



Xero Training Guide to Expenses

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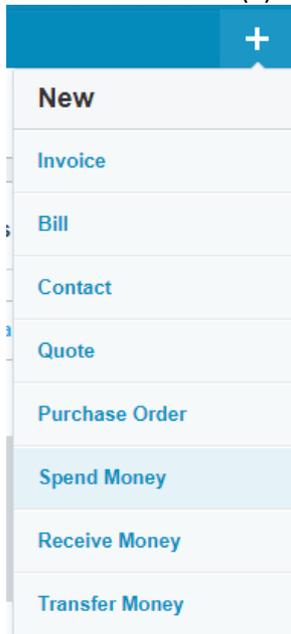
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Banking Transactions

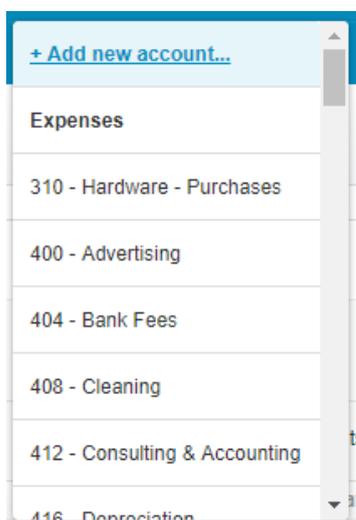
We will show you how to create other transactions which are not directly related to your sales or purchases.

Spend Money

1. Click on the Create (+) icon, and select Spend Money



2. Select the Business Cheque Account, then click Next
3. The New Spend Money screen should appear.
4. Type Sydney Water in the To field, then press Tab
5. Enter 21/4/2017 in the Date field, and press Tab twice
6. Enter 65 in the Amount field
7. Tab until you get to the Description field and type "Water – Month of March 2017"
8. Enter a Qty of 1 and Unit Price of 65
9. Click on the drop-down arrow of the Account field and click on Add new account



10. Create an Expense account called Water Expenses with code 495
11. Change the default Tax setting to GST Free Expenses, then click Save

12. You should be back at the New Spend Money screen

Bank Accounts > Business Cheque Account >

New Spend Money

Spent as Direct Payment 📄

To Date Reference Total

AUD Australian Dollar Amounts are Tax Inclusive

Item	Description	Qty	Unit Price	Account	Tax Rate	Amount AUD	
⋮	Water – Month of March 2017	1.00	65.00	495 - Water Expenses	GST Free Expenses	65.00	×
⋮							×
⋮							×

Add a new line [Assign expenses to a customer](#)

Subtotal 65.00
GST 0.00

TOTAL 65.00

Save Save & add another Cancel

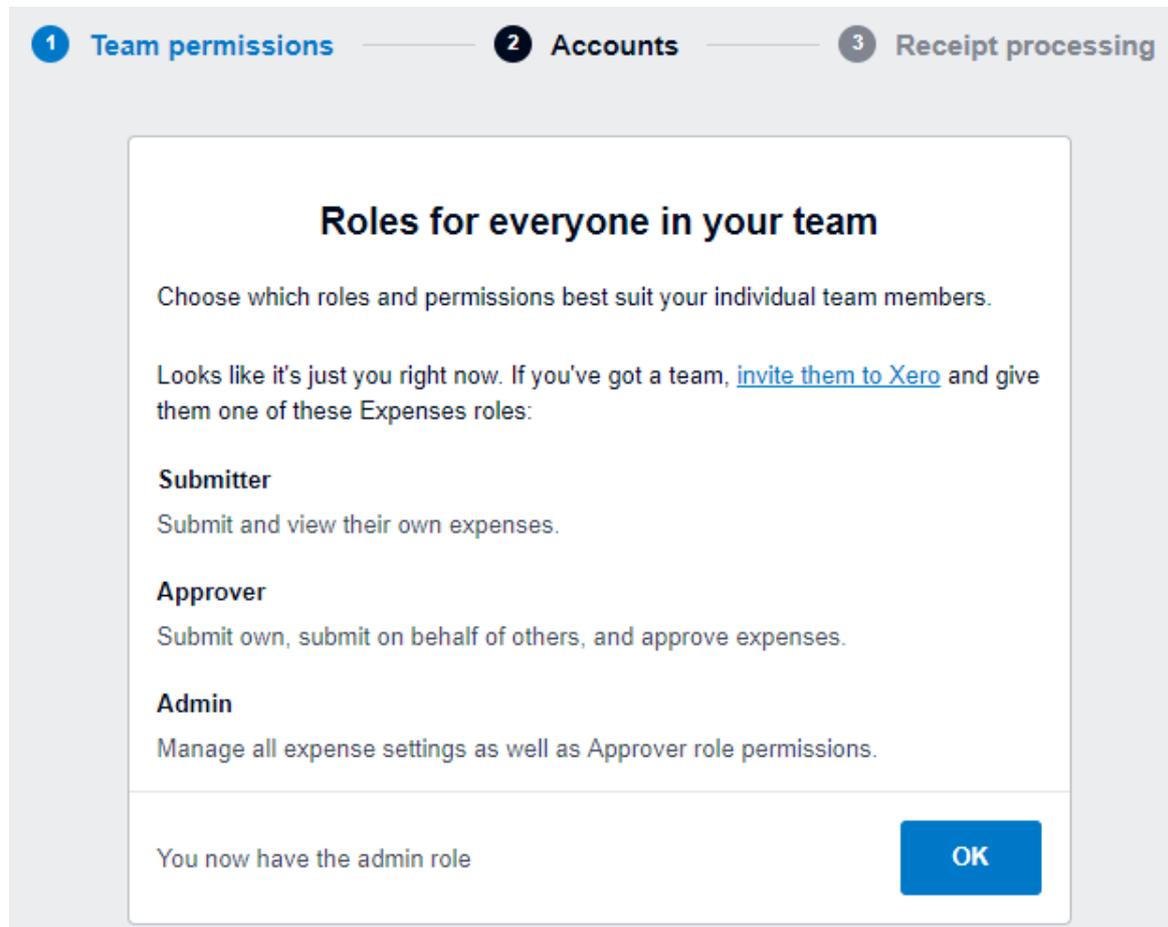
13. Click on Save

Expense Claims

An expense claim is made up of one or more receipts from employees spending their own money, which the business reimburses them for.

Set up Expense Claims in Xero

1. Click on the Accounts dashboard tab and select Expense Claims
2. Click on Get started now



3. Click OK
4. Untick the boxes against Office Equipment and Computer Equipment
5. Click on Save accounts
6. Click on Manually enter information each time

Record Expense Claims

1. You should be in the Expenses dashboard
2. Click on New expense
Note: You can only enter one receipt in an expense claim.
3. Click on the Spent by drop-down arrow to select the employee
4. Enter the details of the receipt below

× New expense
Save draft Submit Approve



Upload an image

Drag & drop here, or select your file manually

Upload

Description 17/1000

Permanent markers

Spent on Spent at

28 September 2018 Officeworks

Account

461 - Printing & Stationery

Assign to customer

Optional

Label

Optional

Purchase amount Itemise

AUD 38.95

Xero allows you upload an image of the receipt or scan the receipt using a third-party app.

5. Click Submit
6. Click on New expense
7. Scroll down and click on Itemise (above amount)
8. Enter the details below. To add a second line, click on Add another item.

× New expense
Save draft Submit Approve



Upload an image

Drag & drop here, or select your file manually

Upload

Spent by

Spent on Spent at Label

8 October 2018 Bunnings Optional

Description	Account	Tax rate	Amount
Letterbox	453 - Office Expenses	GST on Expenses	45.50
Broom	453 - Office Expenses	GST on Expenses	18.90
Add another item			

Subtotal incl. tax AUD 64.40

Total tax 5.85

Total **64.40**

9. Click Submit

Approve an Expense Claim

1. Make sure you are in the Expenses dashboard
2. Click on the Officeworks expense claim

Edit Decline Approve

AUD 38.95

"Permanent markers"

Spent on
28 September 2018

Spent at
Officeworks

Account
461 - Printing & Stationery

Tax rate
GST on Expenses

Tax	3.54
Total	AUD 38.95

You can Edit, Decline, Approve or Delete the receipt from here.

3. Click on the Approve button

There is now 1 expense to review and 1 expense to pay.

Expenses
 Your expenses
 To review 1
 To pay 1
 All expenses
 Explorer

4. Click on the To review tab
5. Click on the Approve button for the Bunnings expense claim

Pay an Expense Claim

1. Click on the To pay tab of the Expenses dashboard

The screenshot shows the Xero Expenses dashboard. At the top, there are tabs for 'Your expenses', 'To review', 'To pay 2', 'All expenses', and 'Explorer'. A 'New expense' button is in the top right. Below the tabs, the 'Total to pay' is displayed as **103.35**. A 'Pay All' button is next to the total. Below this, two expense items are listed:

- Spent 8 Oct. at Bunnings**: Approved, x2, 64.40
- Permanent markers**: Approved, 461 - Printing & Stationery, 38.95

2. Click on Pay All. You will be taken to the Bills screen in a new browser tab.
3. Tick the boxes for both expense claims
4. Click on Batch Payment
5. Click OK to confirm
6. Enter the details of the payment as below:

The screenshot shows the 'New Batch Payment' form. At the top, there are navigation tabs: 'Dashboard', 'Accounts', 'Payroll', 'Projects', 'Reports', 'Contacts', and 'Settings'. Below the tabs, the title is 'New Batch Payment'. There is a 'What's this?' link. The form has two main sections:

Payment Date: 14 Nov 2018
Bank Account: NAB Chq Account

Details to appear on your bank statement

Details

To	Ref	Due Date	Bank Account	Details	Due AUD	Payment AUD
	Expense Claims	14 Nov 2018			64.40	64.40
	Expense Claims	14 Nov 2018			38.95	38.95
TOTAL						103.35

At the bottom, there are two buttons: 'Make Payments' and 'Cancel'.

7. Click on Make Payments