

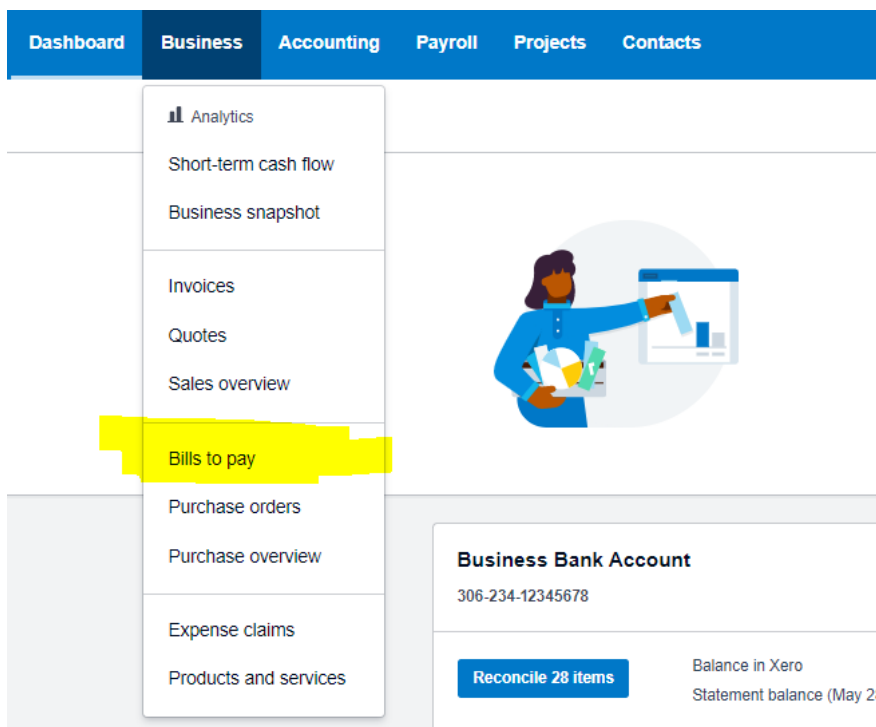
DEFINITION – “Bill” in relation to Xero Subscription

Xero defines the difference in Subscription as SMALL which can have up to 5 Bills processed or LARGE if 6 or more Bills are processed per month

To take advantage of the lower fee the method of Xero entry you use would need to change slightly, so that the bills you pay are entered on the Bank Feeds, and not via “Bills to Pay”. **You can enter up to 5 Bills to Pay per month** and remain in the SMALL subscription.

To explain further:

A bill in Xero is a document processed through Accounts Payable (or New Bill). So for example your Phone Bill may arrive as an invoice in your email. With Xero you have a choice how to process this. You can open: Business / Bills to Pay / New Bill and enter the transaction. Then when the payment is withdrawn from your bank account, the Bank Feed will automatically match the payment made with the Bill sitting in your Bills Awaiting Payment list. This list will assist with prompting you to remember bills to pay as and when they fall due.



However, you can also choose not to use this feature. You might just reconcile it directly from your Bank Feed as a “Spend Money” transaction when the money actually comes out of the bank account. If you choose this method, you can still Add Details to include more information, and also attach the source document to this transaction. You just need to drag and drop it in to the transaction. This works very well when you are processing only a few payable transactions per month, or you have set up quite a number of Direct Debits etc.