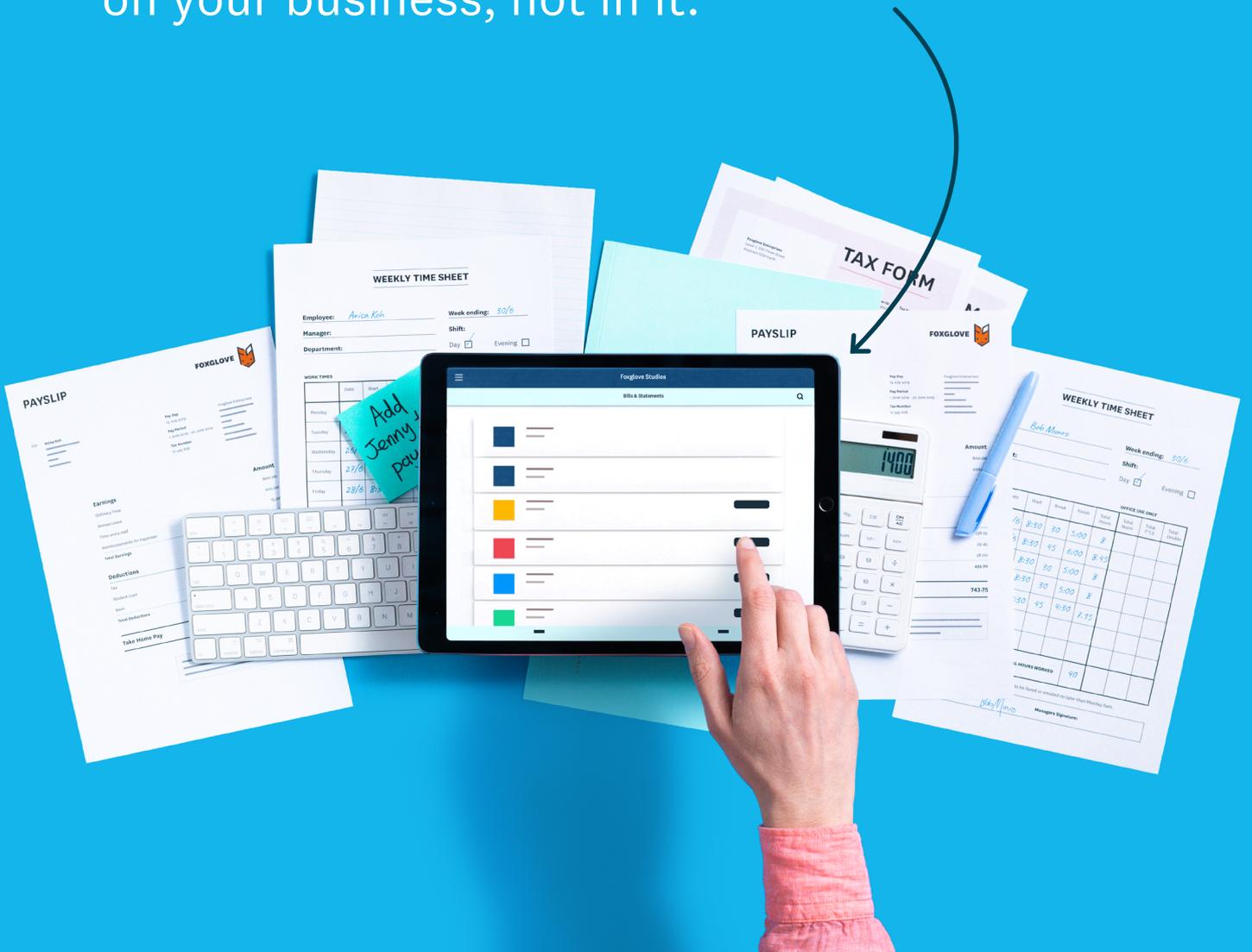




# Build your business. Not your workload.

Automate routine tasks and spend more time on your business, not in it.



# About this document

## Purpose

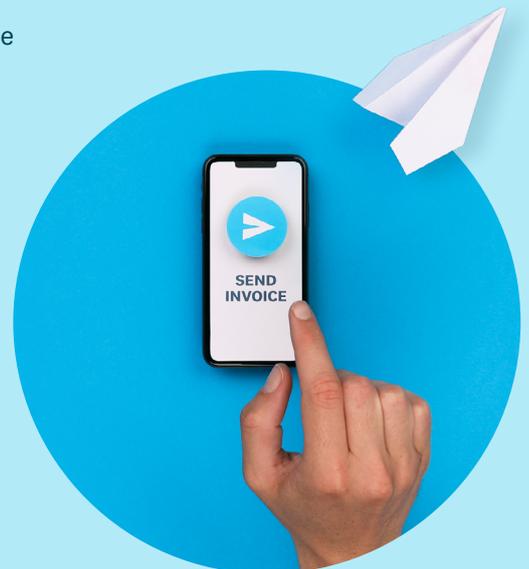
This playbook outlines how using automation tools for routine tasks can help small businesses on Xero focus on the things that matter the most by automating some of their most manual admin processes.

## How this playbook is organised

This playbook outlines the key areas where Xero automates routine bookkeeping tasks, the benefits of automating them, and the opportunities it creates for small businesses.

## The key areas of automation:

- capturing bills and receipts
- importing data from bank accounts that show money spent and receive
- paying bills
- getting invoices paid
- matching transactions to banking data



## ...result in:

- fast, accurate and up-to-date financials

## ...creating opportunities for businesses to:

- increase efficiency
- improve accuracy
- develop your business
- increase profitability
- gain freedom and flexibility



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# Overview

## Automation in small business

Automation streamlines the process of getting a near real-time view of your financials by accurately capturing data from bills and receipts, transaction data from bank accounts, and assisting you in getting paid.

With Xero's automation toolset you can say goodbye to manual data entry and say hello to seamless bill pay and bookkeeping, allowing you to focus on what matters most.

## Benefits of automation for your business

### ✓ More time to spend on what you love

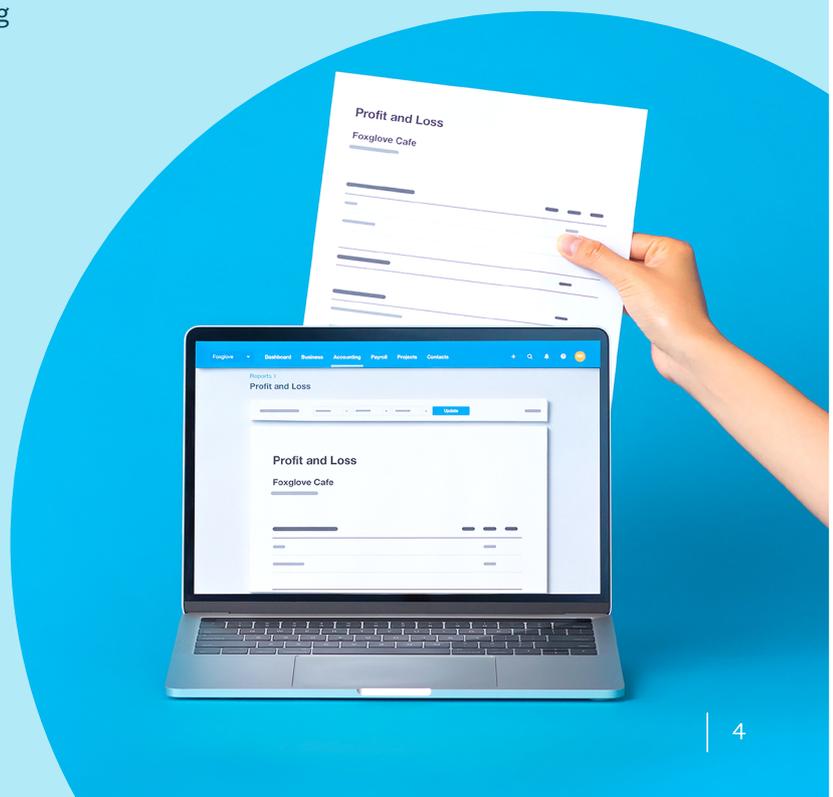
Adding automation to your bookkeeping processes frees up time for you to work on your business (instead of in it).

### ✓ An accurate view of your business financials

Get involved with the numbers and work alongside your advisor. Automated bookkeeping processes reduce human error and lost documentation. They ensure your records are painting an accurate picture, and your advisor has what he or she needs to help you succeed.

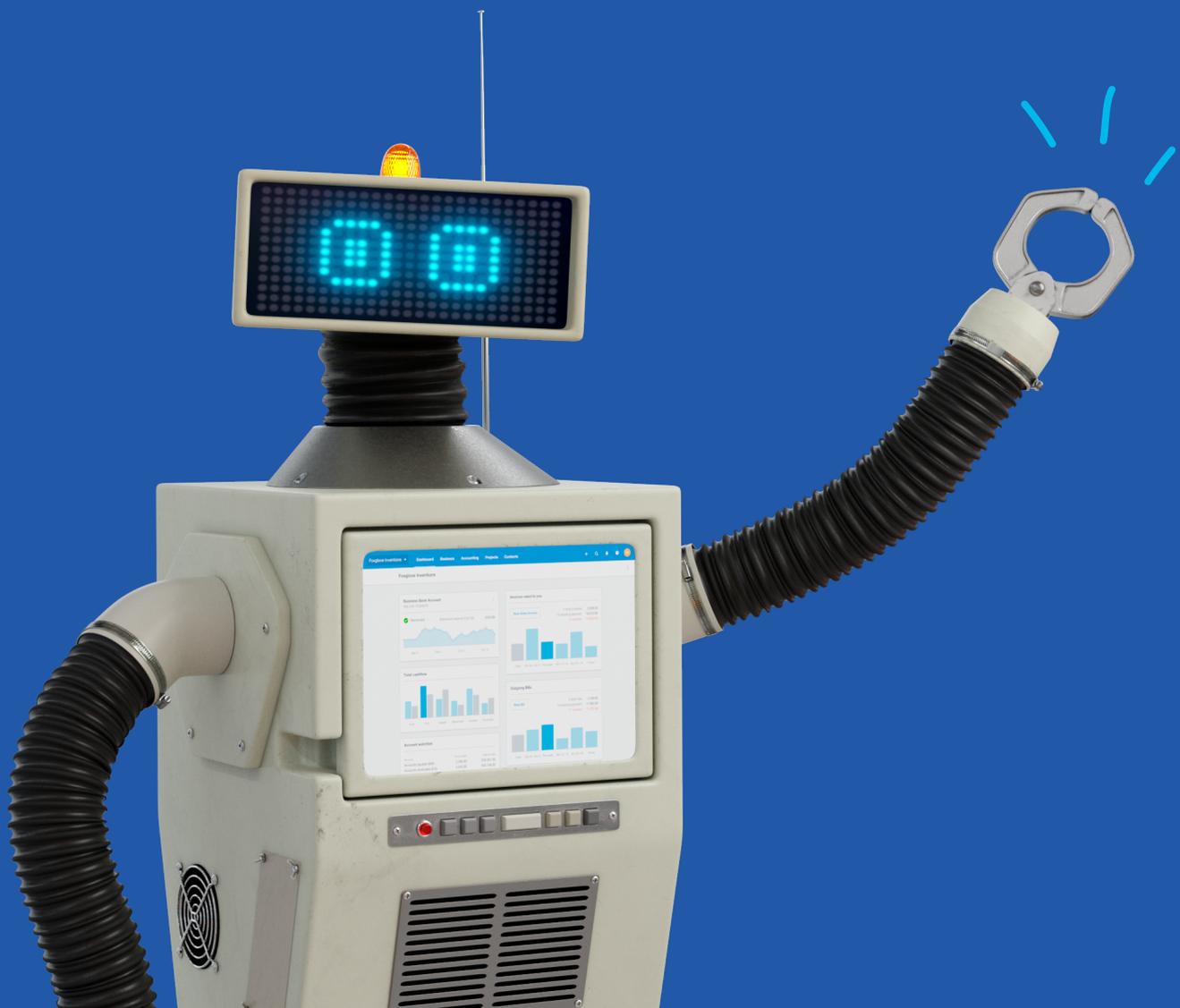
### ✓ Stay in control of the numbers

Develop an ongoing understanding of how your business is doing. Although Xero automates much of the mundane work, you can always review what's been done and make changes as needed.



# Smart features that automate business admin

Tools that save you and time and automate a lot of daily business admin tasks



# Capture data from bills and receipts the simple way

To understand what's going on in your business, it's essential to know about business spending, bills that need to be paid, and the state of your business bank account. Having this information

is fundamental to keeping records up to date, being able to reconcile the accounts, and see how your business is performing.



With Hubdoc, the manual and time-consuming task of entering data is replaced with a faster, seamless way of extracting key information from bills and receipts. What's more, the data is synced to Xero as accurately coded transactions with the original bill or receipt attached. Simply

match the transactions with the relevant bank feed entry in Xero and you're ready to reconcile in one click. With Hubdoc and Xero, you get time back plus the accurate information you need to do beautiful business.

**Hubdoc is Xero's most advanced data capture tool and included in Xero business edition plans.**

## How Hubdoc works with Xero

Bill/receipt is uploaded to Hubdoc

Bill/receipt data is extracted and securely stored in Hubdoc

Data is coded and published to Xero

Transaction is created in Xero; ready for bank reconciliation



1. Capture

2. Auto extract

3. Auto store

4. Auto publish

5. One-click reconciliation

## Benefits of Hubdoc

### ✓ Streamline getting your bills and receipts into Xero

Easily upload bills and receipts using a mobile device, desktop, email or scanner.

### ✓ Secure and centralised

All your bills and receipts are stored in the cloud, searchable and easy to access from anywhere in the world.

### ✓ Reduce manual data entry

Hubdoc uses industry-leading technologies to auto-extract key information from your bills and receipts and get it accurately into Xero.

### ✓ Reconcile with one-click

With direct integration into Xero, Hubdoc turns bills and receipts into accurately-coded Xero transactions, allowing you to do bank reconciliation in just one click.

### ✓ Access verified financial data

Every reconciled Xero transaction has a source document attached so you can easily verify the data and know the financials are up-to-date for easy compliance and valuable business insights.

”

**Hubdoc is absolutely amazing. I own two fish and chips shops in Queenstown and Wanaka and love using Hubdoc. It saves me hours and is so efficient,**

Anna Arndt, Erik's Fish and Chips

## More information

[Hubdoc web page](#) • [Hubdoc course on Xero Central](#) • [Get started with Hubdoc and Xero webinar](#)

# Email your bills into Xero

Xero has a simple data capture tool in Xero which can save you a tonne of time by forwarding supplier bills to a unique Xero email address. From there, Xero creates a draft bill, attaches the file, displays a side-by-side view, and automatically extracts key financial fields from the bill including supplier, invoice number, invoice date, due date, and amount.

If Hubdoc is more than you need at this stage, we recommend using this tool. You'll find your unique email address on the Bills screen. And you can always transition to Hubdoc over time as you grow.

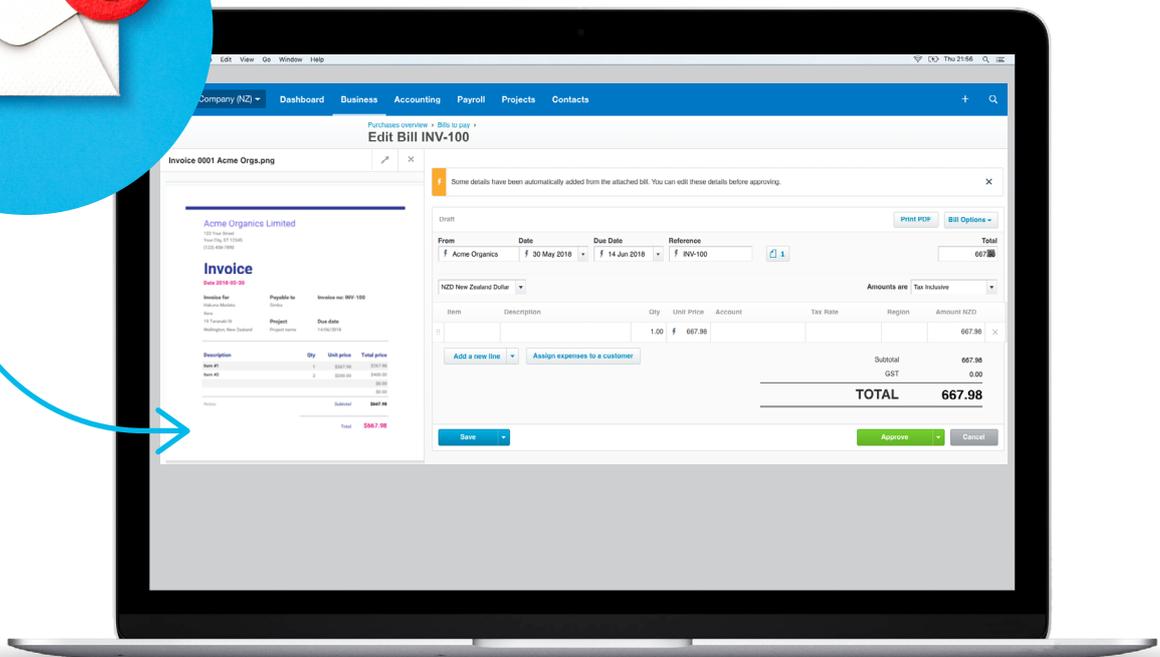
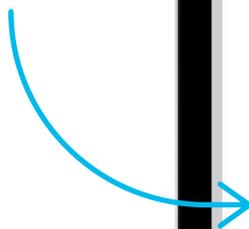
## Benefits of emailing bills into Xero



**Automate getting bills into Xero and reduce manual data entry**



**Get a good introduction to automated workflows**



# Xero Connect

Xero Connect allows you to receive enterprise supplier bills directly in Xero, saving time by eliminating manual data entry, and increasing the accuracy of the numbers. Connections are available for some of Australia and New Zealand's

key suppliers. If Xero Connect supports a supplier that you use, we recommend you use Xero Connect. For other suppliers not on Xero Connect, we recommend using Hubdoc or emailing bills into Xero.

## How Xero Connect works

1.



Connect to your Xero account via the supplier customer portal.

2.



Select your preferences including default account codes.

3.



The supplier bill flows automatically into Xero as a draft bill awaiting approval. A PDF copy of the bill can be attached.

4.



When the bill is paid, the payment displays in Xero and is matched to the bill for easy reconciliation.

## Benefits of Xero Connect



### Receive supplier bills directly in Xero

Sign up with some of the key suppliers in Australia and New Zealand to authorise them to send bills directly into Xero.



### Accurately keep track of expenses

All you need to do is select the supplier and the account in Xero to code bills to, so the expense is recorded correctly.



### Automate getting bills into Xero and reduce manual data entry

## New Zealand: Key suppliers

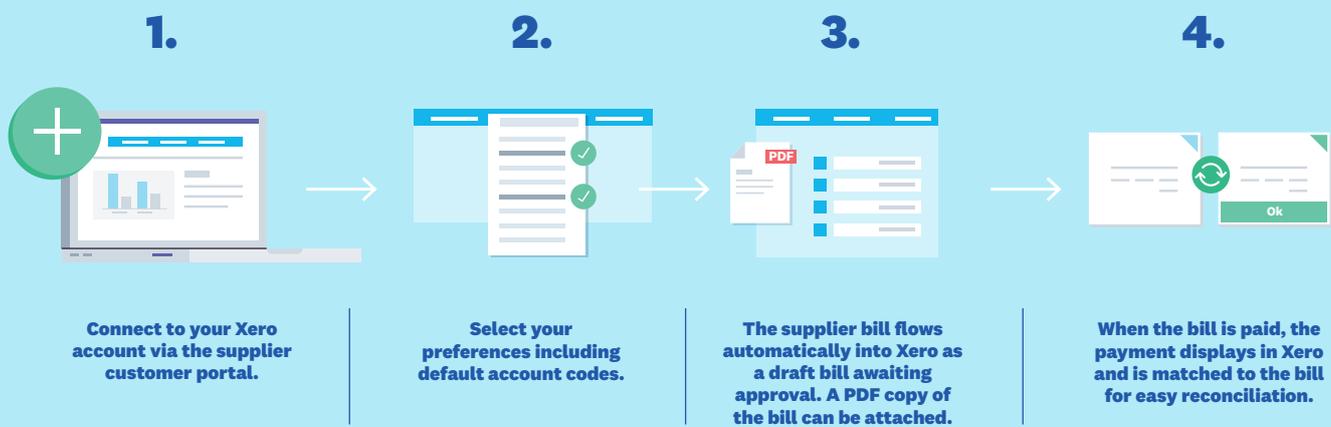


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## How Xero Connect works



## Benefits of Xero Connect

- ✓ **Receive supplier bills directly in Xero**  
Sign up with some of the key suppliers in Australia and New Zealand to authorise them to send bills directly into Xero.
- ✓ **Accurately keep track of expenses**  
All you need to do is select the supplier and the account in Xero to code bills to, so the expense is recorded correctly.
- ✓ **Automate getting bills into Xero and reduce manual data entry**

## Australia: Key suppliers



CALTEX

ACTROL™



# Manage all employee expenses in one place

Xero helps you stay on top of employee spending through simplified claims processing, powerful analytics and integrated accounting, all inside Xero. Get it done faster with less data entry.

## Xero Expenses

Submit a claim with the Xero Expenses mobile app and automate the full process. It has all the tools and insights you might need to efficiently track and manage expense claims.

### Benefits of Expenses

#### ✓ Snap and scan receipts

Capture costs as they happen from your mobile phone and keep everyone up to date with push notifications.

#### ✓ Track mileage claims

Accurately track and submit mileage claims on the go with the map in Xero Expenses and get reimbursed faster.

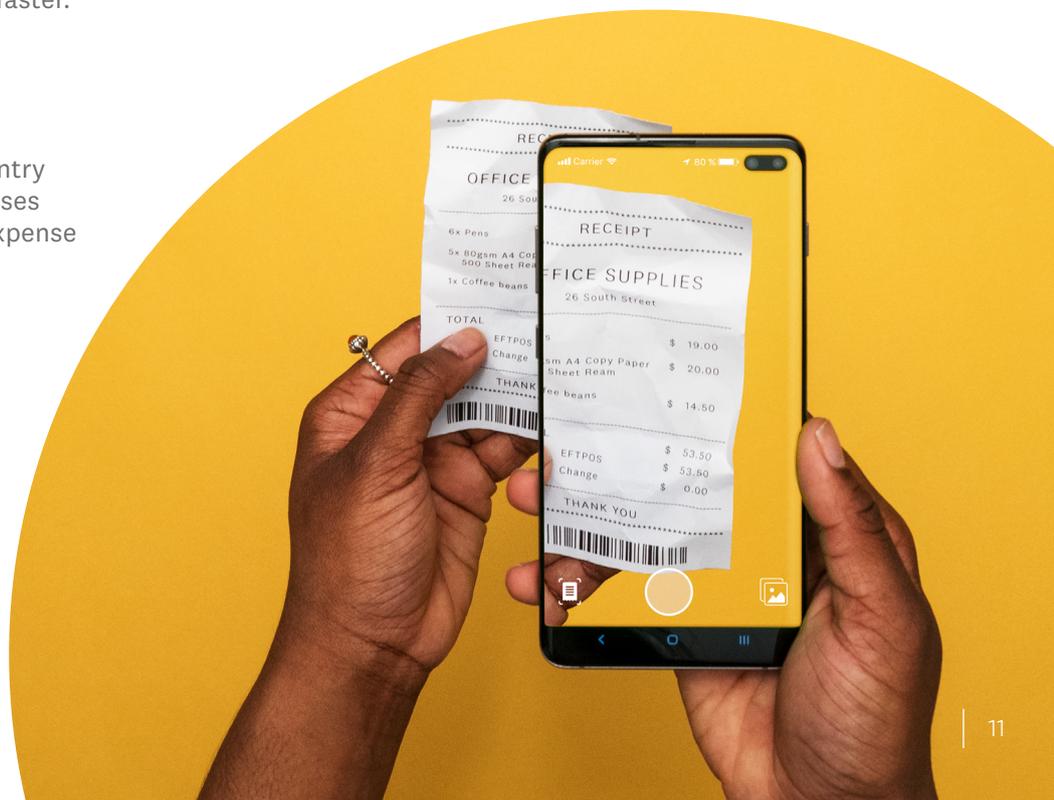
#### ✓ Save time with smart reconciliation

Say goodbye to manual data entry and reconciliation. Xero Expenses automates every step of the expense management process.

#### ✓ Monitor spending in real time

Make fast and informed decisions with powerful analytics. See the current state of your expense claims and view reports by status, employee or expense account.

Learn more about [Xero Expenses](#) for your business.



# Connect to banks to keep track of money and streamline bank reconciliation

## Xero bank connections

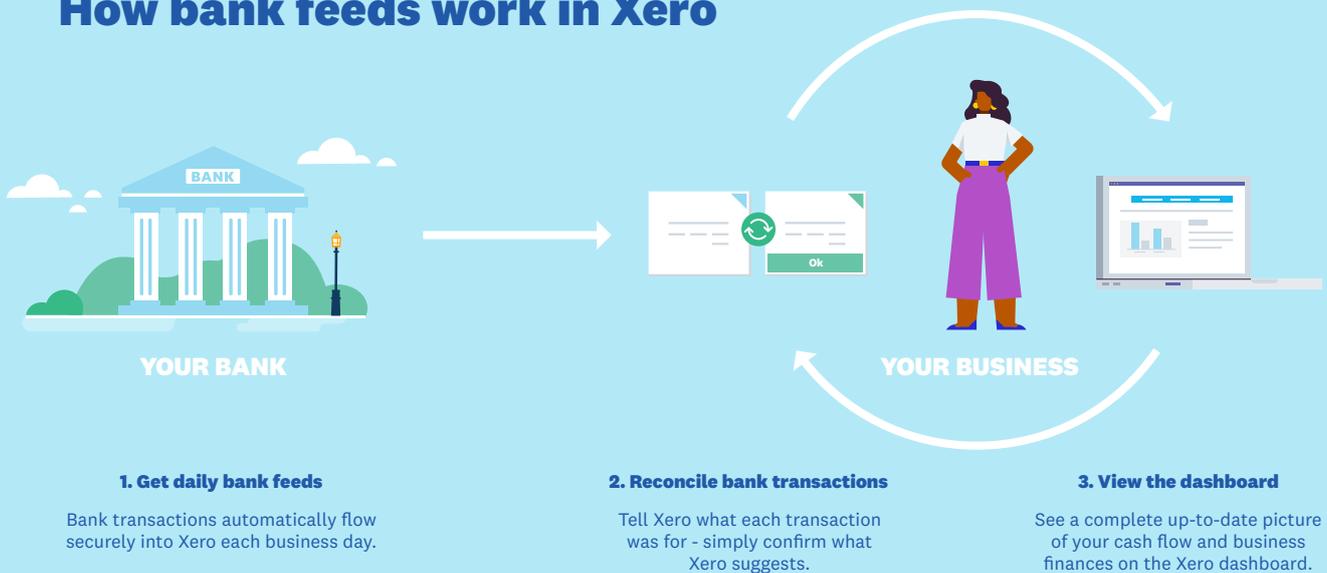
With direct bank connections, bank transactions flow seamlessly into Xero, reducing manual admin work and the risk of data entry errors. Bank connections make reconciling daily a reality and allow you to see your true financial position each business day. Working on the exact same data, your accountant or bookkeeper can help you forecast, plan, and remain financially stable and viable.

Bank connections, also called bank feeds, are central to Xero. You can set up feeds from multiple banks and any number of bank

accounts – it's all included in the price of the Xero subscription. Direct bank feeds are automatic, secure, accurate, and reliable.

Xero has direct feeds to over a hundred [banks and financial institutions](#). If the bank or financial institution doesn't offer direct bank feeds to Xero yet, you can upload bank transactions into Xero or [set up a Yodlee feed](#). To connect a bank feed, simply log in to Xero and search for your bank when adding a bank account.

### How bank feeds work in Xero



## Benefits of bank feeds



### Save time

With bank transactions automatically flowing into Xero you'll have more time to focus on what matters most.



### Data imports securely

Data is transferred between the bank and Xero through a high security connection, so you know the data is well protected. There's no manual handling or risk of human error.



### Streamline reconciliation

When transactions are fed into Xero each business day, bank reconciliation can be done daily, quickly and easily. The client tells Xero what each transaction was for, or simply confirms what Xero suggests.



### Get a better picture of cash flow

With transactions flowing daily into Xero, you can better understand and advise the business by seeing an up-to-date view of cash flow.



### Get things ready for tax time

Come tax time, income and expenses are already categorised, and payments matched to invoices so most of the work is done for you.

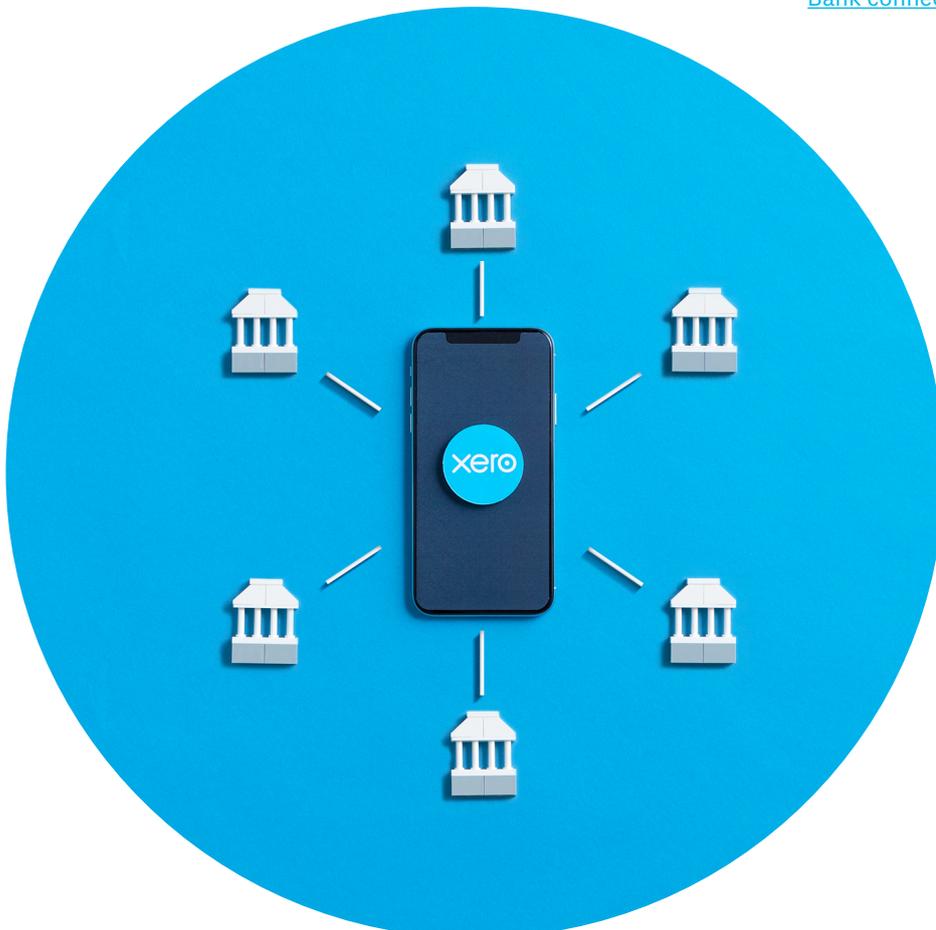


**Xero's direct bank feeds seamlessly import our account transactions directly from our bank account, which keeps our accounts up to date daily. At a glance, I can see an accurate overview of our performance.**

Jessy Cameron, Director, Molten Store

## More information

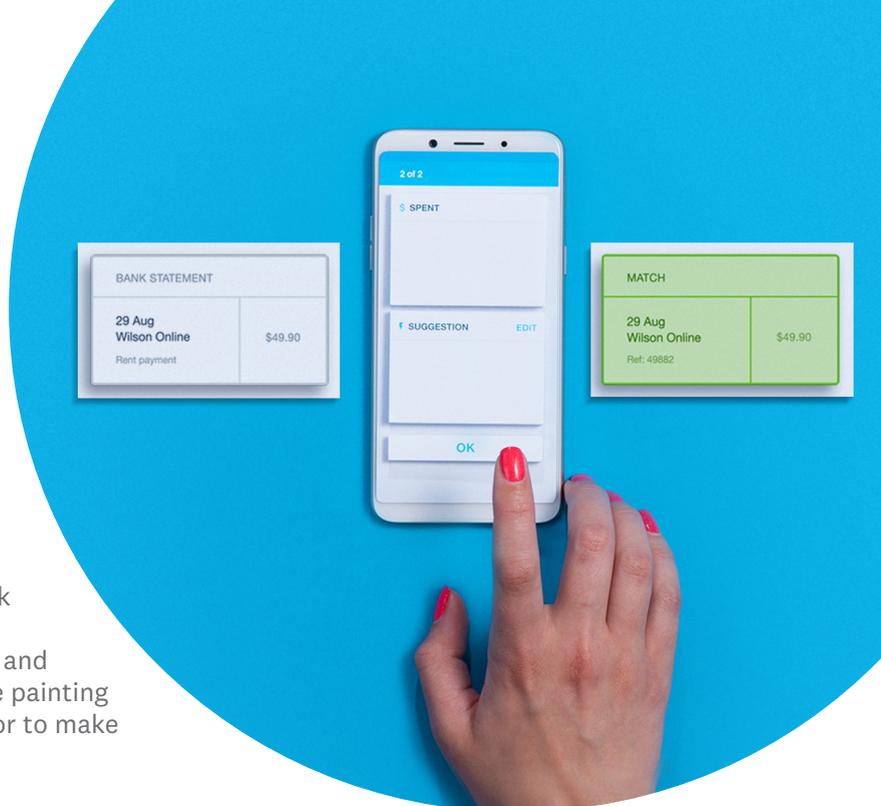
[Bank connections in Xero](#)



# Xero bank reconciliation

## Match transactions to banking data

Xero bank reconciliation is at the centre of your financials. It has a number of smart features that make the process more automated and seamless. With automated flows of data from bills, receipts and the bank into Xero, and ways to ensure you get paid, bank reconciliation becomes quick, accurate and effortless. You can be sure your financials are painting a complete picture and work with your advisor to make informed business decisions.



## Benefits of bank reconciliation

### ✓ Use bank rules

Use bank rules to help reconcile frequently recurring bank statement lines. Bank rules suggest a new transaction for you, and automatically create spend money transactions, receive money transactions, or transfers, so you don't have to create them manually.

[See how to create a bank rule](#)

### ✓ Remember previous data entry

Bank rec in Xero remembers previous data entry. It recognises transaction entries based on your previous data entry. Enter the data manually the first time (if there's no receipt) and next time Xero automatically suggests the data you entered the first time, speeding things up for you.

### ✓ Apply account code suggestions

Account code suggestions is a smart and effective behind-the-scenes feature that speeds up bank reconciliation. They address one of the biggest pain points in bookkeeping: picking then entering the right account codes for your invoices and bills. As the name suggests, account codes are suggested for you to accept and move faster. If in doubt about what code to use, we suggest checking with your accountant or bookkeeper.

“I'd rather face root canal surgery with no anaesthetic than do bank reconciliations. But with Xero, there's a game-like quality that actually makes it fun. And I'm disappointed when it's done!”

Devan Sabaratnam, Founder, HR Partner

## More information

[Bank reconciliation in Xero](#)

# Pay and manage bills seamlessly

Cash flow is vital to the success of any business. Through Xero's [Small Business Insights](#) we know that, on average, only 51% of Australian small businesses are cash flow positive in any given month. Whilst getting paid is key to get cash

flowing in, it's just as important to control the cash going out. Remove friction from the bill payments workflow and make life easier with Xero.

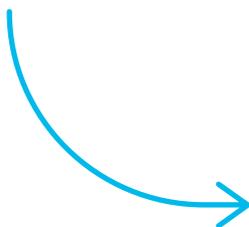
## Xero NAB Payments

Xero has partnered up with NAB, Australia's largest business bank, to transform the way small businesses pay bills. Through Xero NAB Payments, Xero helps small businesses that use NAB internet banking pay bills securely and efficiently by removing the manual process of bill paying. Quickly understand the impact supplier payments have on the business and visibility of cash flow.

been loaded into Xero with a data capture tool such as Hubdoc or Email to bills, and approved for payment, Xero sends payment instructions securely to NAB, where you can then view and approve the payments from anywhere, directly within the NAB mobile app. There's no longer any need to manually download ABA files and upload them separately to the bank.

Xero NAB Payments automates paying bills and is available to all Xero customers in Australia who use NAB internet banking. Once a bill has

[Learn more about Xero NAB Payments](#)



## Benefits of NAB payments for your practice

### ✓ Better visibility

Xero will provide an up-to-date status of each payment, giving you an automatic and accurate digital record of which suppliers have been paid without you having to manually mark bills as paid.

### ✓ Pay on time and avoid late fees

Receive alerts to potential errors before a payment is processed to reduce the risk of failed payments and pay your bills accurately, quickly.

### ✓ Approve payments on-the-go

Approve and pay multiple bills on the go by using the NAB mobile app. Payment instructions will be sent directly and securely from Xero to NAB.

### ✓ More time for other activity

With this integrated banking solution, you'll save time and get to focus more on your business.



**Xero NAB Payments is super exciting! I love having my accounting software connected to my bank – the more systems that talk to each other the better. It's intuitive, reduces the risk of human error, and speeds up the process of paying bills.**

Andrew Haynes, Founder, Kindred Accounting

# Get invoices paid more efficiently

Invoicing with Xero makes it simple to get paid faster. Xero invoicing has a number of easy to set up automation features that cumulatively are hugely time-saving.

## E-Invoicing

E-invoicing is the digital exchange of invoices between accounting or finance software systems. Unlike sending a PDF or online invoice via email, when an e-invoice is sent, it

is delivered directly into the buyer's software system almost instantly, and is automatically pre-populated, ready to be approved and paid.

### How it works



#### Sender

Creates invoice in Xero.



#### Transferred

Via a secure dedicated to e-invoicing network.



#### Recipient

No interaction needed from the Recipient. The e-invoices appears pre-populated in their software system ready to be approved and paid.

## Benefits of e-Invoicing

- ✓ **Faster payment times**  
E-invoices are sent from Xero directly to the buyer's accounting system almost instantly, ready to be approved and paid.
- ✓ **Better visibility of cash flow**  
Sending e-invoices from Xero gives you a more accurate and complete picture of cash flow.
- ✓ **Faster payment for government suppliers**  
Suppliers of participating government agencies in Australia and New Zealand get paid faster thanks to their commitment to faster payment times.
- ✓ **Safe and secure**  
E-invoices are exchanged directly between financial systems so businesses can be confident they have not been tampered with.

## How Xero invoicing saves you time

- 1 Set up repeating invoices**  
Xero lets you automatically create, save and email recurring invoices to your regular customers. It only takes a few steps to set up and from there Xero takes the work out of repeat invoicing.

[Learn more about repeat invoice](#)

- 2 Accept online invoice payments**  
You can also add Stripe auto pay to repeating invoices or direct debit with GoCardless to any invoices to automatically accept payments. This ensures you get paid on time, every time.

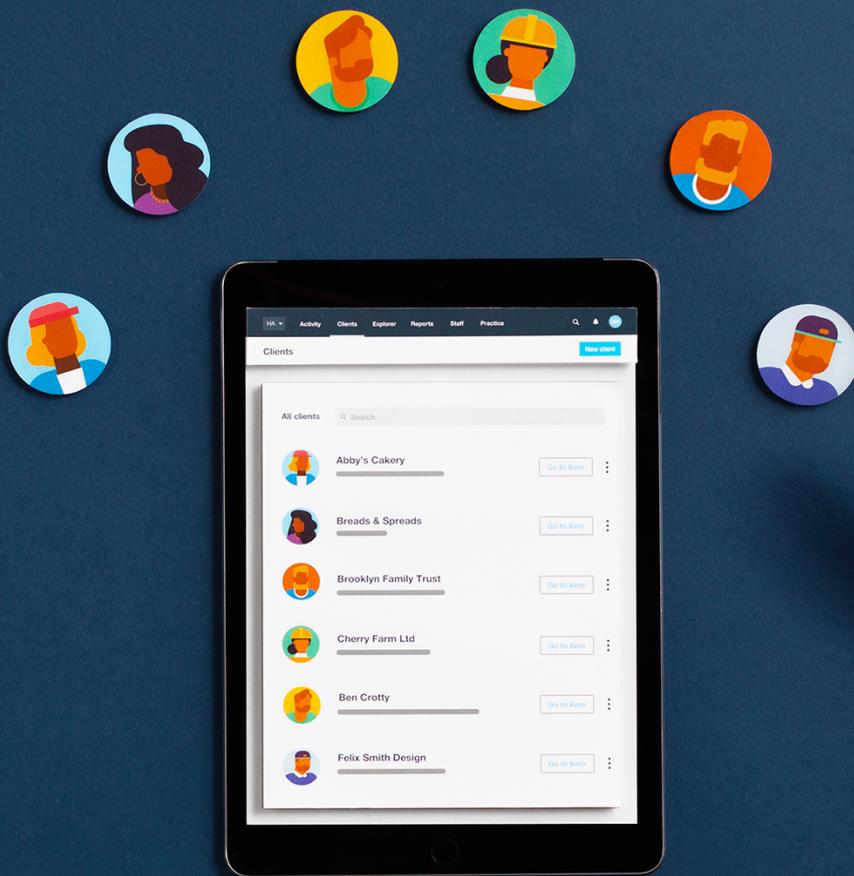
[See how to set up an online payment service in Xero](#)

- 3 Take the work out of chasing payments**  
Set up Xero to send automated invoice reminders to customers. All that's needed is to decide when and how often the reminders are sent out. You can also see whether a customer has seen an invoice and if it's been paid.

- 4 Automatic currency conversions**  
If you are doing business all over the world, add a default foreign currency to specific contacts. This way all invoices, bills, quotes and purchase orders for that contact default to that currency. It's easy to view any amounts the contact owes in their currency.

[Learn more about multi-currency in Xero](#)

# Opportunities for your business



# Automation tools for small business

Our mission is to create a set of automation tools for you to use to lessen the amount of work in your day. Once Xero is connected to your bank, transactions flow into Xero automatically and are reconciled with ease, Xero gives you an up-to-date and accurate view of your financials. Xero allows you to automate many of these processes, while you remain in the driver's seat and work with your advisor.

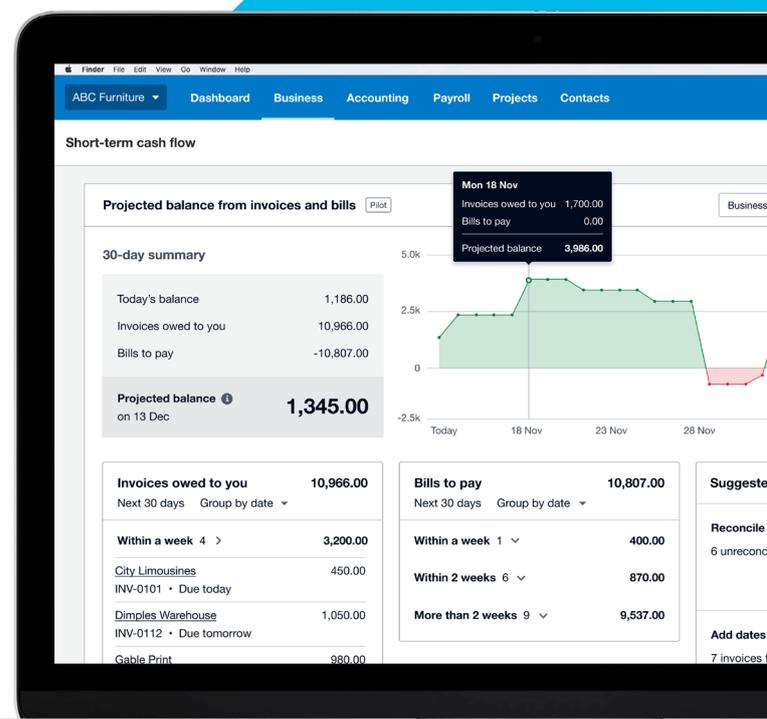
Getting timely and accurate data into Xero unlocks the power of some of Xero's smartest insights tools,

including tools for viewing short-term cash flow and seeing a snapshot of your business's financial health. It can also assist you with raising capital and help you streamline the application process.

Any insights you gain from using these tools is only as good as the data that goes into them. So it's important to get into a good routine as it reduces errors and delayed information. Talk to your advisor if you need help to get up and running with Xero's automation tools.

## Short-term cash flow

Xero's short-term cash flow tool, provides a 30-day view of the operational health of your business. You can use the projections to keep up to date, understand your cash flow and act early. It's a great tool to understand any immediate needs and for working with your advisor on the best next action. This tool is part of a broader effort to help ensure small businesses are financially healthy.



# Find about more about Xero's Business snapshot

Xero's business snapshot provides a visual dashboard of key financial metrics, so you can quickly see how your business is doing and start a deeper conversation with your advisor.

Business snapshot displays Xero data in beautiful charts, tables and at-a-glance figures that make it easy to compare profit and loss,

turnover, expenses and efficiency between different periods. It can also help you manage cash flow by allowing you to see your cash balance and the average time it takes to get paid and pay suppliers, all on the one page.

[Find out more about business snapshot](#)

## Loans and finance

Xero can help you get the finance you need to sustain or grow your business. With rich accounting data and up-to-date reporting, you can streamline the application process.

When you share data from Xero with lenders, it cuts out the time-consuming processes that are typically involved in applying for credit.

### Efficiencies are created for small businesses with:

- business data shared from Xero with the lender, with your consent
- access for lenders to specific Xero financial reports and invoices that help them make a faster lending decision, which could mean faster funding
- automated creation of lender accounting transactions in Xero to ensure bank reconciliation is fast and easy

[Find out more about how Xero integrates with lenders](#)



**Beautiful business**