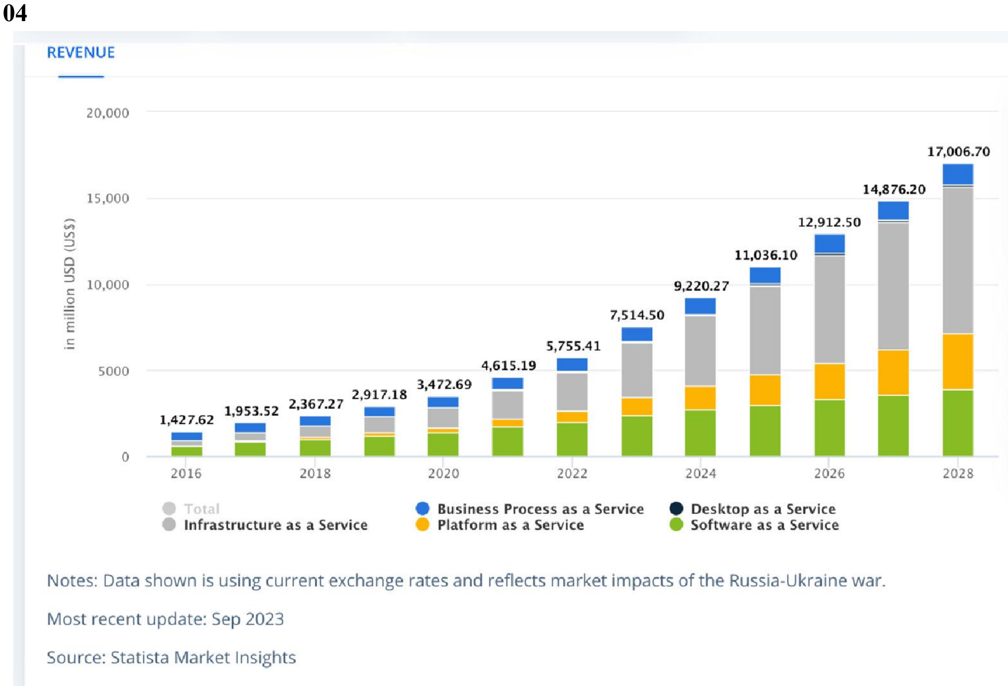
Figure : 03



Public Cloud – India
Revenue in the Public Cloud market is projected to reach US$7,514.00m in 2023.
Infrastructure as a Service dominates the market with a projected market volume of US$3,149.00m in 2023.
Revenue is expected to show an annual growth rate (CAGR 2023-2028) of 17.75%, resulting in a market volume of US$17,010.00m by 2028.
The average spend per employee in the Public Cloud market is projected to reach US$14.46 in 2023.
In global comparison, most revenue will be generated in the United States (US$291.70bn in 2023).

Figure : 04



Cloud-Based Accounting Software for India

Most of us have heard that **accounting apps** online are popular among solo entrepreneurs rather than enterprises. You have heard it right because today you will find various accounting apps online with basic features, most of which are new ventures. So the basic accounting features are good for solo entrepreneurs or startups but aren't suitable for enterprises. But it is also true that there are accounting software vendors who are capable of delivering accounting apps for enterprises. It includes advanced accounting features such as branch accounting, taxation, and complex inventory management such as job work and production. It also includes an order to cash and procure to pay life cycles. Large Enterprises need these robust accounting systems to efficiently run their businesses online. They also need a more scalable online accounting system if they are willing to shift their entire business process online.

HostBooks: SaaS Accounting Applications
RealBooks – Cloud Accounting Software
Reach – Accounting Software
QuickBooks – Accounting Online
ProfitBooks – Cloud Accounting
ZipBooks: Cloud-Based Accounting Software
AlignBooks – Online Accounting
Zoho Books – Online Accounting

Future Of Cloud Accounting And Financial Services

Earlier, the accountants used to charge as per their working hours. However, this trend has begun to change. Today, many bookkeepers and accountants have fixed their prices of services and are basing their charges on the value they offer. With the current trend leading towards outsourcing accounting tasks, the present system permits enough margins despite the low costs of delivering the services. Accountants still charge standard rates, although it may change. Clients today prefer convenience, and various accounting firms provide service packages that include accounting, advisory, and compliance under the exact charges.

Staying Competitive

Earlier, the accounting companies, sole trader bookkeepers, and accountants relied on local accountancy firms based on the nearness and recommendation from friends and families. However, with the advancement of technology and the wide reach of the internet, everyone has a chance to compete. The competitive landscape has forced people to come up with innovative ideas for staying competitive and relevant. As new technologies have emerged, many niche income opportunities have also developed. In order to stand out in the competitive business world, one must specialize in a niche service.

Blockchain and Hccountancy

Blockchain technology has become popular with digital currency, bitcoin, etc. Blockchain is a technique that records data through cryptos. Blockchain can enhance accountancy practices. However, it will happen with the creation of a new accounting model that can be updated and edited without the issue of it being corrupted. The modernization of blockchain technology will grab the eyeballs of financial professionals in the future. It will push the future of cloud accounting to the next level.

Replacement of Humans

Rapid technological strides pose the question of whether technology will replace humans altogether. Despite the level of automation and cloud accounting concepts, experts believe that professionals in the accounting industry will not be replaced. They believe that the advancement of technology cannot address the complex issues faced by accountants' clients.

Nearly 63% firms use cloud services for monetising data and insights

Indian companies are scaling up their investment in cloud computing, the on-demand delivery of information technology (IT) resources over the internet, as they seek to improve revenue and services. As many as 63 per cent companies use cloud services for monetising data and insights, according to a report by EY, the international consultancy, and business chamber Ficci. The report surveyed 700 firms in more than 20 sectors in seven Indian cities.

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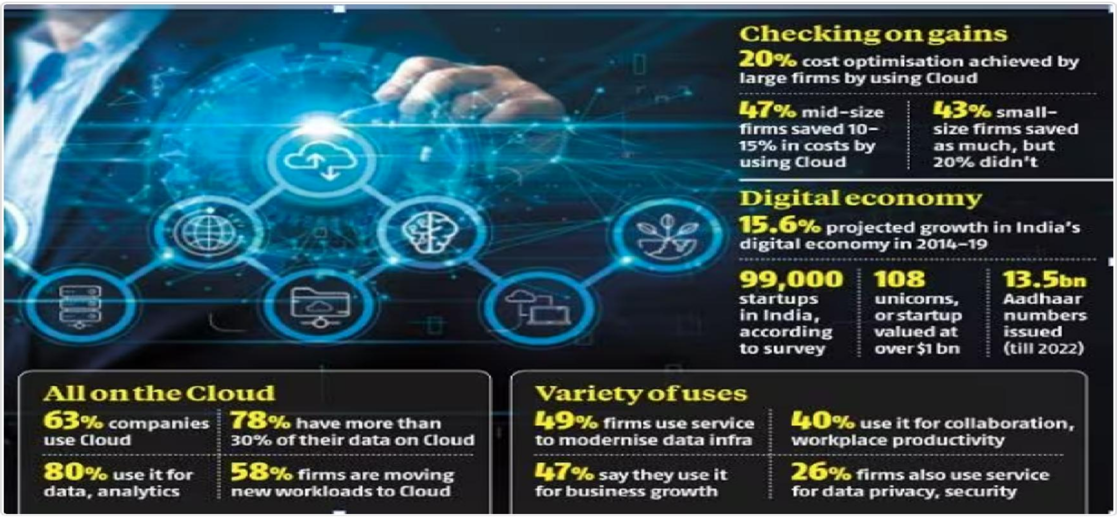

Decoding The Future Of Cloud Accounting Through Present Trends

More businesses in the future are expected to adopt cloud accounting to keep track of their vital financial records and perform transactions. However, there are many who are uncomfortable with storing data in the cloud. Thus, it leads us to whether the shift to cloud accounting will be sluggish or will be quick. As per the current trend, cloud accounting is here to stay. Many small businesses have already adopted cloud technology for at least some part of their functioning. With the rise in the internet and accessibility to technology, more companies are expected to adopt cloud technology.

The future of cloud accounting is very bright. This is because, today, business owners are allowed to work from their physical office location. With the increasing connectivity, they can afford to work from anywhere worldwide. Location is no more a barrier to them.

Also, businessmen and women who can access and update their data and information from anywhere enjoy a clear advantage over their competitors. Further, many people are already doing their banking online, and it seems obvious to have cloud accounting that can use real-time details from the financial accounts and input the data into the accounting documents. It will ensure increased accuracy in bookkeeping, and the business executives can also focus on other essential aspects of the business.

Future of Cloud Accounting And The Security Concerns

Going forward, cloud accounting must be made more secure than ever. This is because accountants and financial professionals are very cautious in security matters. They must be careful and competent in data and information security. Thus, companies dealing in cloud services should ensure a higher degree of protection to attract more people to it and keep it relevant in the future. The more security, the more businesses will be attracted to it. The concept of cloud accounting belongs to those businesses that want to stay caught up in the competitive market.

VII. CONCLUSION

The cloud can help your business grow, making you and your staff more productive by letting you be more mobile and organised. Cloud-based accounting, for instance, lets a worker send a customer a payment while they're on the go, maybe right after a service has been done. This lets you send out bills and get paid more quickly. As your business grows, cloud accounting with a full system tool like FreshBooks can help you streamline your business processes and make them more efficient. The future of cloud accounting will change how banking services are provided. It's already being used by a lot of businesses. Companies don't want to be behind their competitors, so this situation may keep getting better. Businesses, no matter how big or small, would want to use cloud accounting because it gives them more freedom, accuracy, and other benefits.

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