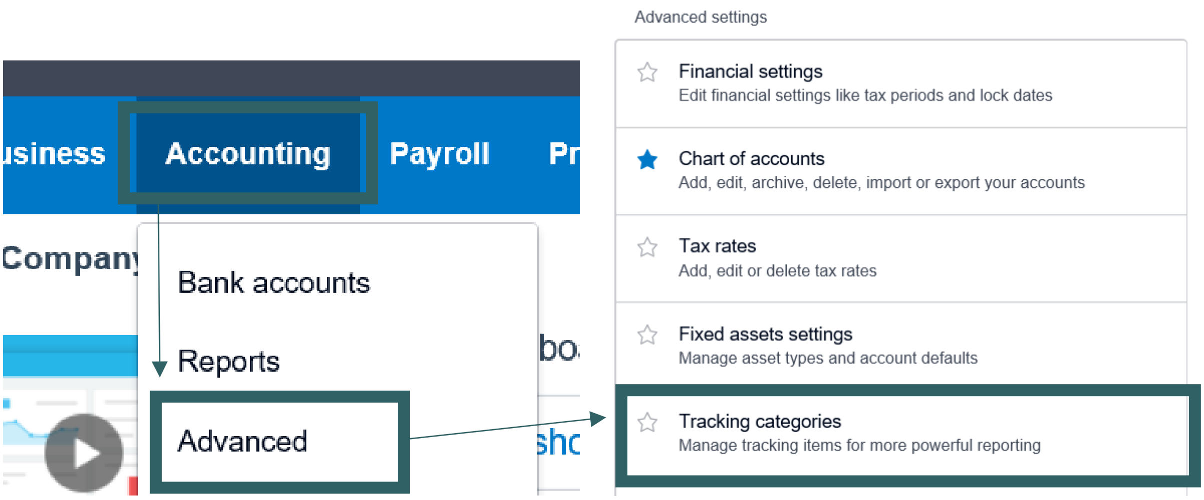
HAROLD SHARP

Top tips to become a Xero Hero

Did you know that you can track categories in Xero?

If you have more than one shop, location or other set-up that you'd like to be able to "track" the performance of then tracking categories could be the top tip for you!

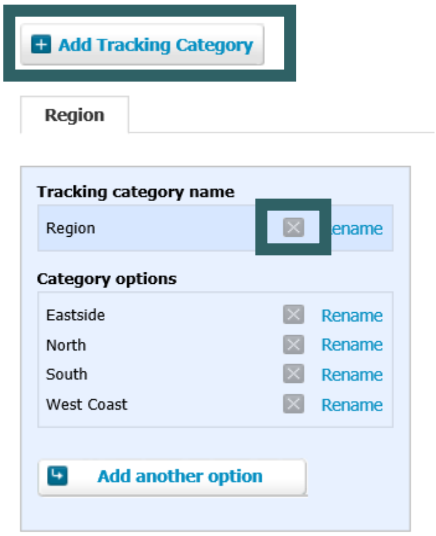
To set these up, you will need to follow this path:
Accounting > **Advanced** > **Tracking Categories** (in the advanced settings box)

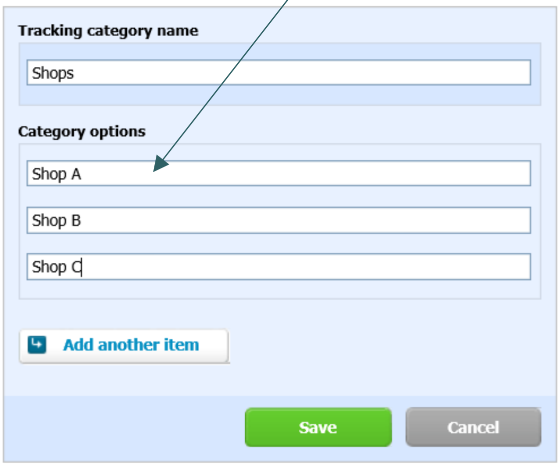


This window allows you to create the category types. The defaults in Xero are for regions. You can delete that first by clicking the grey cross next to the word '**Region'**.

Next, hit '**Add tracking category**'.

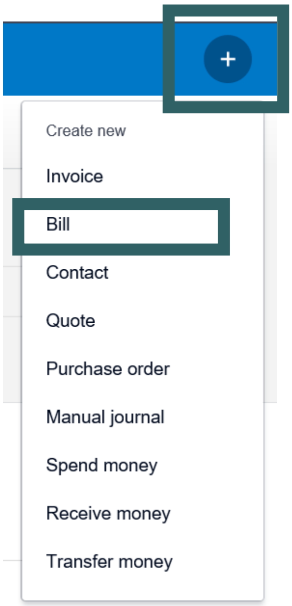
In this working example, we assume that you have 3 different shops (Shop A, Shop B and Shop C) which you can specify under '**Category options**'.





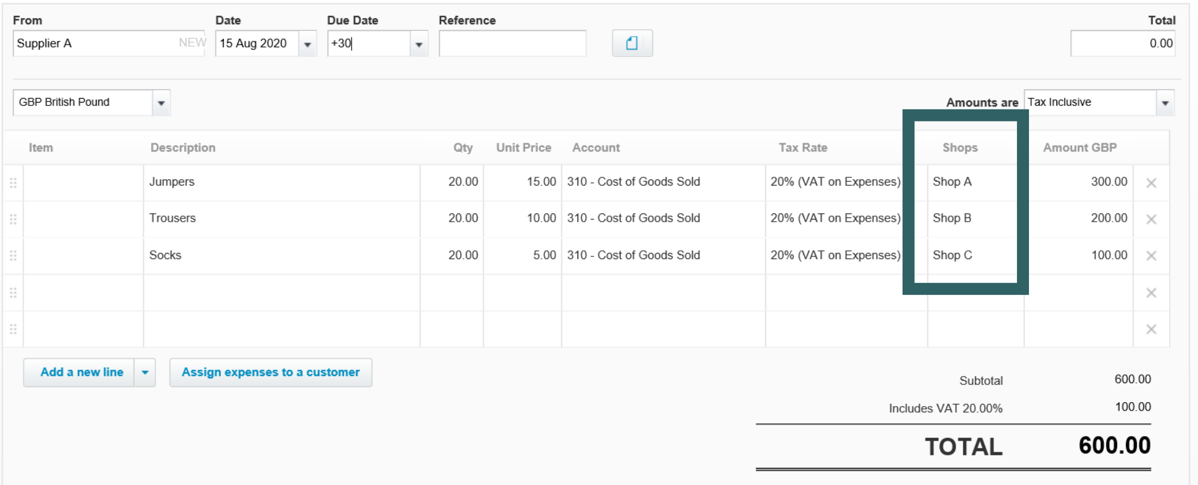
Click '**Save**', and then you're ready to raise an invoice or bill (a nice little shortcut tip here is to use the + in the top right of the screen).

In the below example, we will include a new bill by selecting **+** and then '**Bill**'.

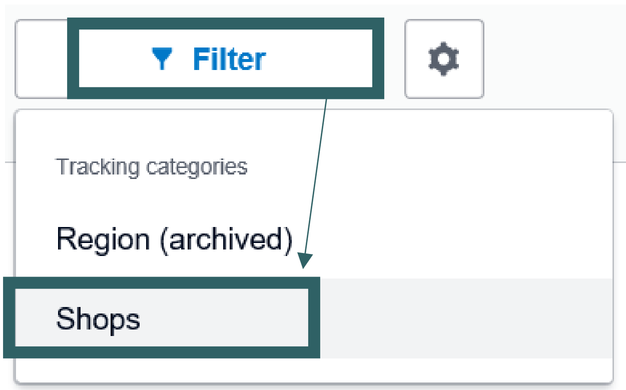


You can now post all the expenses to one shop, or split it between shops (which we've done in the example below). If the cost doesn't relate to a shop at all, such as bank charges where you only have one bank, then you can leave the category blank.

In this example, we've also used another nice shortcut which is on the due date – rather than having to work this out you can just put a + followed by a number and the due date will be created as that number of days after the invoice date.



Once you've approved the bill, you can then report for each shop individually by using the filter on the profit and loss or balance sheet



You now have reports for whichever sections of your business you'd like… and if you want to see everything for the whole business, then you can simply run reports as you did before without any filters set.

Profit and Loss

Demo Company (UK)
For the period 1 April 2020 to 15 August 2020

Shops is Shop A.

	1 Apr-15 Aug 2020
Cost of Sales	
Cost of Goods Sold	250.00
Total Cost of Sales	**250.00**
Gross Profit	**(250.00)**
Operating Profit	**(250.00)**
Profit on Ordinary Activities Before Taxation	**(250.00)**
Profit after Taxation	**(250.00)**

One final tip – Make use of Xero's demo company

All of the above was created in the demo company. You can change your organisation in the top left of the dashboard and switch onto the demo company. This enables you to play around with the data as much as you like and check how any changes will work before making them to your live data. Great if you would like to play around with your settings and filters!

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.

If you are looking for further advice as to how to get more out of your Xero subscription, contact **Paul Edwards** to discuss our training and support packages.

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