



## Introduction

To allow you to make a quick start with Free Agent we have developed this guide which provides lots of relevant information all in one place in a clickable PDF format.

## What can FreeAgent do for you?

There are many advantages to choosing FreeAgent as your preferred book-keeping software. Firstly FreeAgent has a mobile app which allows you to run your entire business from anywhere and keep your accounts up to date while on the move. The Free agent dashboard gives you an up to date overview of your accounts. You can monitor cash flow at a glance, view what invoices are paid, due or overdue, view your bank account balance, keep an eye on your profit and loss and view your tax liabilities and upcoming tax deadlines.



### Estimates and Invoices

Send and track professionally designed estimates and invoices.



### Expenses

Never lose a receipt – simply snap a photo with your phone and upload.



### Time Tracking

Record all your time with the in-built stopwatch or smart timesheets.



### Self Assessment

Fill and file your Self Assessment tax return directly to HMRC from the app.



### VAT

Review automatically generated VAT returns and file with a single click.



### Corporation Tax

Forecast your Corporation Tax bill ahead of time to avoid any nasty surprises.



### Dashboard

Monitor cash flow at a glance and see when your tax bills are due.



### Banking

Connect FreeAgent to your bank accounts to automatically import transactions.



### Projects

A bird's eye view of the performance of your income, expenses, and profitability.

In October 2018, FreeAgent were voted 'Small business accounting software of the year' at the Software Excellence Awards for the second year running, as voted for by customers.

## **Getting started on Free Agent**

It is best to familiarise yourself with Free Agent before getting started. In order to do this, Free Agent allows you to trial the software for 30 days before signing up, giving you the chance to try before you sign up. In order to sign up for the 30 day free trial, follow this [link](#).

Once your trial has expired, you will have the option to subscribe to Free Agent. If you are a Royal Bank of Scotland Business Banking Customer it is **free**. However, if not you will have to sign up to paying monthly. There are currently 3 packages offered by Free Agent, and the package you choose will depend on your business type; Sole Trader, Partnership or Limited Company.

Limited Company	Partnership/LLP	Sole Trader
£14.50 /month + VAT for 6 months, then just £29 /month + VAT	£12 /month + VAT for 6 months, then just £24 /month + VAT	£9.50 /month + VAT for 6 months, then just £19 /month + VAT
Start with 30 days free	Start with 30 days free	Start with 30 days free
Includes Self Assessment filing, Dividend Vouchers and Corporation Tax forecasting	Includes Profit Share Calculation	Includes Self Assessment filing

## **Setting up your FreeAgent account**

When you first sign up you will receive an activation email. Follow the link in the email to get started and fill in your business details.

Use this step by step [guide](#) for setting up your business

### **Invite your accountant**

Once the organisation is set up you should invite us as an accountant by going to 'Settings' > 'Users'. This allows us to have access to your accounts, allowing us to assist if there is an area that you are not sure of or to check if you have entered a transaction correctly. This [guide](#) will assist in managing users. When adding R A Clement Associates as a user please use our dedicated Free Agent email 'freeagent@raclement.co.uk'.

### **Connect your bank account to FreeAgent**

You can create a bank feed that automatically loads your bank statements into FreeAgent to save you manually keying in each transaction, saving your time with Bookkeeping and bank reconciliation. In order to set up a bank account, go to FreeAgent > Banking and choose the account you want to

enable a bank feed for. Select the enable bank feed button. On this page you will be able to add your bank account.

For more help follow this [guide](#) .

If your bank does not allow for direct feeds you can manually upload a bank statement in a csv format which is shown in the following [link](#) .

### **Creating a sales invoice**

You can create professional invoices to send to your customers. Go to the work menu > Invoicing > Add new invoice. After entering the invoice details you can click the checkbox to give them the option to pay via PayPal. There is also an option to automatically email the invoice to the client on the invoice due date by selecting 'Email this invoice automatically using my default template'.

For a detailed guide to creating an invoice follow this [link](#)

To enable the option for clients to pay you via PayPal follow this [link](#) .

### **Creating a purchase invoice**

To record a bill that you've been sent by one of your suppliers select Bills > Add new bill, and fill in the required information. Sometimes one of your suppliers may give you a credit note. In FreeAgent we call these "bill credit notes". Bill credit notes are recorded just like bills except that you need to put the total price in as a minus.

Be careful with the VAT rate you choose. You can manually enter the VAT amount which is written on your bill by choosing the amount option from the VAT drop-down menu.

For further information, use this detailed [guide](#) to entering a bill into Free Agent.

### **Adding a new category**

When you add invoice items, expenses, bills or bank entries, you put these into categories to explain the type of income or cost they are. For example, pens and pencils for use in the office would be put into the Stationery category.

To add a new category select 'Settings' from the drop-down menu at the top right-hand corner of the screen and choose 'Income and Spending Categories'. Select the Add New button and choose which type of category you want to add.

Income – if you want to split your sales into different income streams.

Cost of Sales – for costs that relate directly to the sales you make, or

Admin Expenses – for all your other day-to-day business costs.

Give the category a name and choose a new nominal code number for it. A nominal code is the code number you use for each different category. Free Agent will only let you pick certain codes; Income can only go from 001 to 049, Cost of Sales – 100 to 199 and Admin Expenses – 200 to 399. Although some of the codes will already be taken by FreeAgent's existing categories.

Follow this [step-by-step](#) for further information

### **Bank Reconciliation**

Once you have imported your bank feed and keyed your outstanding invoices, you can reconcile your bank. Performing a bank reconciliation simply means matching your accounts back to the bank. In Free Agent it is called Explaining bank transactions.

To do this go to banking and click on the bank account you want to explain. Once you have selected a transaction to explain you will have to provide some information about it.

Follow this [link](#) for a detailed guide on reconciling your bank.

### **Construction Industry Scheme (For Contractors and sub-contractors only)**

This [guide](#) provides information on Free Agent's functionality for those using the CIS scheme

### **File your VAT return Online**

When you're registered for VAT you need to file returns quarterly with HMRC. Free Agent allows you to file a return directly to HMRC. For a how-to on filing your VAT with Free Agent, follow this [link](#)

### **Fill and file your tax return online**

Free Agent calculates your Self Assessment liability and because you can see your liabilities build up over time, you'll know what you owe and it won't be a shock. When it's time to file, FreeAgent fills up to 90% of the Sole Trader Self Employment form and you can submit your tax return directly to HMRC.

Go to Taxes > Self Assessment and follow this [guide](#) .

### **Help**

If you need more help click on this link to view short videos of how to use every feature of Free Agent - [Getting Started](#).

R A Clement Associates can help as much or little as you like, with us carrying out the book-keeping on your behalf, or just providing assistance as required.

Don't forget to add R A Clement Associates as a user using [freeagent@raclement.co.uk](mailto:freeagent@raclement.co.uk) – this allows us to help you wherever you are.