

# Sage Business Cloud Accounting: Case Study

# Introduction to Sage Business Cloud Accounting – Case Study

Welcome to this course on **Sage Business Cloud Accounting**, an easy-to-use software solution designed for small business accounting. The product name uses two naming conventions, **Sage Business Cloud Accounting** and **Accounting**. Throughout this course, we will simply use **Accounting** when referring to the software.

The goal of this course curriculum is for students and instructors to collaborate in a series of practical exercises and coursework, bringing accounting principles to life, through the use of **Sage Business Cloud Accounting** in an engaging, simplified learning experience.

By using an example case study, this course focuses on setting up a business, Divine Chocolates to demonstrate the key concepts of accounting in a systematic progression of exercises and bring clarity to challenging topics. Mirroring the practical exercises throughout this course, students can create their own small business, complete chapter exercises and gain hands-on experience in the classroom enabling them to reach mastery of **Accounting**. In doing so, this will help students gain a competitive edge with industry-recognized skills, and develop practical, job-ready, real-world skills needed to be successful at work and in school.

## Your Trial Subscription and the Company File







Students - **Accounting** allows only one company file per subscription.  
Instructors – **Accounting Partner Edition** allows you to invite unlimited users and manage multiple student company files per subscription.



**NOTE:** For students to have multiple companies for different assignments, instructors will need to send a new invitation within the Partner Edition dashboard to each student, with a different email address than the one already on file, where they can then set up an additional company.



**NOTE:** Throughout the duration of the course, you will encounter important icons and visual conventions as part of your learning experience to guide learners through the chapters. The cues are indicated here:

	<b>Important Information / Important Note / Additional Information</b>	Item where caution and attention is required or additional insight and information is provided.
	<b>Exercise</b>	Your opportunity to practice a concept.
	<b>End of Exercise</b>	Indicates the end of an exercise.
	<b>Check Your Knowledge</b>	Review questions at the end of a lesson to check your understanding and ability to implement concepts.
	<b>Summary</b>	Overview of the most important items covered in a section or lesson.
	<b>End of Lesson</b>	The end of the lesson.



## Case Study - Divine Chocolates



This course uses a simple business as a case study to demonstrate the features and functionality of **Sage Business Cloud Accounting**. The company file is where the financial records for a company are stored. It's a critical element for a business. You will create and build on a company file, Divine Chocolates, throughout this course to learn the skills you need to set up an account for your own company. The company is owned by Christina Lopez and she has asked you to manage her financials for her, including all income, payments, expenses, journals, reports and payroll.

### Background

Christina Lopez, is a candy maker with a passion for sweets at a local candy store. She has worked in the candy making business for over 10 years and loves where she currently works.

Christina has always dreamed of starting her own business. She has spent months thinking about and planning her dream business. She has lots of great ideas about how her business would operate and has been contemplating what it would take to get going. She has also started talking to her friends and family, who have given her lots of encouragement to begin her new business venture.

After months of planning, Christina has decided that the time is right for a new candy business in the area. She has done her research and has found that there are a lot of people interested in purchasing candy as gifts, for catering affairs, as well as for their own personal delight.

Christina's instructor has helped her create a simple business plan, committed to help her get set up, and offered advice on the startup process. Christina has found a great location in her neighborhood and is planning to start by leasing space for her candy shop. There is a space for equipment to make the candy as well as retail space for walk-in customers.

Through her contacts in the industry, Christina has found several vendors that offer affordable leases on kitchen equipment. Her instructor has encouraged her to start by leasing equipment to help Christina test her business concept before committing to purchasing expensive assets. For the first 3 months, Christina will use a vendor *Chocolate Tastemakers of Toronto* to fulfill initial orders and get her business off the ground quickly.

Christina is going to purchase a few assets, including a Dell Laptop to use for office administration. She will be using **Sage Business Cloud Accounting** for her accounting program, to track her expenses, generate invoices, and keep tabs on the financial health of her business at all times, including her mobile device. Divine Chocolates will accept several different payment methods from customers, cash, cheques, and credit/debit cards.

Christina has decided to resign from her current employment to start her new business. She has some savings that she will contribute to the business, however, she knows she will need additional funds to use as working capital as she starts her business. She has a small business loan from the Bank of Canada and will use her working capital to purchase important items for the business like a commercial refrigerator, candy supplies, retail displays and a point of sale system.

Christina will hire 2 employees to assist her in running the business.

Divine Chocolates will host a Grand Opening Celebration. Customers will receive 10% off all orders placed during the celebration. She will also give away samples to customers that want to try her chocolate.

There are many decisions that Christina will have to make as she goes. Some will go well and others will not, but she is ready to make the jump into small business.

Grand opening for Divine Chocolates is a few short days away. Christina is very excited and has done a lot of preparation for opening day.

First, Christina will need to create her new company within **Accounting**. Proceed to the Module 4 to review company Settings. Let's begin!

**Please note:**

Every effort has been made to ensure that the information provided in this educational series is accurate, up-to-date, and complete, but no guarantee is made to that effect. URLs and additional resources 'Beyond the Classroom' are continuously changing. Because the software is customizable in a number of ways, the language used in this guide may be different from what you 'see' when you work with your company's data file(s).

©Sage Software 2018. No part of this document may be copied, photocopied, reproduced, translated or reduced to any electronic medium or machine-readable form, in whole or in part in any manner without the permission of ©Sage Software. Any other reproduction in any form without the permission of ©Sage Software is prohibited. All educational materials contained on this site are protected by United States copyright law and may not be reproduced, distributed, transmitted, displayed, published or broadcast without the prior written permission of ©Sage Software.