

# Top tips to become a Xero Hero

## This month, we tackle some of the regular Frequently Asked Questions we get asked around Sales Invoicing and Receipts.

**Q1. "I've received a part payment of an invoice from a customer – how do I allocate this?"**

1. Go to the '**Reconcile**' tab in your bank account which the money has been received. Beside the receipt click '**Find & Match**'.

2. Select the checkbox for each invoice or bill you wish to match to the bank statement line. If required, there is a search box to filter by name, reference or amount.

Date	Name	Reference	Spent	Received
5 Nov 2020	City Limousines	INV-0017   P/O 9711	Split	250.00 GBP
5 Dec 2020	City Limousines	INV-0023   P/O 9711		250.00 GBP
2 Dec 2020	DITSR - Small Business Services	INV-0027   Yr Ref W08-143		270.63 GBP
2 Dec 2020	City Limousines	INV-0028   Book		19.95 GBP
5 Jan 2021	Port & Philip Freight	INV-0041		250.00 GBP
5 Jan 2021	Port & Philip Freight	INV-0042		1,995.00 GBP

- Once the correct invoice has been highlighted, click **'Split'**.  
This will then show a dialogue box where you can enter the part payment amount for the invoice selected.

**Split transaction** [X]

Split this transaction if you need to record a part payment.

Balance GBP 250.00

Part payment

Remaining amount GBP 150.00

**Split** Cancel

- Once the correct amount has been allocated, you will then be free to click **'Reconcile'**.

3. The sum of your selected transactions must match the money received. Make adjustments, as needed.

Subtotal 100.00 GBP [Adjustments]

Must match: Money Received 100.00 GBP

**Reconcile** Cancel

## Q2. "I have received an overpayment from a client and they will be reducing their next payment to resolve this – how do I reflect this in the accounts?"

Follow steps 1-3 above.

- Highlight the invoice which has been paid by the customer and click **'New Transaction' > 'Receive Money'**.  
This will then take you to a screen to create the additional overpayment receipt.

Options 1,000.00

Match Discuss

Find & select matching transactions below

1. Find & select matching transactions [Info]

Show Spent Items

Show GBP items only

Search by name or reference Search by amount

Go

Clear search

Date	Name	Reference	Spent	Received
<input checked="" type="checkbox"/> 14 Nov 2020	City Limousines	INV-0017   P/O 9711	Split	250.00 GBP
<input type="checkbox"/> 15 Dec 2020	City Limousines	INV-0023   P/O 9711		250.00 GBP
<input type="checkbox"/> 15 Dec 2020	DIISR - Small Business Services	INV-0027   Yr Ref W08-143		270.63 GBP
<input type="checkbox"/> 20 Dec 2020	City Limousines	INV-0028   Book		19.95 GBP
<input type="checkbox"/> 10 Jan 2021	Port & Philip Freight	INV-0041		250.00 GBP
<input type="checkbox"/> 11 Jan 2021	Port & Philip Freight	INV-0042		1,995.00 GBP

Select all on this page Showing 1 - 15 of 15

2. View your selected transactions. Add new transactions, as needed.

14 Nov 2020 City Limousines INV-0017 | P/O 9711

**New Transaction** Receive Money Transfer Money

- Click on 'Received as' > 'Overpayment'. Then press 'Save Transaction'.

This amount will then stay within the client ledger for allocation against the future reduced receipt.

### Q3. "I have raised a sales invoice but the customer has now cancelled their order and will not have to pay – how do I remove the invoice from my accounts?"

- Go to the invoice for which the order has now been cancelled. Click 'Invoice Options' > 'Add Credit Note'.

- For a full credit note of the original invoice, simply amend the **date of the invoice** and the **credit note number**. Then click 'Approve' to confirm the Credit Note.



Sales overview > Invoices > **New Credit Note**

To: Boom FM

Date: 10 Feb 2021 | Credit Note #: CN-001 | Reference (optional): | Branding: Standard

GBP British Pound | Amounts are: Tax Inclusive

Item	Description	Qty	Unit Price	Account	Tax Rate	Region	Amount GBP
Support-M: Desktop/ne... support via email & phone	Desktop/network support via email & phone. Per month fixed fee for minimum 20 hours/month.	3.00	541.25	000 - Sales	20% (VAT on Income)		1,823.75

Subtotal: 1,823.75  
Includes VAT 20.00%: 270.82  
**TOTAL: 1,623.75**  
Less: Credit to Invoice INV-0045 10 Feb 2021: 1,623.75  
**Remaining Credit: 0.00**

Buttons: Save, Approve, Cancel

3. Once approved you can then **view the credit note, print a pdf, save or email** the credit note to your customer with the same process used for your initial invoicing.

Sales > Invoices > **Credit Note CN-001**

Paid

View online invoice | Email | Print PDF | Credit Note Options

To	Date	Credit Note #	Branding Theme	Total
Boom FM Attention: Human Resources Manager P O Box 3955 South Mailing Centre	10 Feb 2021	CN-001	Standard	1,823.75

**Looking for more top tips?**

As a platinum Xero partner, we are well placed to advise on all aspects of the software. We match our clients' needs with cutting-edge technology and a dedicated chartered accountant to deliver pro-active management of finances. Our aim is to take the hassle out of your finances, helping you save time, make money and grow your business.

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