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# Technology today, the future of accounting

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# **Agenda**

**Practice effectiveness, it's not about IT**

**Computers, tablets and smartphones**

**Software enablers**

**AI and the future of accounting**



# Practice effectiveness

IT is only an enabler

It allows us to do things more efficiently

Where should we focus first?



# Spend time **on** the business rather than **in** the business

- Culture
- Management – delegate
- Strategic plan, retreats
- Marketing
- Processes - delegate
- Budgets
- Delegation – partners and staff
- Client focus
- Attitude
- Services
- Billing process
- Staff
- KPI's – what we can measure we can manage

# Processes

## Effective vs Efficient

### Effective

“doing the right thing”

“degree to which objectives are achieved”

### Efficient

“doing the thing right”

“least time and effort”

The right/best/most efficient processes plus IT hardware and software to enable

# Focus first on biggest processes

## Bookkeeping

- Online vs. desktop

- Add-in apps

## Working paper preparation and statements

- Revisit required documentation

- How do you document – Narrative vs documents

- Consistency among partners

- Input from team members

- Every file is unique

- Planning meeting to clarify expectation

## Personal tax

- What do we keep

- How do we handle pre and post assessments

- Have we changed since Connect

- We revisit in detail every year

# Top IT enablers

## Have the right hardware

- It can run all our software

- I am not waiting for the computer

## Have the right software

- It enables me to do things in the most efficient way I can imagine

- It is still supported

## Be in the correct environment

- Cloud, network, stand alone remote access

- Security

## Have the skills to use the tools

- Regular training

- Take time to learn, “Just do it”





# Hardware you should have

Laptop/2-in-1

2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> monitor

23" to 27" or 34"

Telephone headsets

Smartphone

Wireless keyboard and mouse

Tablet

USB portable monitors



# Best laptops of 2018

## PC Magazine April 18, 2018

Acer Swift 1, \$319US

Acer Aspire E 15, \$350US

Apple MacBook Pro 13"(2017),  
\$1,300US

Dell XPS 13(9370), \$1,000US

Lenovo IdeaPad Miix 520,  
\$1,000US

Lenovo ThinkPad X1  
Carbon(2018),\$1,519US

Lenovo Yoga 920, \$1,200US

Origin PC EVO15-S, \$1,615US

Microsoft Surface Book 2,  
\$1,500US

# Best 2-in-1 convertible and hybrid laptops of 2018

## PC Magazine April 10, 2018

Acer Chromebook Spin 11, \$400

Dell Inspiron 13 7000(7378), \$800US

HP EliteBook x360 1030 G2, \$1,269US

Lenovo Yoga 920, \$1,200US

Lenovo IdeaPad Miix 520, \$1,000US

Microsoft Surface Pro, \$800US



# Microsoft Surface Pro (new)

12.3" touch display, 2,736x1824

Intel Core m3, i5 or **i7** processor

4GB, **8GB**, or 16GB RAM

128GB, **256GB**, 512GB or 1TB

SSD

USB 3.0, microSDXC card reader,  
MiniDisplayPort

802.11a/b/g/n/ac Wi-Fi

Bluetooth 4.1

Windows 10

11.5" x 7.9" x .33"

1.7 lbs.

From \$1,049 to \$3,449 Cdn, mine  
**\$1,999**

Keyboard extra \$140; Dock extra  
\$181

Extended 3 year warranty \$199



# Tablets (Do you need one now?)

## Primarily media consumption devices

Books, newspapers, magazines, documents, internet, pictures, music

## Content may be dictated by device

Apple, Amazon, Google, Microsoft

## Really good for

Email

Web browsing

Reviewing and annotating documents

## Which ecosystem are you in?



# The Best Tablets of 2018

## PC Magazine December 14, 2017

Amazon Fire HD 8(2017), Amazon Fire OS, \$60US

Amazon Fire HD 10(2017), Amazon Fire OS, \$120US

Apple iPad (2018), iOS11, \$330US

Asus Transformer Mini, Windows 10, \$399US

Lenovo IdeaPad Miix 520, Windows 10, 1,000US

Microsoft Surface Pro, Windows 10, \$800US

Some of these are 2-in-1 laptops

iPad and Surface Pro have keyboards sold separately

# Current iPad models

- 12.9" iPad Pro from \$1,049Cdn
- 10.5" iPad Pro from \$869Cdn
- 9.7" iPad from \$429Cdn
- 7.9" iPad mini 4 from \$529Cdn



# Apple iPad (2018)

9.7" retina display, 2048 x 1536,  
264 ppi

A10 processor

Touch ID

Rear camera  
8MP f/2.4

Video  
1080p at 30fps

Front camera  
1.2MP, f/2.2  
720p HD video

3.5mm headphone jack

802.11 a/b/g/n/ac,  
Bluetooth 4.2

No expansion slots

9.4" x 6.6" x .29"

1.05 lbs.

32GB - \$429 Cdn,  
128GB - \$ 549 Cdn



# Best computer monitors of 2018

## PC Magazine April 19, 2018

Acer XR**382CQK**, **curved**, \$1,060US

AOC I**1659FWUX**, **USB**, \$150US

BenQ PD**2710QC**, \$600

Dell **24** Gaming Monito S2417DG, \$430US

Dell UltraSharp **34 Curved**, \$880US

HP Pavilion **32** - \$370US

ViewSonic VP**2468**, \$230US

Viewsonic VP**2768**, \$444US

# 21:9 curved monitors

My objective, to have 3 screens on 1 monitor

16:9 monitors are too square

Tried 3 LG curved models

LG 29UC88-B - \$480 was \$530

Not wide enough

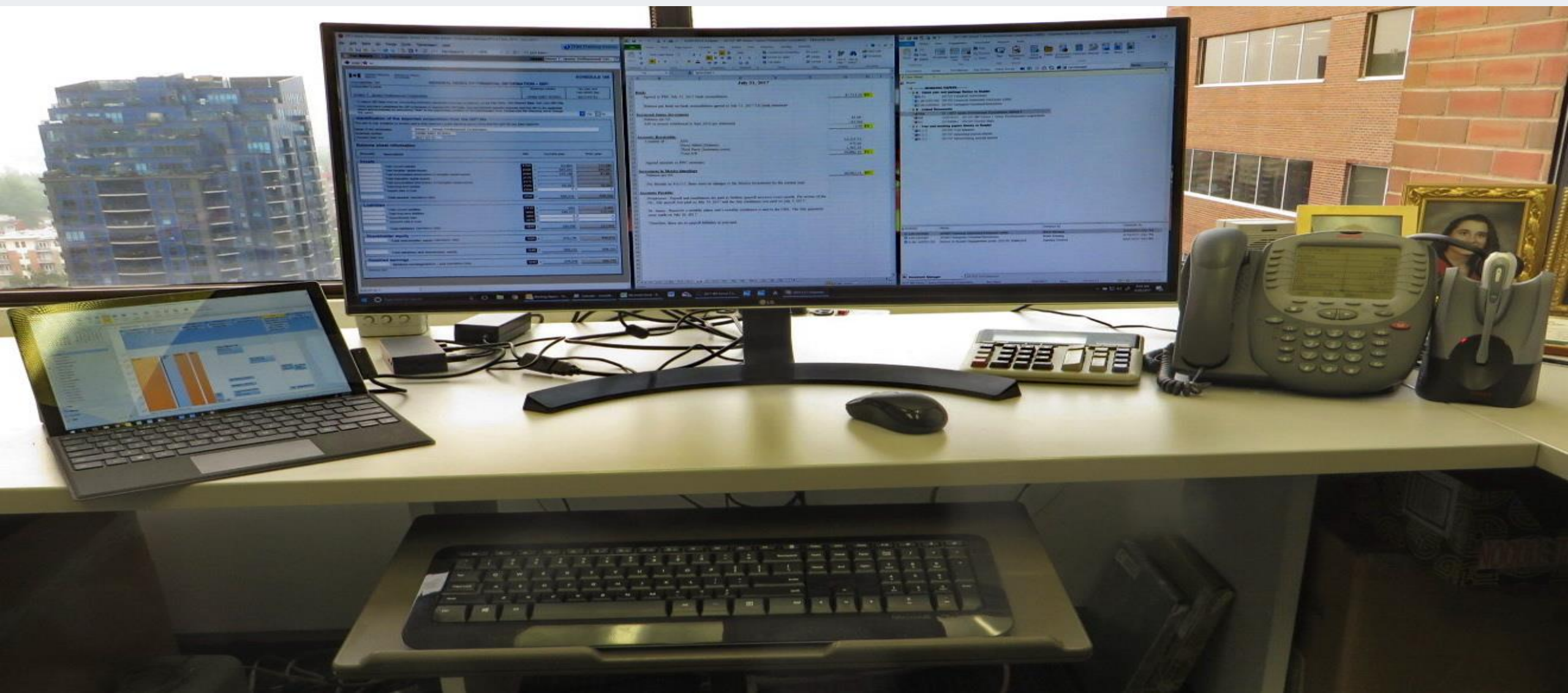
LG 34UC79G-B - \$830

2560 x 1080 resolution not good enough

LG 34UC88-B - \$950

3440 x 1440 and it was just right

On Screen Control software splits screen in 3 or other



# USB portable monitor

Requires only a USB port for power and video

AOC I1659FWUX 15.6" USB Portable LED monitor,\$228

1920 x 1080

USB 3.0

2.6 lbs.

AOC I1601FWUX 15.6"

1920 x 1080

USB-C

1.8 lbs.

ASUS MB 169B+ 15.6" Portable LED monitor,\$265

1920 x 1080

USB 3.0

1.8 lbs.

ASUS ZenScreen 15.6", USB-C Portable monitor, \$350

1920 x 1080

USB C

1.7 lbs



# Best smartphones

## ZDNet September 5, 2017

Hauwei P20 Pro

Samsung Galaxy S9/S9  
Plus

Apple iPhone X

LG G7 ThinQ

Samsung Galaxy Note 8

Google Pixel 2 XL/Pixel 2

Apple iPhone 8/8+

Huawei Mat 10 Pro

OnePlus 5T

Sony Xperia XZ2

HTC U22

# iPhone X

5.65" x 2.79" x .30", 6.14oz.

Face ID, no home button, swipe up from bottom

Wireless charging

Display

5.8" OLED Multi-touch

Super retina HD, 2436 x 1125 at 458 ppi, HDR

A11bionic processor, 40%- 70% faster, neural engine

EarPods with Lightning connector



# iPhone X

## Rear camera

12MP wide angle and telephoto lens, f1.8 / f2.4  
Portrait mode and portrait lighting (beta)

Digital zoom up to 10x  
Dual optical image stabilization

## Video

4K at 24 fps, 30 fps or 60 fps  
Optical image stabilization

1080p at 30fps or 60fps, 720p at 30 fps

## TrueDepth camera (front)

7MP, f2.2  
Animoji

Portrait mode and portrait lighting (beta)  
1080p video

## Augmented reality

Talk time up to 21 hours, up to 2 hours longer than iPhone 7

64GB \$1,319 CDN, 256GB \$1,529 CDN



# Virtual Private Networks (VPN)

- There are many inexpensive/free tools to hack Wi-Fi
- VPN software creates a secure, encrypted tunnel to a server the VPN company controls
- Anyone snooping will see only unreadable cipher text
- Trackers only see the IP address of the VPN server you are connected to
- The cellular networks are encrypted and although they can be attacked they are far less common



# Virtual Private Networks (VPN)

- Appropriate for computers, tablets, smartphones and routers
- Some impact on performance
- The closer the server the better the performance
- The more servers the better
- **“A VPN is a fundamental tool that everyone should have at their disposal-like a password manager or an online backup service”**
- From \$3US/month

# VPN Services

Most allow 5 devices with a single account

Some top rated services

- NordVPN

- PureVPN

- Private Internet Access VPN

- KeepSolid VPN Unlimited(what I use)

# Strong passwords

## Most common

123456(7)(8)(9)

Password

Qwerty

Abc123

111111

123123

How long would it take to break yours

## Sites to test passwords

[www.microsoft.com/security/pc-security/password-checker.aspx](http://www.microsoft.com/security/pc-security/password-checker.aspx)

[www.grc.com/haystack.htm](http://www.grc.com/haystack.htm)

<https://telepathwords.research.microsoft.com/>

# Password management

Captures and replays log-in data

Database with encrypted information

Form filler

Types

- Desktop

- Portable

- Web based

Risk if master password compromised

Some have two factor authentication

PC Magazine article

Get Organized: Why Aren't You Using a Password Manager Yet?

# Password management software

## LastPass 3.0

Free

No longer require premium version for smartphone

Premium version \$12/year

What I use

## Dashlane 3

Free on single device

\$40/year for multiple devices

## LogMeOnce Password

\$39/year

## Sticky Password Premium

\$15/year

# Top IT enablers - software

Working paper software

Paperless working papers, tax files

- Scan paper

- Prepare mostly electronic

- Excel, Jazzit

Financial statement templates

Tax preparation software

- T1, T2, T3, T4, T5013, Forms

Practice management software: time, billing and AR

Workflow software

Client accounting software

# Artificial intelligence

## CPA Magazine July/August 2017

- Artificial intelligence is based on the assumption that the process of human thought can be mechanized.
- Work started on this theory in the first millennium BC, including philosophers like Aristotle and Euclid
- First computers were the code breaking machines of World War II
- AI Winters 1974-1980 and 1987-1993
- May 11, 1997 Deep Blue beats Garry Kasparov at chess

# Artificial intelligence

## CPA Magazine July/August 2017

- March, 2016 Alphago wins Go against top professional player.
- “almost 60% of all occupations have at least 30% of activities that could be automated”
- Four ramparts holding back AI
  - Judgement
  - Decision
  - Intuition
  - Consciousness
- Democratization of professional services due to dramatic increase in speed and reduction in costs



# Impact on jobs

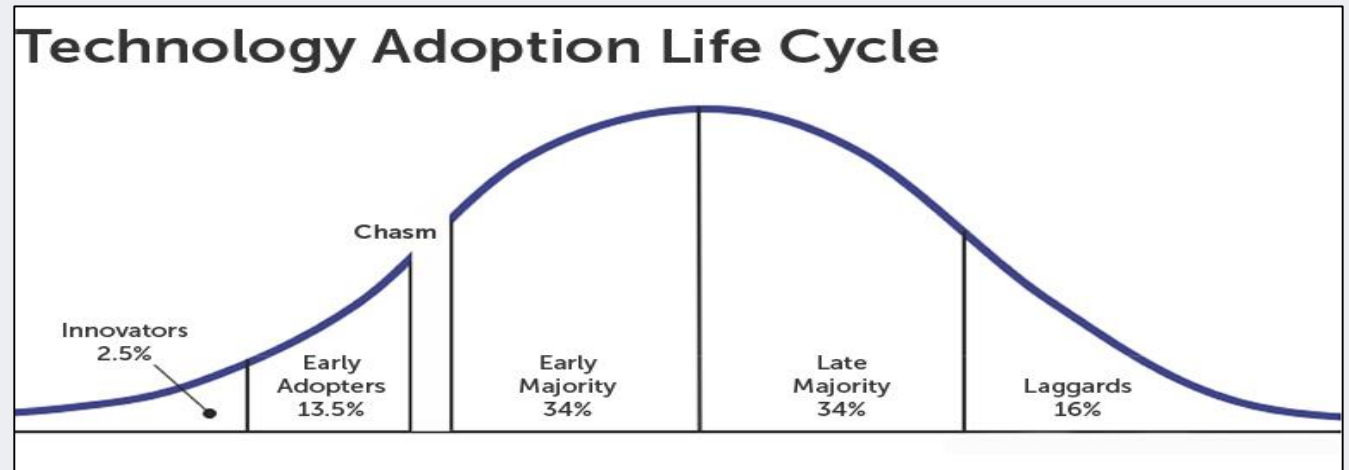
## New categories of jobs

- Trainers to teach AI systems
- Explainers to bridge gap between technologists and business people
- Sustainers to ensure systems working as designed

Generally not as many or as well paying as those replaces

# Environment affecting practices

- Tax
  - CRA Connect, AI
  - Changes to corporate tax, TOSI, passive income
- Accounting
  - Online bookkeeping
  - Efficiency
  - AI
- Financial statements
  - Professional standards
  - Online bookkeeping, direct bank access
- Auditing
  - Online accounting
  - AI



# Are bookkeeping and accounting services a commodity

Artificial intelligence

QuickBooks online and apps

Significantly speed up the processes

Automation is not perfect,  
human review is still required  
but less time will be required

Google Duplex

Advisory services

“We’ve got to have the ability for just-in-time knowledge; the right knowledge at the right time for the right purpose”, Jim Carroll CPA

# Advisory services

## Talking to business owner

- Discussing monthly/quarterly/annual financial statements
- Discussing future expectations/needs
- Showing willingness to help with any financial/tax/technology matter.
  - Analysis Payroll
  - GST Financing
  - Technology Processes
  - Gifting Family
- Demonstrating that you care, ownership interest

A good referral is worth more than a job well done

Not necessarily giving business advice

# Additional services

Budget

Tax estimates

- Next year
- On death

Net worth

Financial/retirement plan

Power of attorney, personal directive, will

# What the client needs, not what we have to sell

Audit vs review vs compilation

Do they need compilation or good accounting for their tax return

- Just fix the QuickBooks
- QuickBooks trial balance

New CPA Canada standards for compilation engagements in process

- Will they push up costs
- Can the client afford them
- Can the client afford me

# Summary

Spend some time working **on** the business rather than **in**

Your biggest productivity gains will be from re-engineering processes

- Planning meetings
- Totally electronic WPs
- Financial statement templates

## Hardware

- Consider alternative setups
- Headset

## Software

- Workflow
- Online bookkeeping

Talk to your clients and expand your “advisory services”

Get

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