

**ICAEW Accreditation Scheme**  
**Financial Accounting Software Evaluation**

**Clear Books Limited**

**Clear Books**  
**Version on 19/02/2013**



**Evaluation carried out by: IT Evaluation Services**

**Date completed: 18/04/13**

**Signed:**

*J Pigeon*



## Table of Contents

1	Summary.....	4
2	Approach to evaluation .....	4
3	Matters to consider before purchase .....	5
4	Evaluation conclusion .....	8
5	Security and continuity of processing .....	9
6	Input of transactions.....	17
7	File maintenance .....	24
8	Processing .....	28
9	Performance of requisite accounting functions.....	29
10	Reports.....	34
11	Value Added Tax.....	41
12	Currency .....	54
13	Sales Order Processing and Invoice Production .....	58
14	Purchase Order Processing.....	61
15	Stock Control.....	63
16	User Documentation .....	65
<a href="#">17</a>	<a href="#">Efficiency</a> .....	67
<a href="#">18</a>	<a href="#">Integration and www facilities</a> .....	69
<a href="#">19</a>	<a href="#">Support and maintenance</a> .....	71
<p>The following SaaS sections do not form part of the accreditation and are for information only.</p>		
<a href="#">20</a>	<a href="#">Security and continuity of processing</a> .....	74
<a href="#">21</a>	<a href="#">Reports extra questions for SaaS</a> .....	88

## **1 Summary**

### **1.1 Introduction**

The suitability of accounting software for each particular user will always be dependent upon that user's individual requirements. These requirements should therefore always be fully considered before software is acquired. The quality of the software developers or suppliers should also be considered at the onset.

### **1.2 Fundamentally, good accounting software should:**

- Be capable of supporting the accounting functions for which it was designed.
- Provide facilities to ensure the completeness, accuracy, confidentiality and continued integrity of these accounting functions.
- Be effectively supported and maintained.

It is also desirable that good accounting software should:

- Be easy to learn, understand and operate.
- Make best practical use of available resources.
- Accommodate limited changes to reflect specific user requirements.

It is essential, when software is implemented, for appropriate support and training to be available.

## **2 Approach to evaluation**

### **2.1 Objective**

To evaluate Clear Books version on 19/02/2013 against a set of criteria developed by the ICAEW to ensure that the software meets the requirements of Good Accounting Software, as laid down in the summary.

### **2.2 Approach and work performed**

In order to effectively evaluate Clear Books version on 19/02/2013, a product specialist from Clear Books Limited completed the detailed questionnaire and provided it to the evaluator to examine. The evaluator then visited the Clear Books Limited's office in West Kensington and in conjunction with the operation of the various aspects of the software assisted by a member of Clear Books Limited's technical staff checked the answers to confirm their validity. The questions were individually reviewed and commented on and the majority of assessments were confirmed.

The evaluator discussed the assessments with a member of Clear Books Limited's staff in order to clarify certain points. In the event of disagreement between Clear Books Limited and the evaluator, the evaluator's decision was taken as final and the response changed accordingly.

Clear Books version on 19/02/2013, was used throughout the evaluation. (Clear Books make small incremental changes in the code to the live server several times a week after being trialled by beta testers before being released to customers, so conventional version numbering is not used). The evaluation covered the fully integrated sales, purchase and general ledgers and where appropriate sales invoicing, purchase order processing and stock software, separate reports have not been prepared for each ledger. Instead a composite report has been prepared with references made to the appropriate ledger as necessary.

When the evaluation had been completed, the responses were completed by the evaluator and a draft copy sent to the ICAEW for review before completion of the final report.

### 2.3 Software/hardware utilised

Zoostorm computer with Intel® core TM i3-2120 CPU @ 3.3GHz, 6Gb RAM, 459Gb disk running Google Chrome browser version 24.0.01212.57.m. Version on 19/02/2013 of Clear Books was used throughout. Our review was undertaken only using a PC workstation as specified above. The software is claimed to run on any computer capable of running a browser although we have not verified this, see 3.6.6 below for further information.

### 2.4 Report structure

The report has been broken down into its main constituents in the contents page. The evaluation questionnaire was provided by the ICAEW and has been used without alteration or amendment.

### 2.5 Online accounting software

This evaluation covers the accounting system but not the method by which it is delivered. Potential users need to satisfy themselves on the security and disaster recovery aspects and licensing of the online system and any data protection issues of their own and customer/supplier information, contained therein, being held on the system.

## 3 Matters to consider before purchase

### 3.1 General overview

Clear Books Limited offers a suite of accounting and other small business software delivered via the internet, and on mobile devices. The company's philosophy is "Online software to free your time." As an agile, young company the philosophy is to be engaged in a close dialogue with small business and accounting partner users. Development work is continuous with a focus on improving ease of use, and providing additional business services.

### 3.2 Supplier background

Clear Books Limited was formed in 2008 as a collaboration between Tim Fouracre ACA, a Chartered Accountant with a background in technology, and Fubra Limited, an established technology firm, which runs several successful websites and offers web hosting facilities. The company has subsequently attracted further investment from third parties.

### 3.3 Product background and suitability for user

Clear Books Limited offers a range of business products aimed at providing small and medium sized businesses with a scalable, cloud based solution to many back office business needs.

**Clear Books is not suitable for customers requiring inventory control or full order processing.**

This evaluation only applies to the accounting product and covers sales, purchase and general ledgers, invoicing, purchase order production and stock list with quantity in stock maintained.

### 3.4 Typical implementation

The software is designed for use by a wide variety of small and medium sized businesses. A typical business user is looking for collaboration between a range of physically remote stakeholders such as book-keepers, directors, investors, accountants, sales people and administrators.

### 3.5 Vertical applications

The software is not intended for any one industry. However there are some industry specific features such as timesheets and Construction Industry Scheme reporting (not included in this evaluation). Recurring invoices are popular with IT contractors. It also includes fixed assets and there are additional modules for Payroll and Human Resources (not included in this evaluation).

### 3.6 Software and hardware specifications

#### 3.6.1 Development environment

The software is developed using collaborative environments such as GitHub. The software is written mainly in PHP. Clear Books state that they also hold focus groups with accountants and small business users to plan and prioritise development work. (See 20.34.2)

Code in production is organised in branches. The master branch is always in a release ready state. Every time a branch is pushed to the live servers Clear Books continuous integrations server runs unit tests and deploys the updates to their staging server so that quality assurance can be performed. Development

environments are mirrored as close to the production site as possible to ensure all releases will work. (See 20.34.6)

### 3.6.2 Server platforms

N/A

### 3.6.3 Databases

The database used is Percona XtraDB Cluster, a high performance version of MySQL. Production servers are hosted in two remote locations in the UK. Encrypted backups are hosted on Amazon S3 servers in the EU. (See 20.12)

### 3.6.4 Operating software

The servers are run using Linux. As the software is delivered using the internet, there are no dependencies as to the user's computer operating system.

### 3.6.5 Protocols

As well as the standard HTML web pages, access via automated a custom Application Programming Interface (API) using a custom SOAP (XML) format to transmit requests and data is available.

### 3.6.6 Minimum client computer specification

The software will run on any computer capable of running a web browser.

Some functionality (iFrame pop-ups – for example to add a supplier while explaining a bank payment) are not available on portable Apple devices such as the iPhone and iPad.

Some functionality is not available on Internet Explorer 7 or earlier versions.

Users must enable cookies from secure.Clear Books.co.uk if they have high privacy settings.

### 3.6.7 Support and maintenance

The software is continuously upgraded and updated. Email support is available to all customers, with a target response time of less than 2 hours during working hours. Telephone support is available for accounting partners, and for those subscribing for premium support

## 3.7 Software installation and support

No specific installation is required for Clear Books, but a modern web browser will be required.

### 3.8 Partner network and related accreditation process

Clear Books Ltd have an extensive network of over 100 affiliated accounting partners throughout the UK. An accredited partner scheme is offered subject to satisfactory conclusion of a training course followed by a written test.

### 3.9 Limitations

- No menu tailoring except for Dashboard
- No facility to force password changes
- No archiving
- No audit trail of master file or standing data changes recorded
- No control over prices, discounts and VAT rates which can be overridden at invoice production
- Only discounts supported are overall invoice and settlement
- No controls over accepting conditional discounts
- No credit limit features
- No group consolidation
- Limited G/L analysis and variances
- Budgets in G/L only
- No report writer – fixed report formats
- No Intrastat processing
- No VAT tolerances – calculated VAT can be overridden
- Single currency G/L except for bank accounts
- No revaluations
- No sales orders only quotations and invoices
- No purchase order processing except for order generation
- No stock control but system maintains quantity in stock
- No integration to web trading software

## 4 Evaluation conclusion

Given its target market, Clear Books is a well designed, Internet based, accounting system that has been competently written and is supported by Clear Books Ltd and through a network of authorised suppliers. The system ledger design incorporating Sales, Purchase, and General Ledgers together with Stock list and quantity in stock provides accuracy and a facility to produce audit trails and a limited number of standard reports. These cannot be amended by the user, but data can be copied to spreadsheets for reporting purposes. The system makes good use of the Internet by providing facilities for emailing documents to customers and suppliers and for linking to online banking.

### **Disclaimer**

*Any organisation considering the purchase of Clear Books should consider their requirements in the light of proposals from Clear Books Limited or its dealers and potential suppliers of other similarly specified products. Whilst the contents of this document are presented in good faith, ICAEW cannot accept liability for actions taken as a result of comments made herein.*



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>5 Security and continuity of processing</b>		
5.1 What security features are included to control access to the application?	Password and user email address authentication (most users are handled by group company application Fubra Passport. Users signing up on or after 03.01.2013 are on Clear Books own log-in system. All users will shortly be transferred to a bespoke system.) Passwords are not stored on our database – only an encrypted “hash.”	Confirmed
5.2 Can access to application functions be managed so users can only see (in menus and other links) and access those functions they are authorised to access?	56 different areas to which access for each individual user can be permitted or denied.	Confirmed
5.3 Is this access to the application managed by:-		
5.3.1 Individual user profiles?	Access can be controlled at a user level.	Confirmed
5.3.2 User groups based on their job roles?	User levels can also be assigned by creating “Roles”, although this can overridden for settings for specific individuals.	Confirmed
5.4 If menus can be tailored would this override the application access control?	No menu tailoring except for the Dashboard.	Confirmed
5.5 Passwords		
5.5.1 Is access to the software controlled by password?	Yes	Confirmed
5.5.2 Please state the basis of control available (e.g., role based etc).	Individuals inherit access rights from role based log ins, but these can be overridden for individual users.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.5.3 If there is no password facility please state how confidentiality and accessibility control can be maintained within the software?	N/A	
5.5.4 Are single user systems access controlled by password?	Yes	Confirmed
5.5.5 Does the software allow for each user to have separate log on (user ids)?	Yes	Confirmed
If No:-		
5.5.5.1 How does the software track user activity?	N/A	
5.5.6 Is each user required to have a personal password?	Yes	Confirmed
5.5.7 Are passwords one-way encrypted? [i.e. Is it impossible for anyone to see other user's passwords in the software?]	Yes	Confirmed
5.5.8 Are passwords masked when entered by any user logging in?	Yes	Confirmed
5.5.9 Is password complexity available at application level?	Yes	Confirmed
If Yes:-		
5.5.9.1 Please specify [e.g. Number of digits, requirement for special characters, numeric, upper/lower case etc.]	Fubra passport – minimum length 5 characters. Clear Books own log in – minimum length 8 characters. Both have a password strength meter.	Confirmed
5.5.10 Is there a facility to enforce password changes after a chosen period of time?	No – Clear Books feel this is counterproductive because it forces users to write down passwords insecurely.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.5.11 Is there a facility to specify a minimum age for passwords (e.g. 1 day)?	No	Confirmed
5.5.12 How many previous passwords are retained by the system to limit users recycling passwords (e.g. 24 or 32)?	None	Confirmed
5.6 Please state how security allows for access to be specified separately for :-		
5.6.1 Read?	Access can be restricted to read only areas (for example, reports).	Confirmed
5.6.2 Read and write?	However there are no specific facilities for preventing writing, deletions and amendments.	Confirmed
5.6.3 Delete and amend?		
5.7 Are any data files, such as budgets or price updates, imported by users validated by the application software before main data files are updated?	Imports of accounts, transactions and bank statement (not budgets) are validated by the software.	Confirmed
5.8 Does the software require higher or specific levels of user access for changes to sensitive data, such as customer credit limits?	This can be set up, and is the default behaviour for certain activities such as authorising expense claims. No credit limits.	Confirmed
5.9 Please specify the specific security procedures (by passwords or warnings) over the:-		
5.9.1 Update of ledgers	By user access level.	Confirmed
5.9.2 Closing of accounting periods	Accounting periods are never formally and permanently closed. They can however be locked or unlocked to new transactions subject to user access level.	Confirmed
5.9.3 Deletion of transactions	Warning screen asking for confirmation.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.9.4 Archiving of transactions.	No archiving.	Confirmed
5.10 Is it impossible to delete a transaction?	No	Confirmed
If No:		
5.11 How are deletions controlled by the system?	Transactions included on a confirmed VAT return, have been marked as reconciled on a bank statement, or to which payments have been allocated cannot be deleted. All deletions need to be confirmed.	Confirmed
5.12 Are deleted transactions retained in the audit trail and denoted as such?	Yes	Confirmed
5.13 Can a report be produced detailing all current users, via user groups if relevant, and their authority levels and/or access rights?	Yes, on screen - access rights through drilldown.	Confirmed
5.14 If data can be accessed by separate reporting facilities, such as ODBC or separate report writer, is the user access security control applied?	Data is accessible via Application Programming Interface (API) but requires an encrypted password.	Confirmed
If No:-		
5.15 Please explain any other protection in place to prevent unauthorised access to data with such facilities.	N/A	
5.16 Is the level of security (described with this section) appropriate for the expected size of business using the software?	Clear Books believe the level of sophistication of multi user access control and security exceeds the expectations of our small business and accountant clients.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.17 Is there a clear indication in the software or manuals as to how the data is:-		
5.17.1 Backed-up?	Yes. Backups are taken automatically every evening by Clear Books and stored on Amazon Irish (EU) servers. Data on S3 is securely encrypted.	Confirmed
5.17.2 Recovered?	Yes, on request.	Confirmed
5.18 Back ups		
How are back ups provided:-		
5.18.1.1 Within the software application?	In addition restore points with encrypted backups can be requested hourly and emailed to users, these backups can be restored by a user.	Confirmed
5.18.1.2 Within the operating software?	No	Confirmed
5.18.2 Are backup procedures automatic?	Yes	Confirmed
5.18.3 Is the user forced or prompted to back-up at certain intervals?	No, see 5.17.1 plus optional request.	Confirmed
5.18.4 Can the intervals be customised?	Restore points can be created within an hour of being requested.	Confirmed
5.19 Recovery		
5.19.1 Please state how the software facilitates recovery procedures in the event of software failure? (E.g. roll back to the last completed transaction).	In the unlikely event of failure, the database can be restored to the most recent version. Clear Books will then attempt to recreate failed transactional entries, isolating the failing transaction.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.19.2 If software failure occurs part way through a batch or transaction, will the operator have to re-input the batch or only the transaction being input at the time of the failure?	All transactions from the point of failure onwards will need to be reinput.	Confirmed
5.19.3 Are these automated?	Yes	Confirmed
5.19.4 Do the recovery procedures work?	Yes	Confirmed
5.20 What features are available within the software to help track down processing problems?	Trial balance can detect unbalanced transactions. There is a VAT exception reports.	Confirmed
5.21 Are software messages clear?	Yes	Confirmed
5.22 Are user responses properly structured to ensure that erroneous key strikes do not lead to inappropriate actions?	Yes – the user interface is designed to allow checking – for example a calculated invoice grand total is derived from invoice line totals and can be compared to the original. All transactions must be confirmed before entry.	Confirmed
5.23 Is there a software log which details:-		
5.23.1 Error messages?	Yes (application errors, not validation errors)	Confirmed
5.23.2 Security violations?	All access to the system is logged but these logs are only available to the Clear Books.	Confirmed
5.24 Audit trail		
5.24.1 Does the software have a detailed audit trail?	Yes	Confirmed
5.24.2 Is it impossible to turn off or delete the audit trail?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.24.3 Are all master file changes recorded in the audit trail?	No	Confirmed
If Yes:-		
5.24.3.1 Does each change have a system generated reference allocated?	N/A	
5.24.3.2 Are the originator and authoriser identified?	N/A	
5.24.3.3 Is the change date and time stamped?	N/A	
5.24.4 Are all standing data changes recorded in the audit trail?	No	Confirmed
If Yes:-		
5.24.4.1 Does each change have a system generated reference allocated?	N/A	
5.24.4.2 Are the originator and authoriser identified?	N/A	
5.24.4.3 Is the change date and time stamped?	N/A	
5.24.5 Is all input data included within the audit trail, including amendments, deletions, journals etc?	Yes	Confirmed
5.24.6 Does the software allocate a system generated unique reference number to each transaction?	Yes	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
5.24.6.1 Is this stamped with a user id?	Yes	Confirmed
5.24.6.2 Is this unique reference number presented to the user at time of input?	No, but the user can review the transaction number, but most prominent is another number which is unique for the particular class of transactions (sales invoices, purchase invoices, etc.)	Confirmed
5.24.6.3 Is the transaction date and time stamped?	Yes	Confirmed
5.24.7 Are all imported /interfaced transactions allocated a software generated reference number?	Yes	Confirmed
5.24.8 How are transactions differentiated within the audit trail?	Drilling down on any transaction in the general ledger (audit trail report) will link to the underlying transaction, thereby clarifying what type of transaction it is.	Confirmed
5.25 What are the procedures for handling dates? (E.g. 2 digit years, 4 digit years).	Dates can be input in any format. They are stored using a 4-digit year.	Confirmed
5.25.1 In the case of two digits what is the break point for the century?	Any 2 digit years entered are assumed to be in the century 20xx.	Confirmed
5.25.2 Are dates handled consistently throughout the software?	Yes	Confirmed



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>6 Input of transactions</b>		
The following sections in Input of transactions, File maintenance, Processing and Reports are primarily aimed at the three main accounting ledgers and where applicable Sales Order Processing, Sales Invoicing, Purchase Order Processing and Stock Control.		
6.1 Is data input controlled by self-explanatory menu options?	Yes	Confirmed
6.2 Are these menus application-specific?	Yes	Confirmed
6.3 Does the software provide input validation checks such as account code validation, reasonableness (limits, VAT or discount checking) and validity checks (VAT check-digit calculations)?	Account code validation, VAT calculated automatically (can be manually overridden if manual rate chosen). No reasonableness or discount checking.	Confirmed
6.4 Can the user amend data on an input screen prior to update?	Yes	Confirmed
6.5 What control features are within the software to ensure completeness and accuracy of data input?	Automatic double entry and certain fields essential. The major control is the use of bank import tools, including automated bank import tools, to ensure all bank transactions are accounted for. From this accuracy should flow to debtors and creditors. Sales invoices are issued sequentially which helps control completeness of data. Bank, Customer, supplier and VAT balances and profitability reports are displayed prominently on the dashboard page – deviations from common sense expectations can be investigated to uncover inaccuracies or omissions from data.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
6.6 Are all input transactions subject to this control?	Yes	Confirmed
6.7 How does the software ensure uniqueness of the input transactions? (i.e. to avoid duplicate transactions)	Check on imported transactions to ensure no duplication of transactions.	Confirmed
6.8 Does the software allow for batch control totals?	The number of transactions imported is displayed for every type of import. For bank imports, the cumulative total and the date range affected are displayed.	Confirmed
If Yes:-		
6.8.1 Are batches automatically numbered?	Only for bank imports	Confirmed
6.8.2 Are batches forced to balance before ledger update?	For journal imports debits must equal credits.	Confirmed
6.8.3 Does the software allow the temporary halting of input of a batch to allow for queries or other activities to take priority (e.g. set up a new account)	Bank imports are run in two stages – import and explanation (this involves transaction allocation and can create missing invoices). Accounts can be added during the explanation process. Other imports are reviewed on screen before being confirmed so changes could be made in another browser tab during this phase.	Confirmed
6.8.4 Is the user forced to confirm batch totals?	No	Confirmed
6.9 Is attempted posting of unbalanced journals rejected? (G/L).	Yes	Confirmed
6.10 Are input errors highlighted?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment	
6.11	If Yes are they:-		
6.11.1	Rejected and reported on screen?	Yes	Confirmed
6.11.2	Rejected and error reports generated?	No	Confirmed
6.11.3	Accepted and posted to suspense?	No	Confirmed
6.12	Does the software have an automatic facility to correct/reverse/delete transactions?	Yes, but not automatically.	Confirmed
	If Yes:-		
6.12.1	Are all the double entry transactions documented in the audit trail?	Yes. Edited transactions are marked as "deleted" and superseded.	Confirmed
6.13	What are the controls to ensure the internal integrity of the ledger(s) or the accounting information, e.g., control of accounts.	Clear Books use a tool which tracks when the trade debtors report total deviates from the balance sheet trade debtors, allowing problems to be tracked. Also, report on transactions not included in vat return; trial balance report itself reports on unbalanced transaction.	Confirmed
6.14	Is it possible to allocate input values directly to ledger control accounts?	Yes – G/L journals can be posted directly to the trade debtors / creditors accounts	Confirmed
	If Yes:-		
6.14.1	Please note the mechanisms available to allow the user to establish why the total balances on individual accounts do not agree to a respective control account?	Yes – a breakdown of these journals can be obtained from the aged debtors report.	Confirmed
6.15	Can automatic accruals or prepayments be generated?	A recurring journals feature allows accruals or prepayments to be made.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
6.16 Will these automatically be reversed after the period end? (G/L)	If the recurring journal has been set up with the correct amount and number of occurrences, reversal is automatic. There is no specific reversing journal feature	Confirmed
6.17 Does the software have a purchase invoice register?	Yes	Confirmed
6.18 Does the software permit multi debit/credit journals?	Yes	Confirmed
6.19 How are transactions identified on screen/reports as to:- 6.19.1 Type? 6.19.2 Debit or credit?	For S/L and P/L. For G/L. On the transactions report – credits are positive numbers, debits negative. Additionally, two separate columns are used – one for debits and one for credits.	Confirmed Confirmed
6.20 Can separate nominal analysis codes be input for each invoice line?	Yes	Confirmed
If Yes:-		
6.21 Does this cover:- 6.21.1 Sales ledger? 6.21.2 Purchase ledger? 6.21.3 Stock?	Yes Yes No	Confirmed Confirmed Confirmed
6.22 Can receipts and payments be matched to specific invoices?	Yes	Confirmed
If Yes:- Is this		
6.22.1 Automatic or manual?	Manual	Confirmed
6.23 Will the software permit part payments?	Yes (apart from refund transactions)	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
6.24 Will the software allow:-		
6.24.1 Payments to be made to customers?	Yes – there is a refund tab on the bank import tool	Confirmed
6.24.2 Receipts to be received from suppliers?	Yes – see above.	Confirmed
6.25 Does the software handle purchase credit notes?	Yes	Confirmed
6.26 Is there an ability to automatically amend stock if applicable?	N/A	
6.27 Can the software generate sales credit notes?	Yes	Confirmed
6.28 Does the software handle discounts and promotions?	Yes – overall invoice discount only.	Confirmed
6.29 Does the software provide for early settlement discounts?	Yes	Confirmed
6.30 Can early settlement discounts be automatically generated?	Yes	Confirmed
6.31 Are there controls over accepting settlement discounts (e.g. time limits)?	No	Confirmed
6.32 Is VAT treated correctly on early settlement discounts?	Yes – calculated on the discounted net price.	Confirmed
6.33 Will the software permit the posting of unallocated cash to the ledgers?	All cash needs to be allocated to a supplier account, but need not be allocated to a particular invoice.	Confirmed
Does this apply to:-		
6.33.1 Sales ledger?	Yes	Confirmed
6.33.2 Purchase ledger?	Yes	Confirmed
6.34 Are unallocated cash/credit notes specifically reported for follow up?	Yes – there is a specific report for unallocated cash, credit notes can be seen on account transaction lists.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
6.35 Are outstanding transactions displayed for allocation?	Yes	Confirmed
If Yes does this apply to:-		
6.35.1 Sales ledger?	Yes	Confirmed
6.35.2 Purchase ledger?	Yes	Confirmed
6.36 Is it possible for new accounts to be created during input?	Yes	Confirmed
6.37 Does this cover the following ledgers:-		
6.37.1 Sales?	Yes	Confirmed
6.37.2 Purchases?	Yes	Confirmed
6.37.3 General?	Yes	Confirmed
6.37.4 Stock?	No	Confirmed
6.38 What controls are there over the creation of new accounts?	By user access controls. This will also block users from creating accounts when 'explaining' a bank transaction or creating an invoice. 'Explaining' a bank transaction is the process either of allocating a bank transaction against an existing invoice, or creating a new invoice and allocating against it simultaneously.	Confirmed
6.39 Is the originator and/or authoriser identification logged by the software?	No	Confirmed
6.40 Is the user prevented or warned from overriding credit limits or discounts? (S/L).	There is no credit limit feature.	Confirmed
6.41 Does the software have a bank reconciliation facility?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
6.42 Does the software enable transactions to be posted to the ledgers whilst performing a bank reconciliation (e.g. standing charges, bank charges etc)?	All bank transactions need to be allocated to a customer or supplier account, but can also be coded directly to profit and loss or balance sheet accounts other than aged debtors/ creditors.	Confirmed
6.43 Are these adequately reported?	Invoices generated and paid off directly by bank transactions look very similar to those generated	Confirmed
6.44 Does the software accept input files from other computer packages? If Yes:-	Yes.	Confirmed
6.44.1 What formats are accepted?	A wide variety of files are accepted for bank imports. CSV files are accepted for other types of import.	Confirmed
6.44.2 What controls are in place over the interface?	The number of transactions imported are displayed together with the date ranges covered. While 'explaining' (see 6.38) the transactions, an onscreen balance is displayed which can be compared to a bank statement to ensure completeness and accuracy. Any errors (e.g. invalid dates) are flagged up at the time of import. All imported transactions are subject to on screen review before being confirmed as accepted into the system.	Confirmed
6.45 Does the software have a facility for calculating interest on late payments?	No	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>7</b>	<b>File maintenance</b>	
7.1	Are ledgers:-	
7.1.1	Open item?	Confirmed
7.1.2	Balance forward?	Confirmed
7.2	Does the above cover:-	
7.2.1	Sales ledger?	Confirmed
7.2.2	Purchase ledger?	Confirmed
7.2.3	General ledger?	Confirmed
7.3	Is a month end routine required to be undertaken?	Confirmed
7.4	Is the creation or amendment of standing data (e.g. customer account details) controlled by menu options?	Confirmed
7.5	Are menus:-	
7.5.1	Application specific?	Confirmed
7.5.2	User specific?	Confirmed
7.6	Is it <u>impossible</u> to delete accounts if the balance is Nil but transactions have been recorded against the code.	Confirmed
	Does this apply to:-	
7.6.1	General Ledger?	Confirmed
7.6.2	Sales Ledger?	Confirmed
7.6.3	Purchase Ledger?	Confirmed
7.6.4	Stock?	Confirmed
7.7	Are there any other constraints over the deletion of accounts?	Confirmed
	Any account to which transactions – deleted or current – pertain – cannot be deleted	
7.8	What is the size and format of reference numbers and descriptions within:-	



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
7.8.1 General Ledger?	<p>Reference numbers – sequential numbers. Codes are 7 digits long. The first digit references an account group (such as admin costs). The next 3 digits reference an account heading (such as premises costs). The last three digits identify the code within the heading.</p> <p>Custom account codes which don't reference groups and headings can be used (alphanumeric, up to 256 characters)</p> <p>General ledger entities are uniquely identified by a transaction number</p>	Confirmed
7.8.2 Sales Ledger?	<p>Account names are up to 256 characters. Sales ledger entries are given a three letter prefix, followed by a number. The following prefixes are in use:</p> <p>INV – Sales invoice (can be customised)</p> <p>SCN – Sales credit note</p> <p>SBD – Sales bad debt</p> <p>SFX – Sales FX write off</p> <p>SRF – Sales refund</p> <p>Customers and suppliers are internally identified by a unique entity ID number. For the user they are identified by their name.</p>	Confirmed
7.8.3 Purchase Ledger?	<p>Account names are up to 256 characters.</p> <p>The following prefixes followed by a number</p> <p>PUR – Purchase invoice (can be customised)</p> <p>PCN – Purchase credit note</p> <p>PBD – Purchase bad debt</p>	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
7.8.4 Stock?	<p>PFX – Purchase FX write off  PRF – Purchase refund  Identified by an alphanumeric name up to 256 characters long</p>	Confirmed
7.9 Is the scope of the reference number adequate to permit sufficient depth of analysis?	<p>Yes. G/L analysis by group and code. S/L &amp; P/L by project field.</p>	Confirmed
7.10 How does the software guard against/warn about, duplicate account numbers on set up?	<p>The software does not permit duplicate G/L account numbers to be set up nor duplicate named supplier and customer accounts, an on screen warning is displayed.</p>	Confirmed
7.11 How does the software enable the traceability - from, to and through the accounting records - of any source document or interfaced transaction?	<p>A unique invoice number is the primary means of tracing from and to underlying written records. A search facility allows recall of a particular purchase or sales invoice. Filtering and sorting of invoices and bank transactions is also supported. Electronic copies of invoices can be attached to the transaction record.</p>	Confirmed
7.12 What drill down/around functionality is available within the software?	<p>Balance sheet and profit and loss reports link to transactional breakdowns from the general ledger, which link to associated purchase, sales ledger, and cashflow items. It is also possible to drill down from a purchase or sales invoice or cashflow ledger item to the associated general ledger transaction.</p>	Confirmed
7.13 Can reports be invoked which identify all the fields which have been modified?	<p>When an invoice is edited, a voided copy of the original is retained, and can be viewed using the voided invoices</p>	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
7.14 If the software uses a lot of standing information which changes frequently or regularly, does the software allow for such changes to be effected through the use of parameters or tables?	report. No changes to accounts or standing data recorded.	
If Yes: – 7.14.1 Is the use of such parameters or tables adequately reported?	Yes, on screen.	Confirmed
7.15 What controls are within the software over changes to parameters and tables e.g. reporting, password etc?	Access to this area can be restricted by user access controls. By default the employee role restricts access to this area.	Confirmed
7.16 Does the software allow selective archiving of old data on a user-defined basis?	No archiving but data can be backed up, or saved as a restore point. Reverting to backed up data is possible although any transactions created after the creation of the backup or restored point will be lost.	Confirmed
7.17 What controls are in place over the handling of archived data?	Emailed backups are encrypted. Access to the restore point and backup area can be restricted by user access controls.	Confirmed
7.18 Can archived data be used for reporting purposes?	Backups can be restored as the live version.	Confirmed
7.19 Does the software allow for the restoration of achieved data for audit without affecting current accounting data?	No, restored backups overwrite current data.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>8 Processing</b>		
8.1 Does the software ensure that menu options or programs are executed in the correct sequence (e.g. ensure outstanding transactions are processed before month end procedures run)?	The system does not have any such processes which are contingent upon other processes being run.	Confirmed
8.2 After an external document (e.g. sales invoice or cheque payment) has been generated and posted to the accounts is it impossible to amend this data?	The only document this kind of locking applies to are VAT returns submitted to HMRC. All other type of documents can be amended.	Confirmed
8.3 Is there an audit trail of all changes to transactions which have updated the ledgers?	Yes.	Confirmed
8.4 Can the software calculate prices or values by reference to master file data?	Yes, but only a single sale price.	Confirmed
8.5 Does the software provide automatic recalculation, where appropriate, of data input? (e.g. VAT)	Yes	Confirmed
8.6 Does the software warn the user when the ledger is out of balance?	No. However, there are controls to prevent any transaction which is unbalanced from being posted.	Confirmed
8.7 How is this done e.g. when the software is switching on or on ledger update?	By running a trial balance report.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>9</b>	<b>Performance of requisite accounting functions</b>	
9.1	What control features are provided by the software to support effective user controls?	Confirmed
	An admin type role is required to edit user controls. An account owner is required to open or close an entire database, and to arrange payments. The entire user area can be blocked from normal users.	
9.2	Is there:	
9.2.1	Transaction sequencing?	Confirmed
9.2.2	Automatic dating of posting transactions?	Confirmed
9.2.3	Identification of user id or source of document?	Confirmed
9.3	Is the software available as multi user?	Confirmed
9.4	Can the same function be used by more than one person at the same time, whilst still retaining the separate user identities?	Confirmed
9.5	Is the software available as multi-company?	Confirmed
	If Yes:- How many companies are supported?	Confirmed
	Unlimited – licence payable for each company.	
9.6	Is a group consolidation facility available?	Confirmed
9.7	Can the software consolidate entities with different charts of accounts?	N/A
9.8	How many levels of nominal analysis can be handled by the software?	Confirmed
	By group and code. Accounts codes are grouped by statement (e.g. balance sheet, profit and loss account), account group	

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
	(e.g. current assets) and account heading (e.g. – administrative expenses). Custom account heading and codes can be used.	
9.9 How does the software handle cost centres, departments, divisions?	Not really but purchases, sales and journals can be coded to different projects. Profit and loss and cashflow reports for each project are available.	Confirmed
9.10 How are periods handled by the software?	No formal period or year end procedures. Year end journals are not created at the end of a period. Instead, when reporting financial data, profit and loss codes from previous periods are automatically moved to retained earnings.	Confirmed
9.11 How many:-		
9.11.1 Accounting periods can be set up?	Unlimited	Confirmed
9.11.2 Years can be set up?	Unlimited	Confirmed
9.12 Can the length/ number of periods be adjusted to suit different user requirements?	Yes, totally user definable.	Confirmed
9.13 How many accounting periods can be open at any one time?	Unlimited	Confirmed
9.14 How many years can be open at any one time?	Unlimited	Confirmed
9.15 Can a period or year be re-opened after it has been closed?	Yes	Confirmed
If Yes:-		
9.15.1 What controls are in place over this function?	A period can be locked to prevent transactions being entered into a previous period. This ability can be restricted on a by-user basis.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
If No:-		
9.15.2	Is the data archived on the server?	N/A
9.15.3	Is this accessible for reporting purposes?	N/A
9.15.4	Can a previous year be restored from backup?	N/A
9.16	Can data from all accounting periods and years be accessed at any one time?	Yes Confirmed
9.17	Can previous months and years be accessed for enquiries or reports?	Yes Confirmed
9.18	Does the software handle posting date as well as document date?	Yes Confirmed
If Yes:-		
9.18.1	Are transactions analysed by posting date or document date?	General ledger (audit trail) report by posting date. All other reports by document date. Confirmed
9.19	Can transactions be posted to more than one accounting period at any point in time?	Yes, provided the periods are unlocked. Confirmed
9.20	Does this cover:-	
9.20.1	General ledger?	Confirmed
9.20.2	Sales ledger?	Yes Confirmed
9.20.3	Purchase ledger?	Yes Yes Confirmed
9.21	Is it possible to allocate transactions to:	
9.21.1	Future periods?	Yes, unless locked. Confirmed
9.21.2	Previous closed periods?	Only when unlocked. Confirmed
9.21.3	A previously closed year?	Only when unlocked. Confirmed
If Yes:-		
9.21.4	What controls are in place e.g. level of authorisation and on screen warnings?	An on screen error message explaining the transaction cannot be posted because it is in a locked financial period/year, Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
	with a link to unlock it (to users who have access to unlock previous financial reporting periods).	
9.21.5 Will the software revise subsequent periods accordingly?	Yes	Confirmed
9.22 How will transactions outside the current period be:-		
9.22.1 Reported	It will be incremented to the balance sheet, and the profit and loss account in that period, and retained earnings in subsequent periods	Confirmed
9.22.2 Accounted for in the VAT return?	Default option to include late transactions in return but can be turned off.	Confirmed
9.23 Does the software permit use of budgets and provide comparisons between budgets and actuals?	Yes in G/L only.	Confirmed
If Yes:-		
9.23.1 How many versions of budgets/forecasts can be maintained on the system?	Unlimited	Confirmed
9.24 Are budgets available for:		
9.24.1 General ledger?	Yes	Confirmed
9.24.2 Sales ledger?	No	Confirmed
9.24.3 Purchase ledger?	No	Confirmed
9.24.4 Overheads?	Yes	Confirmed
9.24.5 Balance sheet?	Yes	Confirmed
9.25 Can budgets be set by:		
9.25.1 Period?	Yes	Confirmed
9.25.2 Annually?	Yes	Confirmed



**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
9.26 Can the software automatically generate budgets?	Yes	Confirmed
If Yes:- Please state how this is achieved.	Enter data for first period then a percentage or fixed amount change can be automatically applied to all future months in a budget.	Confirmed
9.27 What is the maximum value of transactions and of totals that can be handled by the software?	999,999,999,999,999.99	As stated
9.28 What is the maximum number of transactions that can be handled by the software?	16,777,215 (8,388,607 pairs of debits and credits)	As stated
9.29 What is the maximum number of accounts on each ledger:		
9.29.1 Sales ledger	16,777,215	As stated
9.29.2 Purchase ledger?	16,777,215	As stated
9.29.3 General ledger?	16,777,215	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment	
<b>10</b>	<b>Reports</b>		
10.1	Are all reports adequately titled and dated? (E.g. report name, client name, data, period, batch, last entry number, period end, pages, numbers etc.)	Report name, company name and logo, time period covered by report, creation date and page numbering.	Confirmed
10.2	Do the reports provide totals where applicable?	Yes	Confirmed
10.3	Are these totals calculated or taken from a control file?	Calculated	Confirmed
	Please state the reports that do not feature calculated totals.	Lists and Audit trail report.	Confirmed
10.4	Is it clear when the report has ended? (totals or end markers)	Yes - totals and page numbers X of Y.	Confirmed
10.5	Can reports be saved in electronic format (as distinct from just printing)?	Yes, some (PDF format) – but must be saved using an operating system (not in Clear Books itself).	Confirmed
10.6	Are such files adequately protected from deletion or amendment?	PDF is password protected from amendment. Protection can be achieved by certain operating systems, but is not a facility offered by Clear Books.	Confirmed
10.7	Is a report writer provided as part of the software or as an add on?	No custom report writer is provided, although data can be exported to a spreadsheet format for subsequent analysis.	Confirmed
	Please state the name of any third party package.	N/A	
10.8	What level of knowledge is required to use the report writer e.g. beginner, regular user, expert?	N/A	

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
10.9 Can the report writer make use of user-defined fields (including external fields)?	Clear Books has no user defined fields.	Confirmed
10.10 Does the report writer enable:-		
10.10.1 Separate access to each system area?	N/A	
10.10.2 Reports to be prepared which combines related data from a number of system areas (e.g. Customers – Sales – Stock items) in the same report?	N/A	
10.11 Can users define the parameters, columns, fields and selection criteria used on reports reported?	N/A	
10.12 Are standard reports always produced, even when they are nil returns?	No – blank report, headings only.	Confirmed
10.13 Is there an option for reports to exclude nil balances, this year or where there are nil balances this year and last year, to enable a comparative report to be produced with the completeness of both years' being maintained?	No, they are automatically excluded.	Confirmed
10.14 Can screen layouts, reports and transaction formats be easily adapted to users' requirements?	Generally no, but some on screen lists can be sorted by different column headings. Aged transaction reports can be displayed analysed by customer or by invoice. Date ranges can be changed.	Confirmed
10.15 Can a hard copy be produced of all screen enquiries?	Yes, from within browser.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
10.16 Can transaction files for all previous periods of the year be retained in the software to permit enquiries and reports?	Yes	Confirmed
10.17 Are reports of all changes to standing data on customers, suppliers, tax rates etc automatically generated or stored for later printing?	No	Confirmed
If Yes:-		
10.17.1 Is the report able to capture the nature of the change, user id and data and time of the change?	N/A	
10.18 Are all transactions on all reports individually identifiable?	Yes	Confirmed
10.19 Do the reports show whether items are debit or credit?	Yes in G/L by type in S/L & P/L.	Confirmed
10.20 Do reports give sufficient narrative and coding to enable cross referencing?	Yes, when looking at transaction detail.	Confirmed
10.21 Is it possible to drill down from reports to the ledgers and original transactions?	Yes	Confirmed
10.22 Can the software produce all requisite reports:-		
10.22.1 Day books	Yes	Confirmed
10.22.2 Trial balance	Yes	Confirmed
10.22.3 Profit and loss account	Yes	Confirmed
10.22.4 Balance sheet	Yes	Confirmed
10.22.5 Aged debtors	Yes	Confirmed
10.22.6 Aged creditors	Yes	Confirmed
10.22.7 Aged stock	No	Confirmed
10.22.8 Aged unallocated cash (debtors)	Yes	Confirmed
10.22.9 Aged unallocated cash (creditors)	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
10.22.10 Budgets	Yes	Confirmed
10.22.11 Cash flow statement	Yes (not a GAAP cashflow report – shows cashflow per account code).	Confirmed
10.22.12 VAT reports	Yes	Confirmed
10.22.13 VAT form 100	Yes	Confirmed
10.22.14 EC Sales Listings	Yes	Confirmed
10.22.15 Intrastat returns (SSD)	No	Confirmed
10.23 Are the above reports standard within the software or do they have to be written?	Standard	Confirmed
10.24 Is the age criteria fixed or user definable?	Fixed	Confirmed
10.25 Can the aged analysis and day book reports be in summary and detail?	Yes	Confirmed
10.26 Do standard reporting options give sufficient flexibility to tailor individual reports?	No. Standard reports cannot be tailored with the exception of a date filter.	Confirmed
10.27 Can all reports be reproduced after the period end but @ the month end date:-		
10.27.1 Transaction listings?	Yes	Confirmed
10.27.2 Day books?	Yes	Confirmed
10.27.3 Trial balance?	Yes	Confirmed
10.28 Is it possible to print out retrospective month end aged sales and purchase ledger reports that agree back to the month end trial balance control account figures as at the month end?	Yes	Confirmed
10.29 Do the standard budget reports provide sufficient analysis of variances?	Yes, but only a % variance over selected periods.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
10.30 Do such reports provide exception reporting, percentage analysis and comparatives?	Percentage analysis and Confirmed comparatives are available from the management report.	Confirmed
10.31 Do standard reports show sufficient analysis of trading results? (E.g. sales analysis by region)?	Yes in profit & loss report, but only by project field.	Confirmed
10.32 Are all movements during each accounting period shown on sales, purchase, general, stock ledger detail reports?	No stock movements only quantity in stock is maintained.	Confirmed
10.33 Do the sales and purchase ledger reports show how all partial payments or allocations (unallocated cash) have been treated?	Yes, via drilldown to details.	Confirmed
10.34 Is there a general ledger report that shows balances brought forward and carried forward plus all posted transactions in the period?	Yes	Confirmed
10.35 Can the management accounts, profit and loss account and balance sheet be sufficiently analysed by:		
10.35.1 Project/job	Yes, profit & loss only.	Confirmed
10.35.2 Cost centres	No	Confirmed
10.35.3 Department	No	Confirmed
10.35.4 Division	No	Confirmed
10.35.5 Company	No	Confirmed
10.35.6 Group (if applicable)	No	Confirmed
10.35.7 Can the above be user defined by Period and/or range?	Yes	Confirmed
10.36 What controls are there in place so that the user is aware of partly processed transactions:-		

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
10.36.1 Unposted invoices	Report of draft invoices	Confirmed
10.36.2 Uninvoiced dispatches	N/A – no stock control of this type implemented.	Confirmed
10.36.3 Payments	Listing of unallocated payments	Confirmed
10.36.4 Receipts	Listing of unallocated receipts	Confirmed
10.37 State the controls that are in place to ensure that the correct price/discount has been applied to invoices/credit notes? (e.g. Gross Margin reports)	No controls, a pre-set price is automatically prefilled into purchase and sales invoices but can be overridden.	Confirmed
10.38 Detail all automatically generated documents for external use. (E.g. sales invoices and statements, remittance advices.)	Sales invoices, customer and supplier statements, remittance emails, purchase orders, payment reminder emails, sales credit notes, sales quotes.	Confirmed
10.39 Can the software reproduce source documents? [E.g. sales invoices; POs, Remittance advices.....]	Yes, but not emails. Documents saved as PDF files can be reproduced.	Confirmed
10.40 Are the duplicates an exact replica of the relevant financial and VAT accounting information as stored on original documents [i.e. they do not take account of any subsequent changes to the standing data?	No – unless a PDF copy was taken at the time and saved by the user.	Confirmed
10.41 Are these clearly identified as duplicates?	No	Confirmed
10.42 Does the software force the production of month-end reports?	No	Confirmed
10.43 Can the reporting function make use of external data files?	No	Confirmed
10.44 Does the report writer have the facility to scroll up and down when output to screen?	This should be provided by any modern web browser.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
10.45 Can all reports be run without the need for period-end procedures to be initiated?	Yes	Confirmed
10.46 Does the report writer allow print previews of all reports?	No report writer but preview reports available on screen.	Confirmed
10.47 Can transactions and standing data be output directly to other formats e.g. CSV, txt, XML, PDF etc. for any period of time required?	Yes - CSV and PDF	Confirmed



**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>11 Value Added Tax</b>		
<p>The following sections detail the general requirements/features of an accounting package in handling VAT. It cannot cover all eventualities or all users and where necessary members should contact their local HMRC office for detailed guidance. The overall objective is to accurately record the accounting for VAT in order to support VAT returns to HMRC.</p>		
<b>Software features</b>		
11.1 Does the software have the facility to hold the following VAT information:-		
11.1.1 UK VAT registration number?	Yes	Confirmed
11.1.2 Intrastat code?	No	Confirmed
11.1.3 EC Code?	No	Confirmed
11.1.4 EC VAT registration numbers (10)?	Yes	Confirmed
11.1.5 VAT rates (please specify number available)	Yes - unlimited	Confirmed
11.2 How does the software handle roundings?	VAT is always calculated to a precision of 2 decimal places. A choice can be made as to whether to calculate VAT as the sum of the VAT on each line item, or on the invoice net total (by inserting an extra invoice line for the VAT rounding differences arising).	Confirmed
11.3 Is this applied consistently?	Yes	Confirmed
11.4 Does the software handle VAT Scale charges with automatic double entry processing?	No	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.5 Does the software handle VAT calculation tolerances?  If Yes do any discrepancies produce:-	No – although it can recalculate VAT and any differences to source supplier invoices can be noted and acted upon.	Confirmed
11.5.1 Warning?	If the VAT is not the expected multiple of the net a manual VAT rate would have to be selected to enable data entry.	Confirmed
11.5.2 Appear in the audit trail	No	Confirmed
11.5.3 Appear in the VAT exception report?	No	Confirmed
11.6 What security features (password/ audit trail) are in place to control changes made to:		
11.6.1 General ledger VAT control accounts?	By access control and shown in audit trail. Journals to VAT control from a profit and loss account will appear in the VAT return; otherwise they will not appear in the VAT return.	Confirmed
11.6.2 VAT tables set up and change?	Access control.	Confirmed
11.6.3 Tolerance levels?	N/A	
11.6.4 Invoice sales number table?	Access to the start of the sequential numbering sequence by access control. Sales invoice numberings can be changed manually.	Confirmed
11.6.5 Changes on VAT code on customer files?	Access control but can be overridden in invoice production.	Confirmed
11.6.6 Changes on VAT code on stock files?	N/A	

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.6.7 VAT calculated on sales invoices or credit notes?	If the VAT is not the expected multiple of the net a manual VAT rate would have to be selected to enable data entry.	Confirmed
11.7 Does the software store and report a VAT return identifier [VRI]?	Yes	Confirmed
11.8 How does the software ensure that that each eligible posting is reported only once in a VAT return?	Each transaction has a VAT return identifier – once this is not null, a transaction will not be included in a subsequent return.	Confirmed
<b>Method of operation</b>		
11.9 VAT basis. Can the software handle:		
11.9.1 Invoice (standard) accounting?	Yes	Confirmed
11.9.2 Cash accounting?	Yes	Confirmed
11.10 If the software can handle both invoice (standard) and cash methods of accounting for VAT is the basis clearly identified during set up?	Yes	Confirmed
11.11 Does the software allow for a switching between methods?	Yes	Confirmed
11.11.1 If Yes:- Is the change fully supported by audit trails to ensure proper VAT treatment of all transactions?	No retrospective or transactional changes arise when a VAT scheme is changed – this only changes transactions posted after the change of scheme.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.11.2 Is this ability to change a basis of accounting clearly flagged, i.e. users warned etc.	Users warned to contact Clear Books for assistance when changing from cash to invoice accounting as the requirement to account for all unpaid invoices is not automated.	Confirmed
11.11.3 Does the software alert the user that they require HMRC authorisation if they attempt to apply, retrospectively, the 'Cash Accounting Scheme' for VAT accounting?	No	Confirmed
11.11.4 Does the software provide useful and relevant information on switching in the software help section?	No	Confirmed
11.12 Can the software handle the following VAT schemes:-		
11.12.1 Annual accounting scheme?	Yes	Confirmed
11.12.2 Flat rate scheme?	Yes	Confirmed
11.12.3 Retail schemes?	Yes, if retail sales are entered correctly.	Confirmed
11.12.4 Account for VAT on the margin?	No	Confirmed
11.13 Can the software be configured to handle partial exemption methods?	No, only manually.	Confirmed
11.14 Please state the number of VAT codes available for VAT analysis.	Up to 9 customisable VAT rates (including out of scope "Exclude from VAT return". 6 VAT treatments (Good / services from inside . outside EU, from UK, and Out of scope)	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.15 How does the software handle:-		
11.15.1 Outside scope?	Select treatment "Outside scope" and VAT rate "Exclude from VAT return" (software checks that both are consistent).	Confirmed
11.15.2 Distance selling (supply to an unregistered EC customer)?	Should be entered using treatment "goods or services to UK customer"	Confirmed
11.16 How the software handle EC VAT:-		
11.16.1 Goods and related service?	Reported on EC Sales list. VAT boxes 2 and 8 for purchases, 9 for sales.	Confirmed
11.16.2 Services only?	Purchases only.	Confirmed
11.16.3 Process?	No	Confirmed
11.16.4 Triangulation?	No	Confirmed
11.17 Does the software include the functionality to identify EU acquisitions?	Yes	Confirmed
If Yes:-		
11.18 Can the software generate acquisition tax?	Yes	Confirmed
11.19 Can a report be generated of all EU acquisitions and the amounts of acquisition tax generated?	Included in the VAT report.	Confirmed
11.20 Does the software include the functionality to identify transactions liable to reverse charge VAT?	Yes – select treatment services to the EU.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.21	Yes	Confirmed
11.22	Included in the VAT report.	Confirmed
11.23	Not directly. However, a VAT report can be pasted into a spreadsheet, and compared to an exported general ledger control or sales account.	Confirmed
11.24	These appear in a VAT exceptions report. Default option to include late transactions in return but can be turned off.	Confirmed
Input VAT (purchases)		
11.25	Yes	Confirmed
11.26	Does the software require the following to be entered:-	
11.26.1	Supplier reference?	Confirmed
11.26.2	Supplier document reference?	Confirmed
11.26.3	Internal document reference?	Confirmed
11.26.4	Invoice tax point date?	Confirmed
11.26.5	Invoice posting period date?	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.26.6 Invoice gross total?	Not required - calculated.	Confirmed
11.26.7 Invoice VAT amount?	Not required - calculated.	Confirmed
11.26.8 Individual invoice lines:-		
11.26.8.1 net amount	Yes	Confirmed
11.26.8.2 VAT rate (optional from VAT code, product supplier	Yes	Confirmed
11.27 Does the software validate individual invoice line VAT amounts against the total invoice of VAT (less early settlement at discount) and accept or reject the amount subject to the software tolerance?	If the VAT is not the expected multiple of the net a manual VAT rate would have to be selected to enable data entry.	Confirmed
11.28 Can the user override the software derived input VAT amount and input VAT as shown on the supplier invoice?	Yes	Confirmed
11.29 Does the software allow VAT to be reclaimed on the basis of registered but unposted invoices?	No	Confirmed
If Yes:-		
11.30 Does the software flag the status as:-	N/A	
11.30.1 VAT not yet reclaimed?	N/A	
11.30.2 VAT claimed?	N/A	

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>Output VAT (sales)</b>		
11.31 Does the software generate sales invoices?	Yes	Confirmed
If Yes:-		
11.32 For each invoice generated is the following information included on the sales invoice:-		
11.32.1 Unique software generated invoice reference	Yes	Confirmed
11.32.2 Your name, address, EC country code and VAT number?	Yes	Confirmed
11.32.3 The time of supply (tax point)	Yes	Confirmed
11.32.4 Date of issue (if different to the time of supply)	Taken to be the same unless accrual date option used.	Confirmed
11.32.5 Your customer's name (or trading name) and address, EC country code and VAT number (if applicable)	Yes, provided the information is stored.	Confirmed
11.32.6 The unit price [applies to countable goods or services. E.g. an hourly rate; or a price for standard services.]	Yes	Confirmed
11.32.7 A description which identifies the goods or services supplied.	Yes	Confirmed
11.33 Does the software identify supplies that are zero-rated or exempt on an invoice and that there is no VAT payable?	Yes	Confirmed



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
If Yes:		
11.34 Is this by way of a report?	A sales ledger report can be saved and manipulated in a spreadsheet to extract all zero-rated transactions.	Confirmed
11.35 Does the software handle Proforma invoices?	Yes	Confirmed
If Yes:-		
11.36 Are the invoices clearly identified as "this is not a tax invoice"?	Labelled "quote" "pro-forma invoice" or "estimate" but no explicit statement "this is not a tax invoice"	Confirmed
<b>VAT Reporting</b>		
11.37 Does the software produce a VAT 100 form as standard?	Yes	Confirmed
If No:-		
11.38 Does the software have a means of producing reports that support the completion of the VAT return?	Yes	Confirmed
11.39 Is the VAT return information available by report on a three monthly basis or any other specified period?	Any specified period	Confirmed
11.40 Is there a detailed and summary analysis of all transactions included in each return sorted by VAT code and transaction type making up the total in each of the boxes on the VAT 100 Form?	Listing of transactions, but not sorted by transaction type.	Confirmed
11.41 Can the VAT return be recreated showing all the transactions which were included in the original VAT return?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.42 Does the software have a separate VAT audit log?	No	Confirmed
11.43 Note where the software details the following non routine event in the audit trail or VAT audit log etc:-		
11.43.1 Changes to VAT tables.	Not recorded	Confirmed
11.43.2 Change from invoice/cash VAT accounting or other Schemes.	Show in VAT scheme log.	Confirmed
11.43.3 VAT tolerance.	N/A	
11.43.4 Changes to VAT rates on customer, supplier, product master files.	Not recorded	Confirmed
11.44 Are the above changes noted above stamped with a:-		
11.44.1 User id?	N/A	
11.44.2 Software generated unique reference number?	N/A	
11.44.3 Date and time?	N/A	
11.45 VAT postings		
11.45.1 Are all VAT postings recorded in the audit trail or VAT audit log?	Yes in audit trail.	Confirmed
11.45.2 Does the software denote whether each transaction has been included in a reconciled VAT return?	Yes	Confirmed
11.45.3 How does it denote which VAT Return the transaction has been included in?	An ID number linking to the VAT return table.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.46 Does the software produce a VAT Exception report detailing such transactions as:-		
11.46.1 VAT amounts outside tolerance levels?	No	Confirmed
11.46.2 Manual changes to software generated VAT?	No	Confirmed
11.46.3 Write offs	No	Confirmed
11.46.4 Zero value invoices?	Zero valued invoices cannot be produced on Clear Books.	Confirmed
If No for any of the above:-		
11.47 How does the software document these occurrences?	VAT amounts which are not the expected multiple are recorded as having a "manual" VAT rate. Write offs are recorded as credit notes.	Confirmed
11.48 Does the software handle "intra-community" supply of goods?	Yes	Confirmed
11.49 Does the software support production of an EC Sales List?	Yes	Confirmed
If Yes:-		
11.50 Does the report show the country code, the customer name, their EC VAT number, the invoice reference and indicators for different types of despatches?	Yes, provided details are stored, apart from indicator of type of dispatch	Confirmed
11.51 Does the software produce invoice level reports that enable every value on each EC Sales List report to be traced to source documents?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.52 Does the software have a means of ensuring that each eligible posting on the EC Sales List is reported only once? (Please state how this is done within the software).	Yes – by date and if the user locks a period after completing the EC sales list for that period it will be impossible to include these postings in future EC returns.	Confirmed
11.53 How does the software handle triangulation? E.g. a movement of goods without a related invoice transaction.	No provision for triangulation.	Confirmed
11.54 Does the software produce the relevant documents in a format [e.g. CSV or XML] that can be uploaded direct to the HMRC gateway?	Yes	Confirmed
11.55 Can these be electronically transmitted direct from the system?	Yes	Confirmed
11.56 Does the software produce Intrastat reports where applicable?	No	Confirmed
11.57 How are errors on VAT accounts corrected?	Relevant transactions need to be voided and re-entered (copied) with correction made. Journals can also be used to create correcting entries.	Confirmed
11.58 How does the software handle the VAT on purchase and sales ledger contras?	To achieve this, both need to be marked off as paid to a contra account, so whether on an invoice or on a cash basis, the relevant entries for both the sale and the purchase will be included in the VAT return.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
11.59 How does the software handle partially allowable expenditure, e.g. VAT on petrol invoices where employees are provided with petrol (adjustment required for own use)?	This would have to be calculated manually, and a manual VAT rate used. There is no specific provision for this in Clear Books.	Confirmed
11.60 Can the software handle cheque refunds to customers?	Yes	Confirmed
If Yes:-		
11.61 How is the VAT accounted for under cash accounting?	Initially VAT is credited to a VAT cash control account. When an invoice is paid, the amount is moved by journal into a VAT control account.	Confirmed
11.62 Can the software handle invoices with multiple rates of VAT?	Yes	Confirmed
11.63 How does the software handle write off of bad debts and the related VAT?	VAT is reclaimed in the period of the write off (invoice basis) or is never paid in the first place (cash basis).	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>12</b>	<b>Currency</b>	
12.1	Is multi-currency processing available?	Confirmed
	If Yes:-	
12.1.1	State number of currencies available.	Confirmed
12.1.2	Does this cover:-	
12.1.2.1	General ledger	Confirmed
12.1.2.2	Sales ledger	Confirmed
12.1.2.3	Purchase ledger	Confirmed
12.1.2.4	Stock	Confirmed
12.1.3	Is conversion to sterling automatic?	Confirmed
	If Yes:-	
12.1.4	Does this cover-	
12.1.4.1	General ledger	Confirmed
12.1.4.2	Sales ledger	Confirmed
12.1.4.3	Purchase ledger	Confirmed
12.1.4.4	Stock	Confirmed
12.1.5	Can the user select which currency to value each of the ledgers?	Confirmed
	If Yes:-	
12.1.6	Does this cover:-	
12.1.6.1	General ledger	Confirmed
12.1.6.2	Sales ledger	Confirmed
12.1.6.3	Purchase ledger	Confirmed
12.1.6.4	Stock	Confirmed
12.1.7	What are the currency capacities?	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
	be overridden). Bank transactions can be entered in a foreign currency.	
12.1.8 What are the maximum and minimum exchange rates?	No limits are imposed	Confirmed
12.1.9 What approach will the Software House take towards handling the EURO?	The Euro is handled like any other currency – it can be a base or foreign currency.	Confirmed
12.2 What currency information is held:		
12.2.1 Currency Code/description?	Yes	Confirmed
12.2.2 Country?	Yes	Confirmed
12.2.3 Currency rate table?	Yes, hidden from user but appropriate day rate picked up.	Confirmed
12.2.4 Date rates effective from-to?	No – rates automatically set daily.	Confirmed
12.2.5 Previous rates held?	Yes, hidden from user but appropriate day rate picked up.	Confirmed
12.3 Can a base currency be selected?	Yes	Confirmed
12.4 Can the user over ride the exchange rates during a transaction?	Yes, rates can be manually entered.	Confirmed
12.5 Can the user change the exchange rates per account?	No	Confirmed
12.6 Is there a restriction on accounts to a single selected currency?	No	Confirmed
If Yes:-		
12.6.1 What controls are in place over any changes?	N/A	
12.7 Can the user manually over ride the currency calculation?	No, only by changing the exchange rate.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
12.8 Are gains or losses on currency calculations automatically processed?	Only if the "mark as paid" rather than the explain bank transaction workflow is used. Any difference is posted to foreign exchange gain/loss.	Confirmed
12.9 Can the user over ride the calculation /processing of currency gains and losses?	Yes, but user would need to create credit note for difference.	Confirmed
12.10 Can a user override an exchange rate on each transaction?	Yes, rate can be entered manually.	Confirmed
12.11 Can the user define the treatment of foreign exchange gains/losses i.e. where posted to in the general ledger?	No – system generated profit or loss on foreign exchange is taken to a specific account code.	Confirmed
12.12 Can ledger accounts be defined to take invoices/payments in specified currencies/ multiple currencies?	No – any currency can be specified for each invoice/ payment.	Confirmed
12.13 Does the software prevent the deletion of the active currency?	N/A – all currencies are active all the time.	Confirmed
12.14 Does the software prevent use of duplicate currency codes?	Yes – only currency codes specified by the system can be used.	Confirmed
12.15 Can currency transactions be entered in selected currency and/or base currency?	Sales and purchase ledger transactions can be entered in a foreign currency, and are automatically translated to the base currency (though this can be overridden). Bank transactions can be entered in a foreign currency.	Confirmed
12.16 Can transactions be entered in multiple currencies?	No, but multi-currencies can be mixed on an account.	Confirmed



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
12.17 How does the software handle exchange differences?	Once an invoice has been fully paid using the bank explanation tool, the user must manually write off any differences arising from foreign exchange movement using a specific tool for this purpose. There are automatic processes for this in workflows in which invoices are marked off as paid directly.	Confirmed
12.18 How does the currency treat revaluations relating to:		
12.18.1 Ledgers (sales/purchases)	No such feature is provided – revaluations would have to be calculated manually and entered as a dummy invoice or credit note as appropriate.	Confirmed
12.18.2 Monetary assets/liabilities	Only bank accounts can be foreign denominated assets or liabilities. Revaluations would have to be entered as a transfer to or from a base currency account, with a foreign currency amount of 1, a transfer from the foreign currency account to the GBP account with an equal and opposite foreign currency amount and then a journal from the base currency account on to profit or loss on foreign exchange.	Confirmed for 12.18.2 and 12.18.3
12.18.3 General ledger accounts?		

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment	
<b>13 Sales Order Processing and Invoice Production</b>			
No sales order processing only quotations and invoices.			
13.1	Does the software start with a quotation or the sales order?	Optionally, a quotation.	Confirmed
13.2	Are recurring or schedule orders handled?	No	Confirmed
13.3	At quotation or initial order stage state how does the software:		
	13.3.1 Checks stock availability.	Not done	Confirmed
	13.3.2 Highlight alternative stock.	Not done	Confirmed
13.4	How does the software check credit status of customer:		
	13.4.1 On receipt of order?	Not done	Confirmed
	13.4.2 Prior to dispatch?	Not done	Confirmed
13.5	Can the software block:		
	13.5.1 Customer orders?	No	Confirmed
	13.5.2 Deliveries?	No	Confirmed
	13.5.3 Invoice production?	No	Confirmed
13.6	Where stock is not available is a "back order" raised and a purchase order issued?	No	Confirmed
13.7	Does the software handle forward orders?	No	Confirmed
	If Yes is this:-		
	13.7.1 Only when stock is now available?	N/A	
	13.7.2 Allocated from future planned stock?	N/A	

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
13.8 Can multiple addresses be held for each customer (invoice and delivery address).	Yes, invoice and one delivery address.	Confirmed
13.9 Are the following documents produced:		
13.9.1 Quotations?	Yes, print or email	Confirmed
13.9.2 Order confirmation?	No	Confirmed
13.9.3 Picking lists?	No	Confirmed
13.9.4 Labels?	No	Confirmed
13.9.5 Dispatch/Delivery note?	There are delivery note invoice layout themes.	Confirmed
13.9.6 Invoices?	Yes, print or email	Confirmed
13.10 Are the following reports available:		
13.10.1 Quotes for which orders not received?	Yes, plus those rejected report.	Confirmed
13.10.2 Orders received (analysis)?	No	Confirmed
13.10.3 Items placed on backorder and/or purchase orders raised?	No	Confirmed
13.10.4 Items dispatched not invoiced?	No	Confirmed
13.10.5 Items ordered but not dispatched due to stock out?	No	Confirmed
13.10.6 Gross margin (by invoice or item)?	No	Confirmed
13.11 Are invoice details derived from order input? (e.g. prices, quantity)	Yes (optionally from quote).	Confirmed
13.12 Can picking lists /dispatch notes be amended for non availability of stock?	No	Confirmed
If Yes:-		
13.12.1 Is this reported?	N/A	
13.12.2 Are the items dispatched reflected in final invoice?	N/A	

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
13.13 Is there one dispatch note and invoice per order?	The same transaction can be produced an unlimited number of times in an "invoice" or "dispatch note" theme.	Confirmed
13.14 How does the software ensure all dispatches are invoiced? e.g. where multiple dispatches are raised per order, or several orders on a single dispatch note.	No functionality to track dispatches.	Confirmed
13.15 Can manual invoices be raised (i.e. without a sales order)?	Yes, without quote.	Confirmed
13.16 Does the software produce proforma invoices as required?	Yes	Confirmed
13.17 Can returned goods be processed to produce credit notes?	No stock movement functionality, but credit notes can be produced.	Confirmed
13.18 Are these referenced to the original order/invoice?	N/A	
13.19 Will the product accept orders from the Web?	Several customers have written bespoke interfaces (import and export) for achieving this using Clear Books Application Programming Interfaces (no extra charge for API). However, this is not a services offered by Clear Books directly. (See also 18.11 &18.12)	Confirmed
If Yes:-		
13.19.1 How are web orders integrated with the sales order processing ledgers?	N/A	
13.19.2 What control features are available for checking web orders before processing?	N/A	

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>14 Purchase Order Processing</b>		
No purchase order processing apart from purchase order generation.		
14.1 Does the software generate suggested orders?	No	Confirmed
14.2 Can orders be generated by the user?	Yes	Confirmed
14.3 Is the software easy and efficient to use, i.e. scroll backwards and forwards in the product file, tagging more than one item per order?	Yes, from drop down list.	Confirmed
14.4 Can more than one supplier be allocated to each product?	No suppliers allocated to products.	Confirmed
14.5 Does the software hold details of substitute products if applicable?	No	Confirmed
14.6 Based on automatic and manual order generation (above) does the software produce a list of proposed purchase orders, if so, can these be easily amended?	No	Confirmed
14.7 Is stock availability updated for stock on order?	No	Confirmed
14.8 Can the software handle partially completed orders and returns?	No specific functionality for this.	Confirmed
14.9 Are receipts checked to orders and discrepancies reported?	No automated function for this.	Confirmed
14.10 Are purchase invoices checked to purchase orders, confirmed receipts and discrepancies reported?	No automated function for this	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
14.11 Are the following reports available:		
14.11.1 Purchase Orders raised (analysis)?	Yes, no analysis.	Confirmed
14.11.2 Purchase Orders not received?	No	Confirmed
14.11.3 Goods received discrepancies?	No	Confirmed
14.11.4 Invoice to goods received discrepancies?	No	Confirmed
14.11.5 Goods received not invoiced?	No	Confirmed
14.12 Can the software handle "back to back" ordering?	No automated features for this.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>15</b>	<b>Stock Control</b>	
	Mainly only a stock list but system maintains quantity in stock.	
15.1	What information is held in respect of stock (and are there any limits):-	
15.1.1	Item numbers/ description?	Yes, SKU number and character name. 256 Confirmed
15.1.2	Location(s)?	No Confirmed
15.1.3	Quantity, (available, allocated, on order)?	Only quantity in stock Confirmed
15.1.4	Minimum and maximum stock levels?	No Confirmed
15.1.5	Reorder lead times?	No Confirmed
15.1.6	Supplier(s)?	No Confirmed
15.1.7	Prices/cost/ discount details?	Single cost and sale prices Confirmed
15.1.8	Batch/serial number?	No Confirmed
15.1.9	Weights etc?	No Confirmed
15.1.10	Other – please specify?	No Confirmed
15.2	How is stock updated?	
15.2.1	Dispatch of goods?	Sales invoices Confirmed
15.2.2	Receipt of goods?	Purchase invoices Confirmed
15.2.3	Adjustments?	Quantity in stock can be changed manually. Confirmed
15.2.4	Transfers between locations?	No Confirmed
15.3	Is negative physical stock allowed?	Yes Confirmed
15.4	Can the software handle “sale or return” stock?	No Confirmed
15.5	Can the software handle variations to a standard pack of products?	Yes, can sell as pack or singles with same unit price. Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
15.6 What methods of stock valuations are allowed?	No stock valuations.	Confirmed
15.6.1 Average	N/A	
15.6.2 FIFO	N/A	
15.6.3 LIFO	N/A	
15.6.4 Standard cost	N/A	
15.6.5 Other – please specify	N/A	
15.7 How can stock enquiries be made, i.e. by product code, short name/supplier etc.	Product name	Confirmed
15.8 Does the software track orders and enable enquiries by date, e.g. list of all stock due on a particular day; stock to be dispatched on a set date?	No	Confirmed
15.9 Does the software facilitate the regular counting/ inspection of physical stock (e.g. by producing random/defined stock check lists)?	No but can produce a report of quantities in stock.	Confirmed
15.10 Can the software handle more complex situations such as:		
15.10.1 Bill of materials	No	Confirmed
15.10.2 Links to CAD/CAM systems	No	Confirmed
15.10.3 Job costings to collate and value WIP.	No	Confirmed



**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>16 User Documentation</b>		
This section applies to any of: online, hardcopy or other (e.g. WWW) documentation – specify which are applicable. Hardcopy User Guide and Accountant Guide others on line.		
16.1 Is the manual clearly laid out and understandable?	User manual – available in hard copy and PDF. Contextual help guides available in HTML and PDF. All set out clearly, with plentiful screenshots and step by step instructions.	Confirmed
16.2 Is the manual comprehensive and accurate?	Yes.	Confirmed
16.3 Is there an index to the manual?	No – table of contents in printed guides but the online help guides do have a search facility.	Confirmed
16.4 Is it easy to locate specific topics in the manual when required?	Yes, using the search facility.	Confirmed
16.5 Is it easy to follow through all procedures in the manual?	Yes	Confirmed
16.6 Does the manual include:		
16.6.1 A tutorial section?	No but demonstration company data provided.	Confirmed
16.6.2 A guide to basic functions?	Yes	Confirmed
16.6.3 Pictures of screens?	Yes	Confirmed
16.6.4 Completed examples included in the manual?	Yes	Confirmed
16.6.5 Specific “error correction” procedures?	No	Confirmed
16.6.6 VAT information?	This is available in the help guides.	Confirmed
16.7 Does the documentation clearly specify the actions to be taken by users at each important stage of processing?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
16.8 Are help screens available relating to the task in hand? (context sensitive help).	Yes via links to online guide and can also ask a question.	Confirmed
16.9 Do they provide on-line instructions on how to use particular features of the software?	Yes	Confirmed
16.10 Can they be edited or prepared by the user?	No	Confirmed
16.11 Will the Software House make the detailed program documentation (e.g. file definitions for third party links) available to the user, either directly or by deposit with a third party?	API documentation and interface code is readily available. (No extra charge for API).	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>17 Efficiency</b>		
17.1 Are the various functions of the software menu-driven, or otherwise easy to initiate?	Yes	Confirmed
17.2 Is there a good response time in the initiation of functions?	Yes – page reload times typically around 0.2 – 0.3 seconds, with a good internet connection.	Confirmed
17.3 Is data entry easily repeated if similar to previous entry?	Yes – there are functions to copy a previous transaction in two clicks. The system features an innovative feature which learns to associate descriptions in a bank statements with particular ledger accounts and VAT treatments and offers this as the default treatment.	Confirmed
17.4 Does the software prevent access to a record while it is being updated?	Yes. The database automatically provides transactional locking to prevent records being updated by two requests (which can originate from one or two users) simultaneously.	Confirmed
17.5 Is there locking at file or record level?	Yes, record level but see above.	Confirmed
17.6 Does the software allow for the running of reports whilst records are being updated?	Yes	Confirmed
17.7 Does the software retain a log of file updates until the next occasion on which the relevant information is reported or the relevant file used in a regular control procedure?	No	Confirmed
17.8 Can regular reports be easily duplicated if required?	Yes	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
17.9 Does the software warn the user when space is becoming short?	No – but the theoretical maximum size is practically unattainable. Clear Books would become aware of and remedy any lack of storage on its servers.	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>18 Integration and www facilities</b>		
18.1 Are the different accounting modules integrated?	Yes	Confirmed
18.2 Are they integrated on real time basis or batch basis?	Real time	Confirmed
18.3 Can the integration of batches be by batch, weekly or monthly?	Batches are posted as completed.	Confirmed
18.4 Is the ledger updating process satisfactorily controlled by the production of control reports?	No reports are raised.	Confirmed
18.5 What operating systems does the software run under?	The servers are run using Linux. As the software is delivered using the internet, there are no dependencies as to the user software. No specific requirements are made of the client operating system software.	Confirmed
18.6 Which databases can be used?	N/A	
18.7 Can more than one software function be performed concurrently?	Yes	Confirmed
18.8 Can the software be linked to other packages e.g. word processing, graphics, financial modelling, to provide alternative display and reporting facilities?	Exports directly to CSV and PDF files.	Confirmed
18.9 Can definable links to spreadsheets be created?	No (without the assistance of some highly technical API work).	Confirmed
18.10 Does the software integrate with any web trading software?	(See 13.19)	
18.10.1 External or	No	Confirmed
18.10.2 Suppliers own?	No	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
18.11 Note which other business application software that can be linked to the software:		
18.11.1 Payroll?	Yes – own module.	Confirmed
18.11.2 Time/fees?	Yes, incorporated into product	Confirmed
18.11.3 MRP?	No	Confirmed
18.11.4 Fixed assets?	Yes, incorporated into product	Confirmed
18.11.5 Document management software?	Uploaded files can be attached to a transaction.	Confirmed
18.11.6 Job costing?	No	Confirmed
18.11.7 CIS?	Yes, incorporated into product	Confirmed
18.11.8 Other – please specify?	Own HR module allowing holiday days to be booked, and for disseminating company staff policies.	Confirmed
18.12 Is the software compatible with XML standards? If so in what respect? (input/ output/ other)?	All data exchanged electronically using APIs (Application Programming Interfaces) is provided in compliant XML format.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>19 Support and maintenance</b>		
19.1 How is the software sold:		
19.1.1 Direct from Software House?	Yes	Confirmed
19.1.2 Via Value Added Reseller (VAR)?	Yes	Confirmed
19.2 How is the product supported:-		
19.2.1 Direct by Software House?	Clear Books will respond to all support queries they receive, whether or not there is a VAR, although they encourage users to refer accounting related questions to their VAR, and to accept the VAR's advice	Confirmed
19.2.2 By VAR?		
19.3 Is the software sold based upon number of users or number of concurrent users?	No. A client/customer can have unlimited users accessing the system at the same time. Fuller information is available on the public pricing page: <a href="http://www.clearbooks.co.uk/pricing/">www.clearbooks.co.uk/pricing/</a>	Confirmed
19.4 Do VARs have to go through an accreditation process?		
19.4.1 If Yes please note the process.	Accredited status is available after passing a course but not all VARs are accredited.	Confirmed
19.4.2 If No please explain how organisations are chosen to be VAR?	Any organisation can apply to be become a reseller. Accountants and book-keepers are allocated an account manager to qualify their status.	Confirmed
19.5 In the event of a dispute between Supplier and VAR how can the situation be resolved?	Clear Books would resolve the dispute to all parties' satisfaction.	Confirmed
19.6 Detail the types of cover available.	Premium support (includes telephone support) and standard support (email / web based only). Standard support inclusive with all Clear Books packages.	Confirmed

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
19.7 Please note all method of support available :-		
19.7.1 Telephone.	Yes, Premier support.	Confirmed
19.7.2 Modem link.	No	Confirmed
19.7.3 Internet.	Website help and email –	Confirmed
19.7.4 Other – specify.	response times targets of within 2 hours during working hours, and within 8 hours at other times	
19.8 Please provide an indicative cost of cover.	Standard included – Premier an extra few pounds per month.	Confirmed
19.8.1 Are bug fixes free of charge?	Yes	Confirmed
19.8.2 For how long?	Unlimited	Confirmed
19.9 How often are general software enhancements provided?	Several times a week. (See 20.34.1). (For roll-back see 20.34.6)	Confirmed
19.10 Will they be given free of charge?	Yes	Confirmed
19.11 How are enhancements and bug fixes provided to customers?	Amended code is merged onto the server following automated and manual testing on a replica-staging server. Users notified of significant changes in blog.	Confirmed
19.12 Is “hot line” support to assist with immediate problem solving available?	Yes, Premier support.	Confirmed
19.13 If so, is there an additional cost involved?	Yes	Confirmed
19.14 At what times will this support be available?	9AM to 5PM during normal working days	Confirmed
19.15 Who provides training:		
19.15.1 Direct from Software House?	Support sessions offered directly to users. Various methods and costs.	Confirmed



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
19.15.2 From a VAR?	Onsite sessions usually subcontracted to accredited partners.	Confirmed
19.16 Is hardware and maintenance provided by:		
19.16.1 Software House?	Servers are provided and maintained by the Clear Books, but users must have their own client side hardware and concomitant maintenance.	Confirmed
19.16.2 VAR?	This is at the discretion of the VAR and the end user.	Confirmed
19.17 Is a warranty offered in respect of specification of the software?	No	Confirmed
19.18 Will the software supplier/dealer make the program source code available to the user, either directly or by deposit with a third party (Escrow)?	No	Confirmed
19.19 Are there any unduly restrictive conditions in the license for the software?	No	Confirmed

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<b>20 Security and continuity of processing – SaaS (FOR INFORMATION ONLY)</b>		
20.1 Are different levels of security provided to control access to the product/service?	Yes	As stated
20.2 What forms of user authentication are supported e.g. user names, passwords certificates, tokens etc?	Username and password is used for normal access. A cryptographically secure token is generated for API access.	As stated
20.3 What is the proposed product/service availability percentage?	There is no specified target availability, and would seek to avoid any downtime if at all possible. In the last quarter, Clear Books enjoyed 99.99% up time.	As stated
20.4 Is the service available 24x7 or are there downtime periods for maintenance?	There is no fixed schedule for maintenance. Necessary maintenance is scheduled for midnight UK time over week ends if at all possible.	As stated
20.5 Is a service level agreement offered regarding service availability?	No	As stated
20.6 Is the customer made aware of maintenance periods in advance?	Whenever maintenance is scheduled, a message is displayed immediately after each user logs on, a blog post is made, and social media is used to inform customers of the maintenance taking place.	As stated
20.7 Does the product/service require the use of any technologies that may be considered as a security risk? e.g. ActiveX, JavaScript, Cookies.  If so, describe how the user can mitigate this risk.	No use is made of ActiveX  Cookies are used by the system to ensure users are authenticated and for a variety of other tasks. The system cannot be used without Cookies. JavaScript is important to get	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<p>20.8 Where the product/service relies upon downloading and running an executable program, has that program been secured with a digital certificate to verify the source and integrity of the program?</p>	<p>the best experience from the site, but many pages are designed to function on a basic level without JavaScript . Clear Books cookies are hidden from third party sites. It is recommended to use a modern browser and apply regular updates to secure against exploitation of security weaknesses in JavaScript</p>	
<p>20.9 Is data for different customers/companies kept:- 20.9.1 On separate servers? 20.9.2 In different databases? 20.9.3 In separate database tables? 20.9.4 In a database with data for other customers and companies using identification codes with each record?</p>	<p>N/A</p> <p>No Yes Yes (by extension). No</p>	<p>As stated As stated As stated As stated</p>
<p>20.10 How is it ensured that data for different customers and companies is reliably identifiable and only accessed by authorised users for each customer/company?</p>	<p>If a user is not invited to the Clear Books account which they are attempting to access, the request is denied. (20.9.2).</p>	<p>As stated</p>
<p>20.11 Are there any situations where users from one customer/company can work with data from another customer/company?</p>	<p>It is possible for one Clear Books user to electronically raise a draft sales invoice with another user by knowledge of their "Network ID." This invoice does not affect financial data until it has been confirmed by the recipient.</p>	<p>As stated</p>

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.12 What are the implications of the Data Protection Act over information held by the service provider?	Clear Books is registered with the Data Protection Registrar, and has a policy on data protection fully compliant with all requirements. (See 3.6.3)	As stated
20.13 Does the application software:-		
20.13.1 Require any client software to be installed on the user's computer?	No	As stated
20.13.2 Work entirely within Internet Browser software on the user's computer?	Yes	As stated
20.14 Are communications between the user's computer and the software service encrypted:-		
20.14.1 User log in data only?	All data - 256 bit AES military grade encryption	As stated
20.14.2 All data exchanged between user client and software service?	All data – 256 bit AES military grade encryption	As stated
20.15 What security steps are taken to prevent and detect intrusion attempts?		
20.15.1 Is firewall hardware and software used to protect the live systems from unauthorised access?	Yes	As stated
20.15.2 Which monitoring software is used to create alerts when intrusion attempts are suspected?	Monitoring is in place but for security reasons Clear Books cannot publicly provide more details.	As stated
20.15.3 Are designated staff responsible for receiving and urgently responding to these alerts?	Yes	As stated
20.15.4 Have clear procedures been established for identifying and responding to security incidents?	Yes	As stated
20.15.5 Is all security sensitive	Yes – updates are applied when	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
	software, such as operating systems and databases, kept up to date with the latest software patches? Please indicate how regularly updates are applied.	released by the vendor.
20.15.6	List procedures and software tools in place to prevent or detect and eliminate interference from malicious code, such as viruses?	Any code inserted into what should be data is rendered inoperable. For security reasons Clear Books cannot publicly elaborate on the full details of our security infrastructure.
20.16	Is a system log maintained by the service provider that details	
20.16.1	User access	Yes
20.16.2	User activity	Yes, but not changes to standing data.
20.16.3	Error messages	Yes
20.16.4	Security violations?	Yes
20.17	Is this log available to the customer?	No
20.18	Have been any successful unauthorised access attempts been made during the last year?	No
	If Yes:-	
20.18.1	What was the effect on the business and users?	N/A
20.18.2	What steps are in place to prevent this happening in future?	N/A
20.19	Is penetration testing regularly carried out by (please indicate frequency of tests):-	Yes – annually.
20.19.1	Staff specialising in this field?	Yes
20.19.2	External specialists?	External experts
20.19.3	Are procedures in place to ensure that any weaknesses found by penetration testing are addressed quickly?	Yes

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.19.4 If penetration testing by a specialist is not performed regularly, please indicate the main procedures in place to identify weaknesses?	N/A	
20.20 Are security procedures regularly reviewed? Please indicate frequency of reviews.	Yes – annually. Each new feature is reviewed by the senior developer in charge of security with a view to identifying potential weaknesses.	As stated
20.21 Are users automatically logged off after a preset time not using the system?	No. Clear Books used to set a session expiry time, but this was withdrawn in response to the majority opinion of our users.	As stated
20.21.1 Can the time period be changed?	N/A	
20.21.2 Can any information be viewed without being logged in, including after logging off, if so what information?	Clear Books users' customers and suppliers can be sent HTML links to their own invoices and statements.	As stated
20.22 Data validation		
20.22.1 To what extent is data input by users validated by scripts or routines in the browser, or other client software, before transmission to the server?	Data is largely validated by the server after transmission, although client side validation is used for some items.	As stated
20.22.2 To what extent is data input by users validated by routines running on the server before data files are updated?	This is generally the case.	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.22.3 Does the above validation ensure that data entered in all input boxes:	Validated by the server.	As stated
- Cannot be longer than a maximum length?	Validated by the server (although the specific example is allowable – but wouldn't be where numeric input was expected).	As stated
- Cannot contain unaccepted characters such as semi-colons etc?		
-		
20.22.4 Are any data files, such as budgets or price updates, imported by users validated by routines running on the server before main data files are updated?	Yes	As stated
20.23 Are system messages clear?	Yes	As stated
20.24 Are user responses properly structured to ensure that erroneous input does not lead to inappropriate actions?	Yes	As stated
20.25 Are all data entries or file insertions and updates controlled to ensure that should part of a data entry fail the whole transaction fails?	Yes	As stated
20.25.1 Are alerts sent to technical support staff when incidents occur to enable data update problems to be investigated and resolved?	Yes	As stated
20.25.2 Are messages provided to users clearly explaining whether the data entry or file upload has been processed successfully or not?	Yes	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.26 Explain the procedures in place to ensure the security of customer data held by the service provider, in particular:-		
20.26.1 Procedures to prevent unauthorised access from staff, or contractors, working for the service provider or any other people with access to the service provider's internal systems?	All staff sign a contract outlining our strict policy on accessing customer data. Subcontractors also sign this contract, but are not given access to this data. Access to live data is restricted to employees for whom it is required.	As stated
20.26.2 Is there sufficient segregation of duties preventing system developers from accessing and changing live applications and data files?	Employee access is continuously monitored by Team Leaders. All changes to client data need to be authorised by 2 Team Leaders and the customer concerned needs to consent. Restore points are created before any changes are applied.	As stated
20.26.3 Are there sufficient review and approval procedures covering system operations staff when emergency changes need to be made to live applications and data?	Yes	As stated
20.26.4 Is an audit trail always maintained of these emergency changes?	No – this is a matter which is under review. Clear Books are continuously developing our processes as the customer base expands.	As stated
20.26.5 What procedures are in place when members of staff leave to ensure that their system access is stopped?	When responsible staff members leave, important passwords are changed.	As stated
20.27 What are the physical controls over the:-		
20.27.1 Premises?	Secured by alarm, entry key and lock. Visitors are always challenged.	As stated



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.27.2 Fileservers?	Locked, and monitored by CCTV 24/7.	As stated
20.27.3 Communications equipment?	As above.	As stated
20.28 Is Internet communication traffic monitored to identify potential problems before they happen?	Yes Clear Books use the Pingdom tool to achieve this.	As stated
20.29 What procedures are in place to prevent a break in Internet Connection (at the server, client or in between) from causing data corruption?	Clear Books have two server clusters – the slave cluster in a separate location would be promoted to master.	As stated
20.30 Is there a clear indication in the software or accompanying documentation of the extent to which the customer or the service provider is responsible for backups and recovery?	Yes – Clear Books is responsible for backup procedures.	As stated
20.31 Backups by service provider		
20.31.1 Explain the backup procedures applied by the service provider including:	The master server replicates the same data on a backup hard drive. There are two slave servers, one in a physically remote location, which replicates this data within a second or so. Each copies the same data onto two disks, making a total of 6 copies of live data. Nightly encrypted backups are taken and stored on Amazon S3 Cloud servers. There is an option to email encrypted copies of the data to users; this is for peace of mind only. Users can also create restore points to revert back to. Up to 5 of these may be created. These are encrypted and stored on S3.	As stated

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.31.2 Are backup procedures automatic?	Yes	As stated
20.31.3 What is backed up and how frequently?	All data is backed up, both in near real time, and nightly.	As stated
20.31.4 The backup media used for the main backups?	S3 Cloud based storage and hard drive.	As stated
20.31.5 Are backups kept for a sufficient time in case problems, such as data corruption, are not identified until a while later? Please indicate how long backups are kept before they are overwritten.	Real time backups are continuously updated, so cannot be relied upon as a restore point. Restore points are maintained indefinitely. Nightly backups are maintained for 90 days. Emailed backups can be stored indefinitely depending on user preference.	As stated
20.31.6 Where backups are located and whether there are always at least two up to date backups stored at a different location to the service provider's main server location?	Backups are maintained in the Amazon cloud based storage; and in two separate UK based data centres run by Fubra Ltd an associated undertaking (Fubra own 45% of Clear Books).	As stated
20.31.7 How frequently backups are tested?	Backup functionality is assured by regular successful restores carried out in response to customer requests to revert after entering incorrect data.	As stated
20.32 Backups by users		
20.32.1 Is it possible for users to download a backup of their own data?	Yes	As stated
20.32.2 If so, is the downloaded data in a format which can be viewed with relative ease in other software such as PC based spreadsheets or databases?	Emailed backups are encrypted As stated for security reasons, and can only be used by re-uploading to Clear Books. A custom API based backup is feasible, and could be stored in any format the user chose. Critical data can be exported in either CSV or PDF format.	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.32.3 Is the user forced or prompted to backup at certain intervals?	Backups are fully automated.	As stated
20.32.4 Can the intervals be customised?	No	As stated
20.32.5 If sole responsibility for backups rests with users, explain the system, documentation and training support available to ensure that adequate backups are taken and can be used for recovery.	N/A	
20.32.6 Are there facilities to test recovery with user managed backups?	A restore point can be created before reverting to a user managed restore point or email backup.	As stated
20.33 Are contingency plans in place to enable a quick recovery from:-		
20.33.1 Database or application software corruption?	Yes – for any the remote slave server would be promoted to master, and the change to traffic would be promulgated by dynamic Domain Name Service.	As stated
20.33.2 Hardware failure or theft?		
20.33.3 Fire, flood and other disasters?		
20.33.4 Communication failures?		
20.33.5 How often are these plans tested?	Failure drills are tested at least monthly.	As stated
20.33.6 What is the longest period of time envisaged that service may not be available?	The entire process of promoting the slave servers to master should not take more than 15 minutes. At a later stage, maintenance may be scheduled to resynchronise the data on the slave and master servers, at a convenient time (typically the early hours of the morning). Any issues with the premises would be dealt with by remote working.	As stated
20.33.7 Are contingency plans documented?	Yes – these documents are kept in print and on cloud based storage to ensure durable access	As stated

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.33.8 How often are these plans reviewed and updated?	in the event of technical failure. Plans are subject to continuous review by the senior technical team. Last reviewed 18th October 2012.	As stated
20.33.9 If transaction records are dated and time stamped are the times used local to the user or based on where the server is located?	Server time (GMT and BST) is used	As stated
20.34 Application change management:-		
20.34.1 Do application changes automatically apply to all customers and users?	Yes, apart from some products in beta testing, and some features which are specific to certain user groups such as accountants.	As stated
20.34.2 Are users able to test beta versions of the application before new versions go into live use?	Clear Books regularly use beta testers on new features.	As stated
20.34.3 Are users given notice before application changes are applied to the live system?	New features are signalled in advance on social media and the blog visible upon log in.	As stated
20.34.4 Are there sufficient internal testing and approval procedures applied by the service provider before all application changes are put into live use?	All code changes are reviewed and signed off by a team leader before going live. Automated "unit testing" is used where possible. Manual testing is also widely used to ensure code functions as intended.	As stated
20.34.5 Are users informed when they next login of the application changes that have gone into live use?	New features are signalled on the blog visible in the log in page.	As stated
20.34.6 Are sufficient application and data backups maintained to enable a roll back to an earlier version if recent application changes cause problems?	Yes. GIT version control is used to swiftly revert back to earlier code if new code proves troublesome. Nightly database backups also provide contingency in the event of data corruption or deletion.	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.35 Reliance on key staff		
20.35.1 What steps been taken to avoid undue reliance on individual members of staff?	Responsibility for different areas is rotated between staff members, allowing for key skills to be distributed around the team.	As stated
20.35.2 Are there any individual members of staff whose leaving or illness would significantly reduce, or even stop, the service provider's ability to provide a full and reliable service to customers?	No.	As stated
20.36 What protection is in place to enable users to able to access their accounting and other data if the service provider should experience serious difficulties, cease trading or decide to stop providing the service?	A legally binding agreement is in place with the hosting provider to continue hosting the site for a full calendar year without payment in the event of Clear Books ceasing to trade.	As stated
20.37 Do these arrangements include:-		
20.37.1 Standby arrangements for another organisation to continue providing the full service?	Yes	As stated
20.37.2 Minimal arrangements to at least enable customers to access their data for a sufficient period of time to extract data copies, produce reports and make alternative arrangements?	Yes	As stated
20.37.3 Up to date copy of system documentation, source code, scripts, database schema and procedures lodged with a third party under an Escrow agreement?	No	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.38 If the system is hosted by another party are there arrangements in place for this third party to continue providing a hosting service in the short term to allow time for customers to negotiate their own arrangements?	Yes	As stated
20.38.1 If so how long does the arrangement allow?	1 calendar year.	As stated
20.39 Is there a user group or committee in existence with sufficient information and understanding to take the lead in setting up arrangements, should the service provider cease trading or decide to stop providing the service?	No	As stated
20.40 Are there any licence or trading agreements which would become invalid should the service provider go into administration or cease trading?	No	As stated
20.40.1 If so what steps have been taken to protect customers from the impact of this situation arising?	N/A	
20.41 What payment options are available for using the software / service?	Annual or monthly payments. Annual payments can be made by bank transfer or by card; monthly payments must be made exclusively by card.	As stated
20.42 Where online subscription is used, are the forms used to set-up or renew a subscription clear and straightforward to use?	Yes	As stated
20.43 Where online payment is used, what type of security is used to protect sensitive information?	Payments are through the PayPoint terminal. Clear Books is registered and compliant with the PCI standard. No full card numbers are stored – although the card type and the last few	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.44 Where online subscription / payment is used, is an invoice provided to the customer and, if so, in what format?	digits are stored, as well as a token enabling us to charge the same card monthly. This token cannot be used to pay anyone other than Clear Books. All data of this nature is password protected.	
20.45 When subscriptions (if applicable) need to be renewed, what advance notice is provided and what is the time limit for renewal?	An invoice is provided in HTML format.	As stated
20.46 Is there a procedure for late renewal and is there a time limit after which subscriptions cannot be renewed?	Card subscriptions are renewed automatically each month until cancelled.	As stated
20.47 How soon after creating or renewing a subscription (if applicable) can the system / service be used?	A monthly invoice is not generated if the previous month's invoice was unpaid. Data is permanently deleted after 90 days of inactivity. Account subscriptions can always be renewed.	As stated
20.48 What notifications / confirmations are provided to the customer regarding subscriptions and payments?	Creating a subscription takes up to 20 seconds for the card terminal provider to confirm that the transaction has cleared. Subscription renewals runs in hourly batches, but as three days grace is given upon non-payment of subscription, there should be no service interruption.	As stated
20.48 What notifications / confirmations are provided to the customer regarding subscriptions and payments?	Customers are notified of non-payment of subscriptions. Subscriptions are automatically taken without notification upon renewal. Invoices are available from within the system.	As stated

**Functional requirements questionnaire**  
**Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
20.49 To what extent are users able to access their accounting and other data if:-		
20.49.1 They miss one or two payments?	Data is permanently deleted after 90 days of inactivity. The last backup copies are deleted irretrievably 90 days after deleting the database (a total of 180 days from the date inactivity begins). Data is not accessible unless a paid subscription is place. A subscription can be opened for a month to extract data for a minimal cost.	As stated
20.49.2 They cease being customers?		



**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment	
<b>21</b>	<b>Reports extra questions for Saas (FOR INFORMATION ONLY)</b>		
21.1	Are reports produced from the same software as the financial applications or is separate reporting software used?	Same software.	As stated
21.2	Does any application software (i.e. other than a web browser or PDF reader) need to be installed on the user's computer in order to prepare or view the reports?	No.	As stated
21.3	Is access to the reporting facilities and data these use controlled by the same procedures as access to the main financial applications?	16 of the 56 different areas on Clear Books to which access can be given or denied on a per user basis relate to reporting.	As stated
21.3.1	If it is different explain the user access control facilities available to ensure information is only viewed by users with appropriate authority?		
21.4	In what electronic formats are reports produced:-		
21.4.1	PDF?	Yes	As stated
21.4.2	XML?	For electronic data interchange – for example for online VAT filing.	As stated
21.4.3	MS Excel spreadsheet?	Indirectly either through copy and paste from the web browser or through CSV export.	As stated
21.4.4	CSV file?	Yes	As stated
21.4.5	As html for viewing in a web browser?	Yes	As stated
21.5	Are report documents stored on the web server or on the user's computer?	Permanent copies need to be stored on the user's computer.	As stated
21.5.1	If report documents are stored on the web server are they secure to ensure only users with appropriate	N/A	

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
<p>authority can get access? 21.5.2 If reports can be downloaded to the user's computer are there adequate warnings about the possible dangers of other computers users being able to view the reports and the need to store the documents in a secure storage location?</p>	<p>There are no explicit warnings – it is assumed that users will take similar precautions with these files as they do with similar sensitive electronic files available from an increasing variety of electronic sources.</p>	As stated
<p>21.6 For documents viewable in a browser is any data stored on the user's computer in a web browser cache or temporary file (when viewing the report presented for the browser or for any simplified print layout style options)? If Yes:-</p>	<p>Different web browsers cache data to differing degrees; to the best of Clear Books' knowledge, no browser would cache the HTML report page in way which allow another user to retrieve the data.</p>	As stated
<p>21.6.1 Is there any protection against other users viewing the report or data on which it is based?</p>	N/A	
<p>21.6.2 Is it clear on the reports when they were produced and the date of the data on which they are based, so the user can tell whether they are viewing out of date information?</p>	<p>A date of report creation is displayed.</p>	As stated
<p>21.7 Are communications between the browser and the server encrypted for any report related communications?</p>	<p>Yes – AES 256 bit military grade encryption is used.</p>	As stated
<p>21.8 If reports are produced dynamically each time the user views them can historical reports be reproduced at any time?</p>	Yes.	As stated
<p>21.8.1 Indicate any reports that are not available after a period of time has elapsed,</p>	None.	As stated

**Functional requirements questionnaire  
Clear Books Version on 19/02/2013**

Question	Supplier Response	Evaluator's Comment
e.g. events such as period end or records have been purged/deleted.		
21.9 Can reports viewable in a browser be navigated dynamically by users? For example:-		
21.9.1 Enabling drill down to more detailed information (Please state the extent of drill down/across functionality available).	Clicking on a trial balance, cash balance, balance sheet or cashflow amount will show a breakdown of that amount by transaction. Clicking on the individual transaction will lead to any associated invoices or bank payments. Clicking on any figure in the aged reports will give a summary by invoice. Clicking on an invoice will give a link to the associated general ledger transaction.	As stated
21.9.2 Altering which columns and rows of data are displayed.	No	As stated
21.9.3 Choosing time periods.	Yes	As stated
21.9.4 Specifying selection criteria.	No	As stated
21.10 Can report data be reliably copied and pasted direct from browser viewable reports to an MS Excel spreadsheet retaining any table layout?	Yes	As stated
21.11 If reports are incomplete, for instance due to a poor Internet connection, is sufficient information provided to enable the user to notice that some of the report is missing?	All partially completed PDF downloads are saved with file type .PDF part and are unopenable.	As stated