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**** BT will demonstrate Xero at the BT Business Experience in London, on 29 June-3 July 2009. Register at www.btbusinessexperience.com ****

NEW BT CLOUD ACCOUNTING LAUNCH TO REDRESS SME WORK/LIFE IMBALANCE

BT Business today launches a new web-based accounting application, to replace the complex software blighting smaller firms, forcing their employees to work longer hours.

The launch of Xero, a new online tool designed for firms and their advisors, is supported by new research by BT Business which finds that almost 50 per cent of smaller business staff work extra hours to clear their current workloads, with 41 per cent admitting that they actually waste work time because of poor technology and systems.

Accessible from any internet or mobile connection, Xero is aimed at helping businesses access, update, review and control their finances in the downturn anywhere, from any device. The simple, software-as-a-service (SaaS) package will provide customers with 24/7 secure online access to bank transactions, invoices, reports, VAT returns and management reporting.

Chris Lindsay, general manager at BT Business applications, said: "Customer feedback is that traditional accounting packages are complicated to use, and can only be accessed while in the office. As a result, managers put book keeping off and spend too many late evenings or weekends in the office. Owner managers tend not to be finance experts, and dread having to file their accounts with these systems. The research shows that employees are working harder and longer during the downturn anyway, so we hope that Xero users will instantly be more productive and redress an often dire work/life balance."

Xero is available from today as a free 30 day BT Business trial. Features include a real time dashboard of a firm's transactions, online accrual to keep book-keeping up to date, daily bank reconciliation function, web-based accounting from anywhere with an internet connection, expense claim processing and reporting for financial advisors.

Current international users of Xero admit to seeing a benefit. Happy to admit that she previously took an ostrich approach to the accounting side of her business, Katie Lips, social media strategist and director of Kisky Netmedia, says: "Xero is so easy too which is key. It took me very little time to understand and work out what to do on the system to complete all the accounting-related admin I have. And because it's so easy, I keep everything up to date and there is no back log or sense of dread about what I have to get done."

Andrew Sandiford, head of Business Advisory and Assurance at Target feels that Xero eliminates all the problems of not feeling 'part of the client's business' for his accountants:

"With Xero, you can access a client's accounts at any time. More importantly, you know you are looking at the same 'version' of the accounts as the client because there is only one ledger. Xero is fantastic for us, as it means we can offer 'real-time' advice, basing our recommendations on the up-to-date financial data we can see."

Delivered as SaaS, Xero can also be implemented quickly without the upfront licence fees, maintenance or upgrade costs associated with on-premise software. Cloud computing applications like Xero reside online and are accessed by a simple web browser. Businesses only pay for the resources they use.

BT Business provides everything from handsets to applications to help smaller firms work, share and manage common operational processes including Ribbit for Salesforce which is designed to improve sales team productivity, eSignature and CRM systems salesforce.com, Netsuite and SugarCRM.

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For more information, please visit www.bt.com/xero
To find full case studies, see www.xero.com/whosusingxero

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In the year ended 31 March 2009, BT Group's revenue was £21,390 million.

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