



K2's CPA Firm Update

Major Topics



- Trends in the profession, including supplier changes
- Software products by service lines
- Innovation and automation tools
- Specific technology stacks to improve productivity and profitability

Learning Objectives

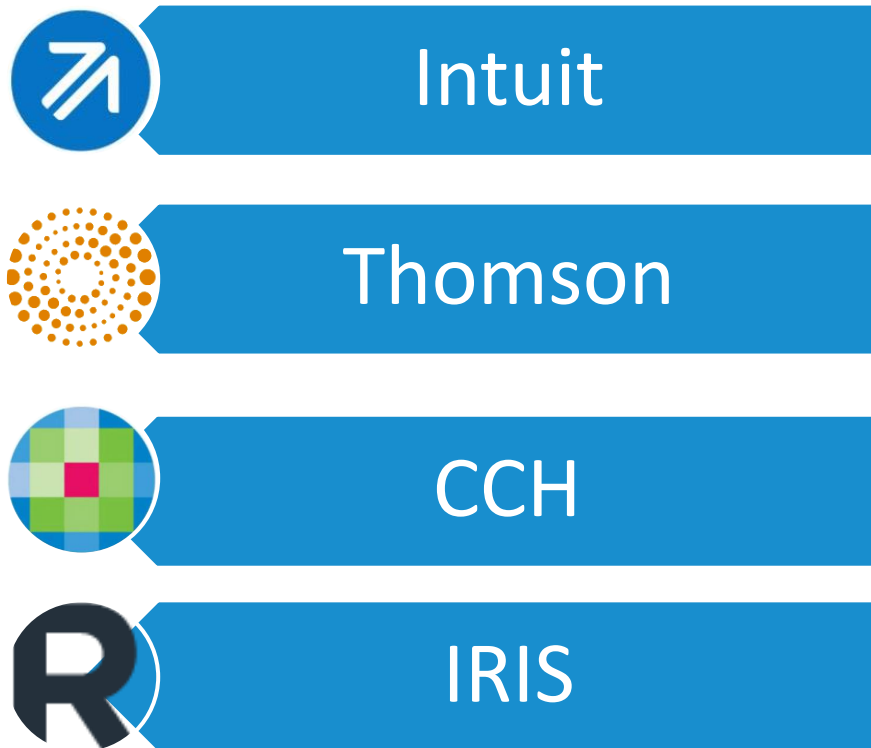


- List changes made by major suppliers to the profession
- Identify software for service line and niche solutions
- Define automation opportunities in accounting firms
- Differentiate tools from a technology stack that fits your firm best

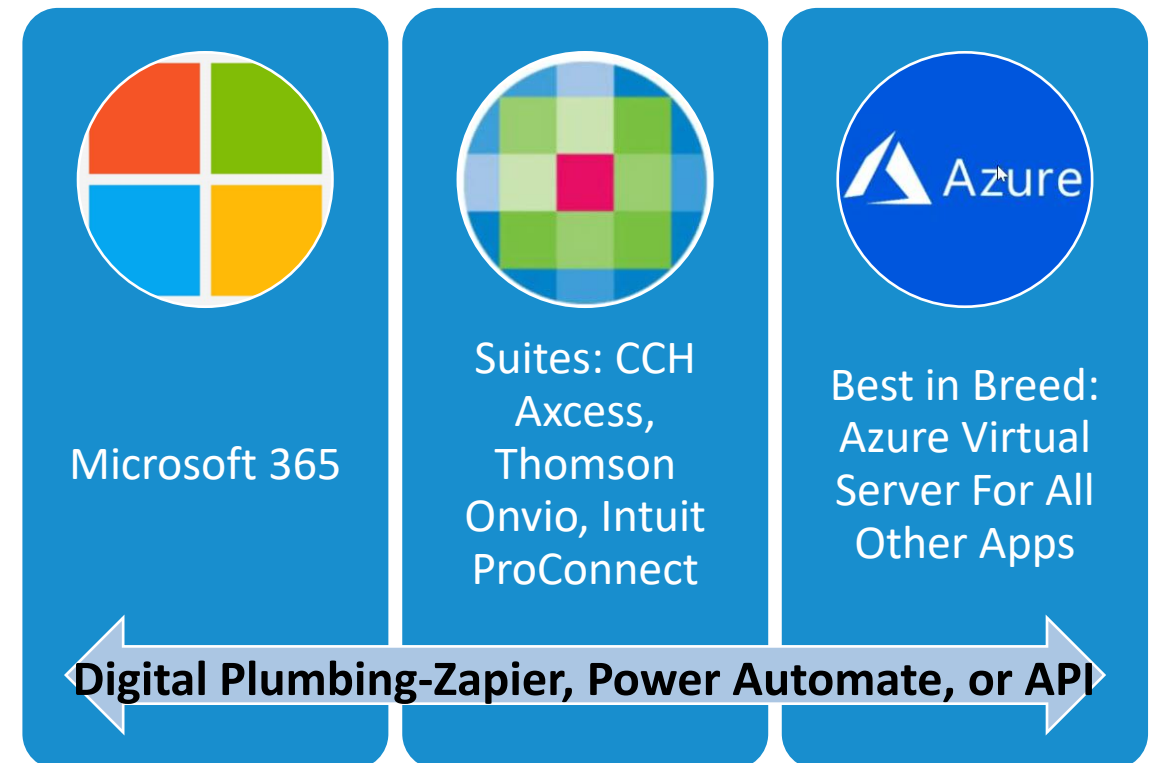
CPA Firm Road Map – Centralized Computing Or Cooperative Silos Of Apps?



Today



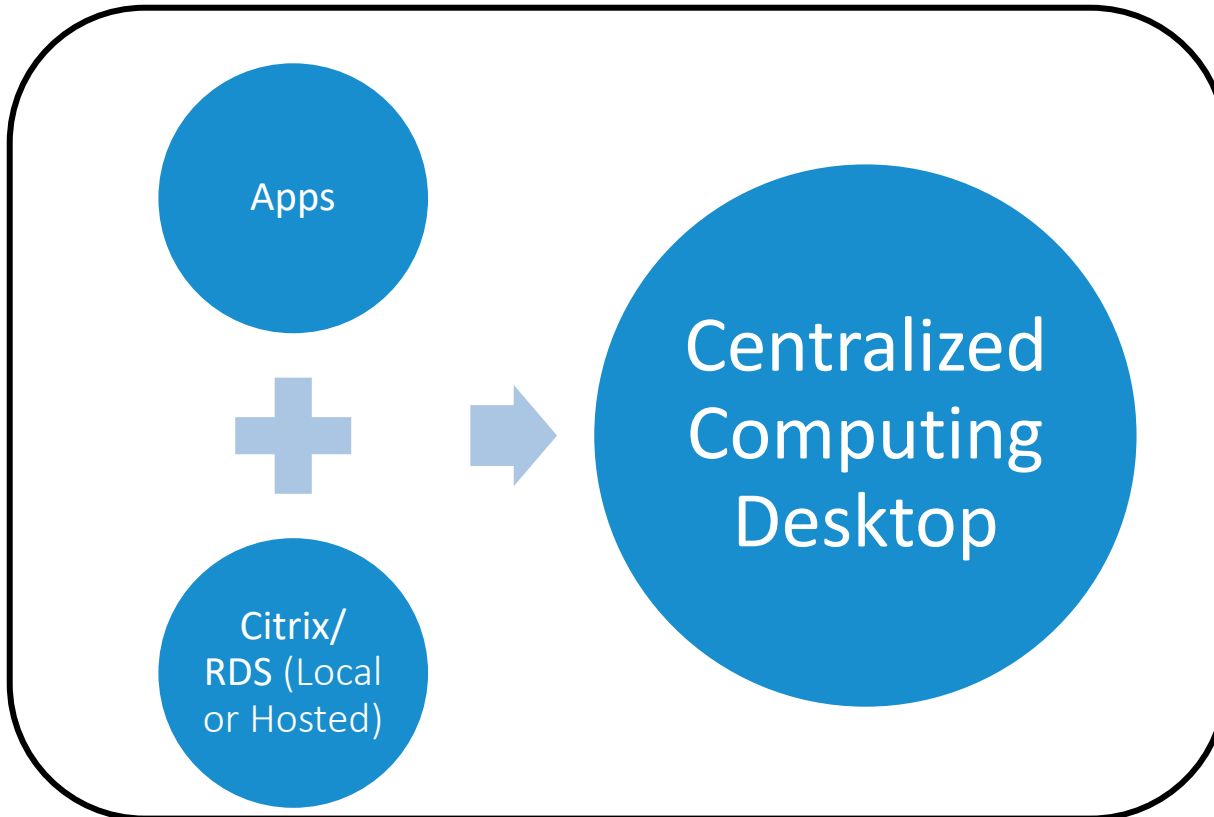
Near Future



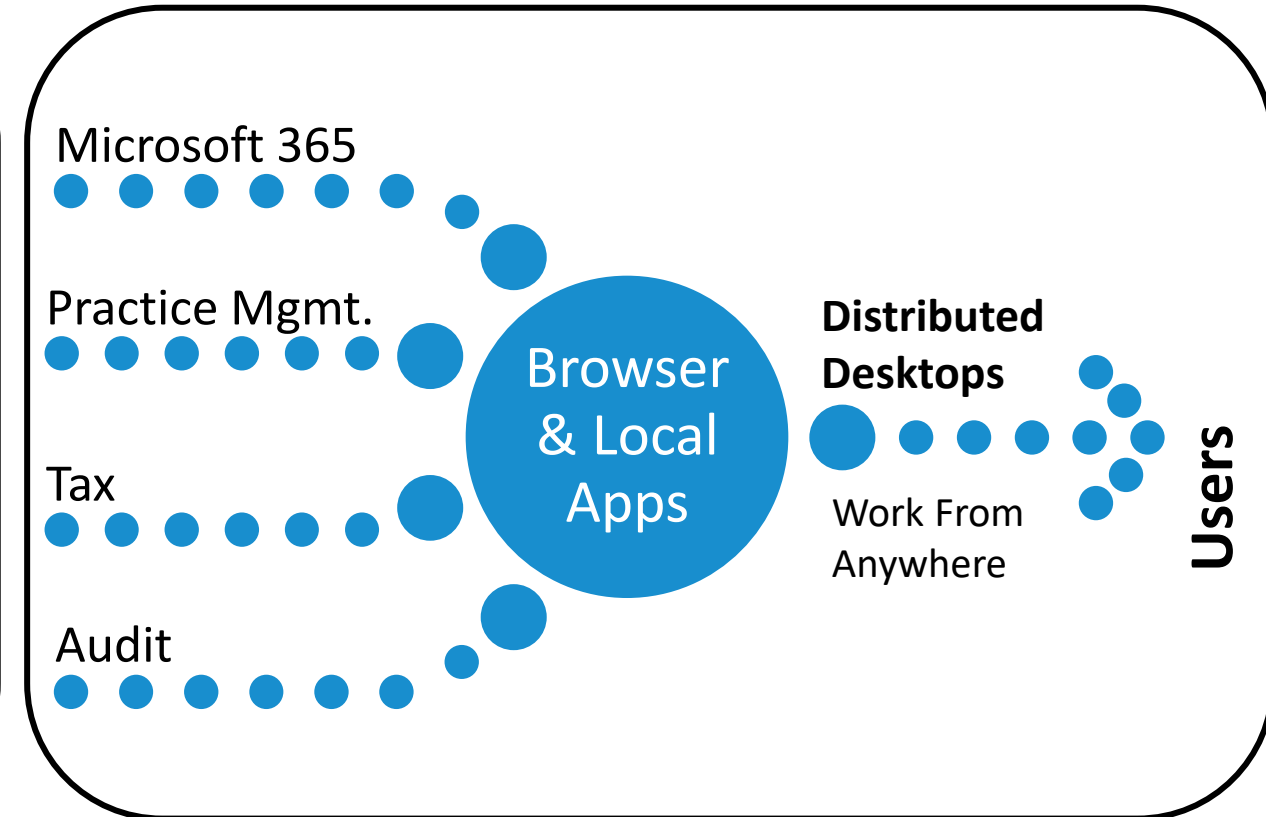
What Is The Architecture Of Your Road Map?



Current Architecture



Future Architecture



Consider Your Firm's Migration



Software

- Major providers (CCH Axcess, ONVIO)
- Other applications (QBO, Tax Tools)

Infrastructure

- Server Farm
- Azure, AWS, Google

Subscription Software, Security (Internal Control), Peer Review for Audit → Hybrid, Pure Hosting, Future Timing Unknown

Projects	2023	2024	2025	2026	2027
Wolters Kluwer	Exchange/Email	CCH Axcess Tax/ Document	CCH Axcess Workflow/PM	CCH Axcess Engagement	CCH Axcess Client Collaboration Portal
Intuit	Microsoft 365 Teams / SharePoint	New Document Management	ProConnect Tax	New Practice Management	New Audit Stack
Thomson Reuters	AdvanceFlow/ Checkpoint Engage	SSO/MFA/SSPR expiration to Azure	ONVIO Firm Management	ONVIO Accounting	ONVIO Tax

Perhaps A Simpler View, Consider Your Dates



2023	2024	2025	2026	2027
Where you are today, Project 1	Project 2	Project 3	Project 4	Where you want to be
Timing of replacement SANs, servers, your guess of replacement applications, security control, the retirement of legacy applications,				Future AD replica/ security / VDI legacy support of applications

Strategic Concerns



- Single Portals
 - Outsourcing (Talent)
 - Applicability of AI/ChatGPT
 - Security
 - Hosting Grid
 - Remote Endpoints
 - Recommendations by firm size
- Products
 - Hardware
 - Software
 - Companies
 - Private Equity investments in
 - Firms
 - Software companies

CPAFirmTech Software Solutions



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https://www.cpfirmtech.com/software-solutions/

You.com DuckDuckGo Zoho One K2 ASW CPA TP CPE Today NMGI RPJ RPJ CES K2 SP K2 ShareFile Calendly - Randy Jo... ChatGPT CW NMGI NMGI Citrix

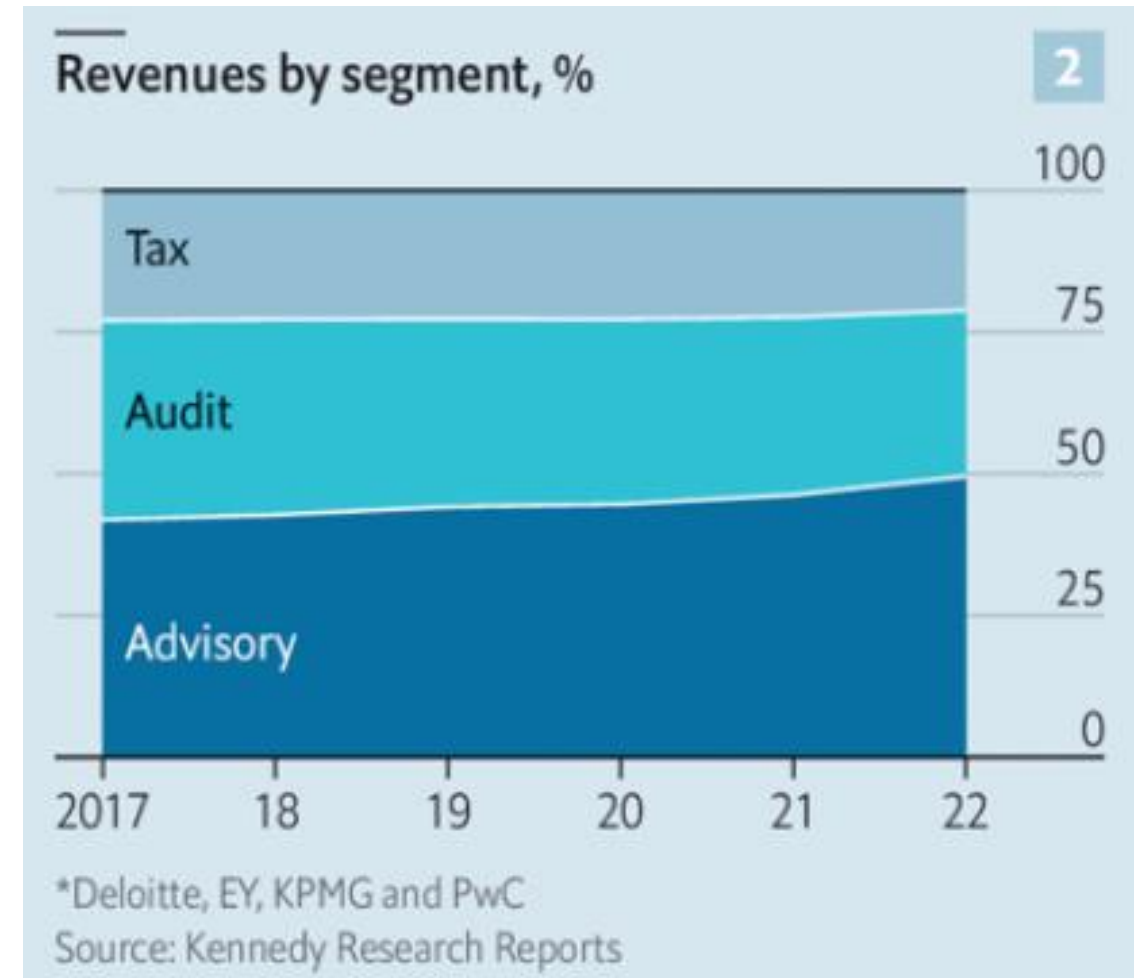
K2 Enterprises Software Reviews Software Solutions CPA Programs Cloud Computing Shop CPE Courses

Software Solutions

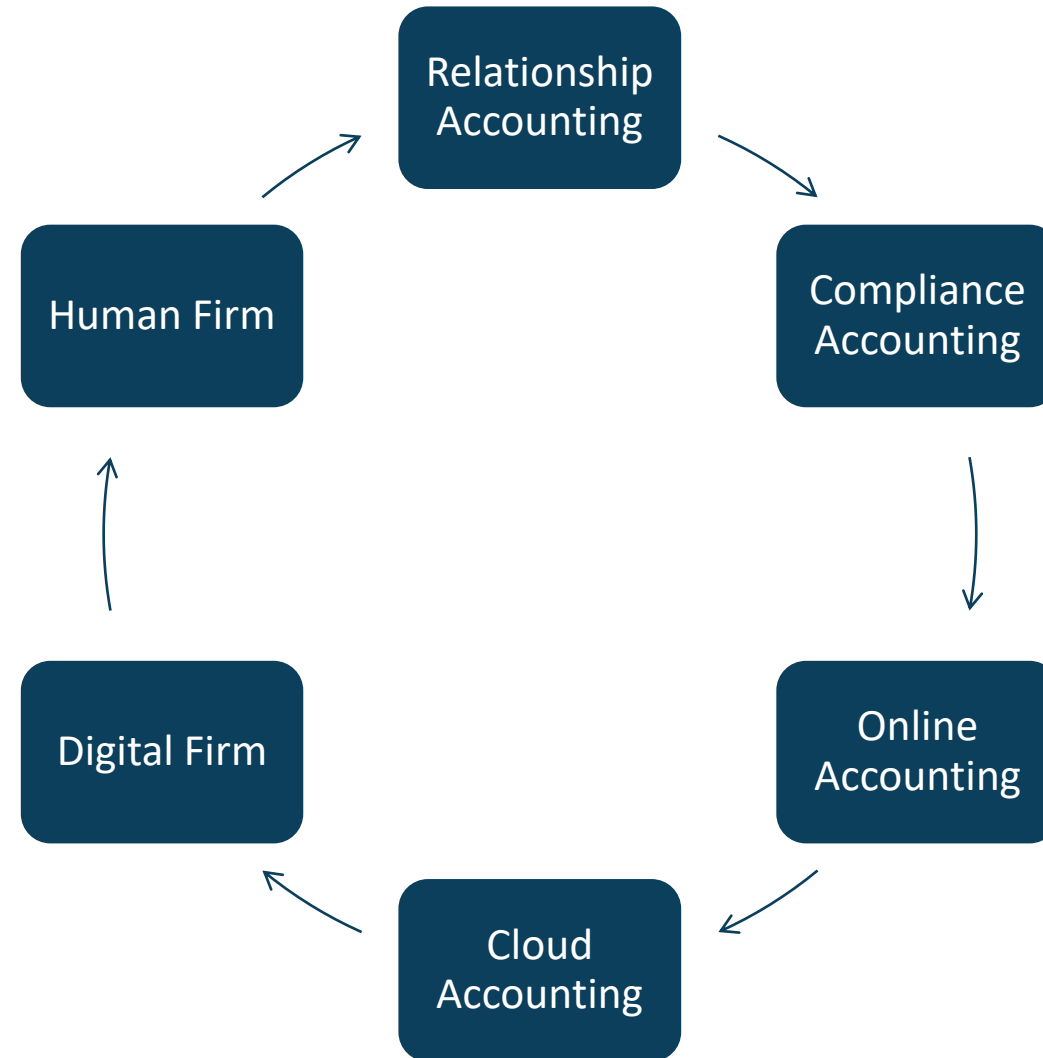
1099, W2, & Misc Accounting Software for CPA Firms Audit Products

45°F Sunny 2:52 PM 3/7/2023

Bigger Four – Economist 4/16/23



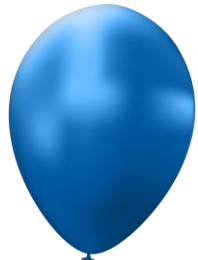
Human Centric Accounting = Advisory?



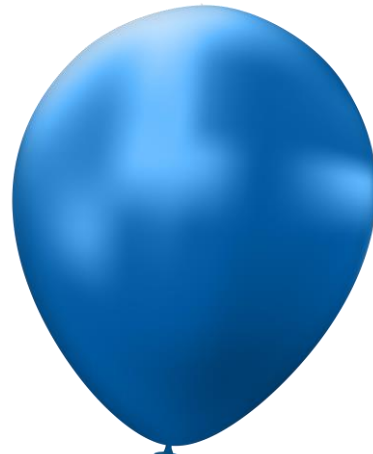
Client/Team Experience



James Ashford of GoProposal



Stagnating



Growing



Scaling



Major Updates

WHAT'S NEW WITH THOMSON REUTERS, WOLTERS KLUWER, INTUIT, IRIS, SAGE?

What's New With Thomson Reuters?



- Application Program Interfaces (APIs) available in products
- Acquisition of SurePrep Nov 11, 2022, completed on Jan 5, 2023
- Refocus on UltraTax CS
- Onvio release delayed

What's New With Wolters Kluwer?



- CCH Axcess Engagement released
- XCM renamed CCH Axcess Workflow (Workstream outcome?)
- Jason Marx promoted to CEO Tax & Accounting
- Expansion of CCH Axcess Collaboration Suite
- Performance of CCH Axcess generally improved

What's New With Intuit?



- Intuit Tax Advisor Launched
 - \$75 per client
 - 80 strategies, plans to grow to 500 or so
 - Integration to Lacerte and ProSeries
- QuickBooks Online (QBO) [announced](#) automation for those using Amazon, Shopify, and eBay e-commerce stores
- QuickBooks Desktop is available only by subscription now
- QuickBooks Point-of-Sale has been eliminated, now Shopify

What's New With IRIS?



- Doc.It and iChannel will be merged into a single platform
- Upgrades to Star Practice Management and Practice Engine
- Employee self-service added for AccountantsWorld, with the buyout of Chandra and Sharada Bhansali completed
- Acquired MyPay division from Thomson Reuters Oct 26, 2022
- Acquired Apex HCM from Serent Capital Feb 28, 2023

What's New With Hg Capital?



- IRIS Software Group
- CaseWare— Expanding Cloud with AICPA Dynamic Audit Solution
- Dext— new eCommerce capabilities in addition to Prepare
- Prophix
- Insightsoftware
- Sovos
- Visma Cybersecurity

What's New With Sage?



- Sage Intacct adds construction support
- Sage Intacct 2023 released
- Sage City gets new look
- Sage Autoentry upgraded
- Sage 50 US 2023.0 scheduled for summer 2023
- Sage 100 2022 upgraded to 7.10.3
- Sage X3
- Sage Business Cloud adoption increases
- Sage People

What's New With Major Suppliers?



- Microsoft said that there will be no feature updates to Dynamics GP after October 2022 other than payroll updates, three years earlier than expected
- SAP will stop developing new features for its Business by Design cloud product
- NetSuite announced that it has 33,000 customers, up from 28,000 in 2021

What's New With Microsoft?



- Added Data Loss Prevention back to lower-level Microsoft 365 subscriptions, which will make IRS 5293 compliance easier
- Microsoft announced new Excel features
 - [@mentions are now available](#) for Excel for Office 365 subscribers, and can be used to create, assign and track tasks within your workbook (initially in desktop Excel, coming soon to Excel for the Web)
 - Users can [add hyperlinks](#) into comments added to spreadsheets
 - Teams users can launch Excel documents from within a video meeting in a [feature called “Excel Live”](#) ([Video](#))
- Excel desktop will [begin supporting task automation](#) with Office Scripts



Overview of Technology In The Profession

ISSUES, CONCERNS, AND RECOMMENDATIONS

Key Issues



People

- Talent
- Work compression
- Service offerings
- Outsource

Technology

- Single portal
- Application upgrades
- Automation
- Big choice – Single Suite/Best-of-Breed

Outsourcing



- Services available
- On-staff/projects
- Turnaround time
- On-shore/off-shore
- Security controls and compliance
- Grid available on request

Outsourcing support providers							
Services	QXAS	TOA	BooXkeeping	CCH	SurePrep	Taxfyle	AdvanceTrack
Accounting	✓	✓					
Bookkeeping	✓	✓	✓				
Audit support	✓						
Tax preparation	✓						
Payroll	✓	✓					
Liquidation	✓						
Turn around time(SLA)							
48 Hours	✓	✓					
2-4 Business days	✓	✓					
7 Business days							
Outsource projects (hourly)							
Outsourced employee							
Skills							
Client-facing							
Proposals							
Robotic Process Automation							
Communication	✓	✓					
Presentation	✓	✓					
Knowledge	✓	✓					

Security Issues



- Remote workers (home/client/outourced)
- Regulatory compliance (IRS 5293 (request!), Privacy Acts)
- Ransomware/malware
- Encryption (email, documents)

Small Firm Recommendations



Software

- Practice Management – TPS, Clarity Practice Management
- Document Management and Workflow – SmartVault, Doc.It
- Tax – Drake, Thomson Reuters, Intuit, Wolters Kluwer
- CAS – Choose a stack below

Infrastructure

- <10 – local IT company or DIY
- 10-25 – hosting or MSP
- Microsoft 365
- Tallyfor

Medium Firm Recommendations



Software

- Practice Management – TPS, Karbon
- Document Management and Workflow – Doc.It
- Tax – Thomson Reuters, Intuit, Wolters Kluwer
- CAS – Choose a stack below

Infrastructure

- 25-40 – hosting or MSP
- 41-100 – internal IT, hosting, or MSP
- Microsoft 365
- CCH Engagement or CaseWare

Large Firm Recommendations



Software

- Practice Management – STAR, PracticePro 365
- Document Management and Workflow – Doc.It, Axxess Document, iManage Work
- Tax – Wolters Kluwer
- CAS – Choose a stack below

Infrastructure

- 100-200 – internal IT, hosting, or MSP
- 200+ - Internal IT, MSP support
- Microsoft 365
- CCH Engagement or CaseWare

Hosting



- Support hours & level
- Cost per employee
- Extra charges
- QuickBooks Certified
- Data Center locations
- Industry certifications
- Grid available on request

Hosting providers											Thomson Reuters Virtual Office CS
Services	Cetrom	Right Networks	Ace Cloud	Caret	Summit Hosting	Cloudvara	Swizznet	JDL	NetGain	Noobeh	
Application patching	✓	✓	✓								
Help desk	✓	✓	✓								
Strategic Advice	✓										
MFA	✓	✓	✓								
Security EndPoint	✓	✓	✓								
Migration	✓	✓	✓								
Contract											
3-5 year	✓	✓	✓								
Month to month			✓								
30 day out	✓		✓								
All services included	✓		✓								
Outsourced employees											
Skills											
Client-facing	✓		✓								
Security	✓		✓								
Robotic Process Automation											

Hardware Choices



- Desktop vs. laptop
- Large monitors 27-49"
- Workgroup scanners
- Smartphone
- Tablet?
- Docking station?
- External keyboard & mice

Computer Recommendations



PC Buyer

- Windows 11, Microsoft 365
- Intel Core i5-i9, AMD Ryzen 5-9
- Dedicated GPU (ARC, Radeon)
- 16-32GB of RAM, DDR5
- PCIe Gen 4 128GB-1TB of NVM Express Solid-State drive (NVMe)
- Thunderbolt 4, for HDMI/USB

Mac Buyer

- MacOS, Microsoft 365
- M2 PRO/MAX ARM
- Dedicated ProRes graphics
- 8-64GB of RAM (DDR5 Unified)
- PCIe Gen 4 128GB-2TB of NVM Express Solid-State drive (NVMe)
- Thunderbolt 4, for HDMI/USB



What Should You Be Looking For?

INNOVATION AND AUTOMATION

Innovation Choices



Core Applications

- Practice Management
- Document Management
- Workflow
- Tax
- Audit
- CAS

Automation

- 1040 Workpaper (U.S.)
- Portals
- Data Extraction
- Digital Plumbing
- Data Wrangling (ETL)
- Dashboards

Practice Management



Mainstream

- CCH Axcess Practice/iFirm
- Thomson Reuters Practice CS/DT Max
- IRIS Practice Engine
- IRIS STAR Practice Mgmt.
- TPS Cloud Axis
- Clarity Practice Management

Up and Coming

- Financial Cents
- Canopy
- Tax Dome
- Karbon
- PracticePro 365
- Avii

Document Management



Mainstream

- CCH Axcess Document/iFirm
- Thomson Reuters GoFileRoom
- Thomson Reuters FileCabinet CS
- IRIS Doc.It
- IRIS iChannel
- SmartVault

Up and Coming

- Lucion FileCenter
- Virtual Cabinet
- iManage Work

Workflow Management



Mainstream

- CCH Axcess Workflow
- CCH Axcess Workstream(?)
- Thomson Reuters FirmFlow
- IRIS Doc.It
- TPS Cloud Axis
- Used, but not really
 - CCH Practice Management
 - Practice CS

Up and Coming

- Aero Workflow
- Jetpack Workflow
- Karbon

Tax – Canada



Mainstream

- CCH iFirm [Taxprep](#)
- Intuit [ProFile](#) Tax
- [TaxCycle](#) built-in e-signature with DocuSign (Canada data centre)
- Thomson Reuters [DT Max](#)
- Tax Freeway
- UFile & [others](#)

Up and Coming

- CCH Axcess Tax
- ProConnect Tax
- Withdrawn
 - ONVIO Tax
 - CaseWare Tax

Tax – U.S.



Mainstream

- CCH Axcess Tax
- CCH ProSystem *fx*
- Thomson Reuters UltraTax CS
- Lacerte
- ProSeries
- Drake

Up and Coming

- Corvee
- TaxPlanIQ
- ProConnect Tax
- April Tax
- Withdrawn
 - ONVIO Tax

Audit



Mainstream

- CCH Axcess Engagement
- CCH Engagement
- Thomson Reuters AdvanceFlow
- Hg Capital CaseWare

Up and Coming

- Inflo
- Fieldguide
- AuditMiner
- Audit Sight



Mainstream

- Intuit QuickBooks Online
- Xero
- Sage Intacct
- IRIS AccountantsWorld

Up and Coming

- FreshBooks
- Zoho
- AccountingSuite

T1/TP1 Workpaper – Canada



Mainstream

- CCH [TaxprepConnect](#) – Downloads from CRA (free) plus CCH Scan for T1 slips
- [TaxCycle T1](#)
- Intuit [ProFile T1](#)
- Thomson Reuters [DT Max T1](#)
- [Doc-It](#)

Up and Coming

- No new contenders known

1040 Workpaper – U.S.



Mainstream

- CCH Axcess Scan & Autoflow
- Thomson Reuters SurePrep
- Drake Copanion GruntWorx

Up and Coming

- No new contenders, but for business trial balance, Tallyfor

Portal



Mainstream

- CCH Axcess Client Collaboration Suite
- Thomson Reuters NetClient CS
- Clarity Practice Management
- ShareFile
- SmartVault

Up and Coming

- Liscio
- Suralink
- TPS Cloud Axis
- Avii
- Specialty
 - TaxCaddy
 - SafeSend

Data Extraction



Mainstream

- Dext Prepare
- Hubdoc
- Sage Autoentry
- Botkeeper (powered by Vic.AI)
- Altair Monarch

Up and Coming

- Vic.AI
- Data Snipper
- UiPath
- Winautomation

Digital Plumbing



Mainstream

- Zapier
- Boomi
- CData
- Zoho Flow

Up and Coming

- Actian Avalanche
- Talend
- DOMO
- Information Builders

Data Wrangling (ETL)



Mainstream

- Power Query
- Zoho DataPrep
- CData Sync

Up and Coming

- DOMO
- Tableau Prep

Dashboards



Mainstream

- CCH Axcess Dashboard
- Practice CS Dashboard
- Abdo Solutions
- Intuit QuickBooks Online
- Power BI

Up and Coming

- 4ImpactData
- Zoho Analytics



What Should You Be Looking For?

FOCUSING ON A VERTICAL OR NICHE

Core Questions



- What is my team good at?
- What is the team's interest?
- What do clients need?
- Can we build an advisory service in those areas?
- Can we go deep locally, or do we have to expand nationally?
- Who are the competitors?
- What tools are needed?
- How does the firm maintain independence?

For Example, In NFP



- Do we want the audit work?
- Is there an area of NFP of interest? Examples include
 - Political organizations
 - Schools
 - Business associations
 - Religious organizations
 - More
- Could we provide CAS and Advisory?

For Example, In Governmental



- Do we want the audit work?
- Is there an area of interest? Examples include
 - Municipalities
 - Counties
 - School Districts
 - Fire Districts
 - More
- Could we provide CAS and Advisory?

For Example, Family Office



- Do we want to help manage investments?
- Is there an area of interest? Examples include
 - Bill Payment
 - Reporting
 - Planning
 - More
- Could we provide CAS and Advisory?

Which Platform Supports You?



- NFP – Sage Intacct, Aplos, Blackbaud, etc.
- Governmental – AccuFund, Blackbaud, Edmonds, MSI, GFMS, ADMINS, MUNISOFT, etc.
- If you are not using a vertical package, can a general product accomplish everything, possibly with add-ons?
 - AccountantsWorld Accounting Power
 - QuickBooks Online
 - Sage Intacct



What Should You Be Looking For?

**SO, BEYOND COMPLIANCE, SELECTING A
TECH STACK IS CRITICAL**

CAS Tech Stacks



- Intuit QuickBooks Online
- Xero
- Sage Intacct
- IRIS AccountantsWorld (mostly complete)
- FreshBooks
- Zoho
- AccountingSuite

CAS Tech Stacks – QBO Example



QuickBooks Online support ▼	1st ▼	2nd ▼	3rd ▼	4th ▼
Accounts Payable	Corpay One	AvidXchange	Bill.com	CloudX
Expenses	Nexonia	Expensify	Tallie	Concur
Document Management	SmartVault	ScanWriter Plus	LedgerDocs	Box
Document Gathering	Liscio	Dext Prepare	Hubdoc	FileThis
Document Extraction	Dext Prepare	Hubdoc	Vic.AI	Botkeeper
Forecasting	Jirav	Fathom	LivePlan	Lucanet
Reporting	Reach Reporting	Fathom	Helix	Spotlight
KPI	Jirav	Qcube	PATH by Simplex	Finagraph
Time Entry	QuickBooks Time	QBO	Nexonia	Swipeclock
Payroll	Payroll Relief	OnPay	Gusto	Rippling
Tax	Avalara	Vertex	SOVOS	Taxjar
Data Import	Transaction Pro	SaaSAnt	Zapier	Synder
RPA	Vic.AI	Aiwyn	Digilence	Botkeeper
Tax Specialty	Corvee	Ledgible Tax Pro	LukkaTax	PTMS
eCommerce	Dext Commerce	Webgility	A2X	We Integrate
Financial Adjustments	Tallyfor	NettTracker	Autoreview	OnceAccounting

Remember End-to-End Automation



CAS

- Spend management
- Bank feeds
- Forms extraction
- Reporting
- Dashboards
- Delivery
- Insights

Tax

- Engagement letter
- PBC
- 1040 Workpapers/Trial Balance
- Assembly
- Delivery
- eFile
- Payment

Remember End-to-End Automation



CAS

- Jetpack Workflow
- Corpay One/Divvy
- Hubdoc/Dext Prepare
- Helix/Reach Reporting
- Once Accounting
- 4ImpactData

Tax

- Knuula
- Liscio
- CCH Scan/SurePrep/Doc-It
- SafeSend
- Diligence
- CPACharge

CAS Tech Stacks Require You To



- Identify needs
- Select the platform
- Choose add-ons
- Optimize the process
- Refine the process
- Reduce the number of tools involved
- Automate all processes possible

Productivity Improvements



- Microsoft 365, Google Workspace, Zoho One
- Collaboration in Microsoft Teams (perhaps less in Zoom/Slack)
- Adobe Acrobat only as needed (PDFlyer, Tic Tie Calculate)
- Training on the platforms in use
- eSignature from a reputable, 8879 KBA-certified provider

Summary



- Suppliers to the profession are upgrading their platforms and acquiring competitors
- You need to focus on solutions for your service lines and niches
- Automation opportunities abound for accounting firms, but the implementation is not automatic or easy
- You need to be selective on your technology stack that fits your firm and clients best