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When Hitesh Patel started his CPA firm in the Atlanta suburb of Duluth, Georgia in 1991, technology and client service were quite a bit different than they are today. With computer usage those days focused on spreadsheet applications, and turnaround for income tax returns and client financials being much slower than they are now, it's safe to say that almost everything has changed, except for one: The forward-thinking professional has always used a fixed fee model. For Hitesh, this was the most rational fee model.

"We're providing a service, and clients should know in advance what that service will cost them. The fixed fee model is not only good for clients; it is good for firms as well. Only by using a fixed fee model you can realize the benefit of gain in productivity resulting from use of technology. As you spend fewer hours performing a task, you generate more revenue per hour without increasing your fee." he says.

The firm's 12 staff members provide virtual CFO services, general accounting, payroll and benefits management, tax compliance and business consulting services. Prior to starting his firm, he had previously worked for KPMG's London office. After checking out several metro areas to start a firm, he selected Atlanta, which he thought had the business climate he preferred.

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While some of that work may be tedious grunt work, it takes a particular type of personality that he says he shares. Fortunately, he's found that cloud technologies streamline much of this work and help ensure client data stays in the control of his firm. A few years ago, he discovered the AccountantsWorld suite of cloud-based professional accounting programs, which includes systems for client bookkeeping, payroll, document management and other tools, and he says moving to the cloud with those programs has helped his firm be more productive, and provide better and more accurate client service.

Accounting Power, the core accounting system in the suite, has advantages for both the accounting firm and the client. For the professional, it has powerful client write-up, trial balance, financial statement reporting and client collaboration tools. For the small business client, it includes bookkeeping functions that the accountant still has the power to control.

"Accounting Power keeps control totally in the hands of the accountant," Hitesh said. "The off-the-shelf small business accounting systems have done some good, but have also allowed small businesses to mess their accounts up quite a lot. And when the accounting firm spends hours fixing those mistakes, the client doesn't really see that value." With Accounting Power clients have much less ability to make erroneous entries and transactions, he said, which reduces much of the tedious process of correcting entries during write-up.

Total control over the client's financials also gives accountants confidence that the data is trustworthy when producing financials. With litigation growing against CPAs, Hitesh said that he wouldn't want to rely on data produced by the client, which would result in "garbage balance sheets." It's not a matter of trust, it's a matter of competency in accounting.

“Cloud based accounting has taken off because when we show them the system, our

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