XERO PROCESS MANUAL

Working “How to” Guide for Parishes

Updated August 2026

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Overview

This document is a **working guide** that provides general guidance on how to complete the Parish's required accounting functions using Xero. It outlines suggested ways of carrying out common tasks in Xero; however, it is not intended to be a complete or final document and will continue to be developed over time.

The guide is designed as a practical reference and should be considered a **work in progress**. Additional information, examples, and clarification will be added as processes are refined and feedback is received.

Each Parish should establish and document its own internal working procedures to ensure that authorisation requirements and delegated authority requirements are appropriately followed.

Payroll instructions will be issued separately.

Feedback is encouraged. If there are areas that require more detail, clarification, or improvement, please provide comments or suggestions so the guide can be updated and strengthened over time to parishsupport@trustmanagement.co.nz

Please also refer to the **Parish Accounting Policies**, which provide further detail on roles, responsibilities, and required financial controls.

Where to get help?

The best guides for Xero are written by Xero and below is where you can find help. A lot of this guide is directly from the Xero guides.

If your questions in Xero related and not parish specific, try googling for the answer or to find instructional videos.

1. Xero Central (Official Help Articles)

- Go to https://central.xero.com
- Search for topics like:
    - "Reconcile bank accounts"
    - "GST Reconciliation Report"
    - "Prepare GST Return NZ"
- Contains step-by-step guides, screenshots, and videos.

2. In-App Help & Tooltips

- In Xero, click the **? icon** in the top-right corner.
- Use **search** to find help topics related to the page you're on.
- Hover over **question mark tooltips** on forms for explanations of fields, such as GST codes.

5. Contact Xero Support

- Click **Help → Contact Xero Support** in Xero
- You can submit a support ticket for technical issues or unusual problems
- They respond via email — keep your **organisation ID and period details** handy

6. Trust Management – Client Support Officer

For customised support and help with 2026 accounts please contact parishsupport@trustmanagement.co.nz.

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Xero Access and Managing Users

Each Parish Vestry will control and authorise which people have access to Xero and what levels of access they have.

Trust Management is currently the subscribing user, but the costs for each Xero subscription will be on-charged to each parish via The Diocese of Auckland at cost.

If the Parish has full bank authority set up, with at least two bank authorisers able to access the online banking and approve payments, then managing of users will have been delegated from Trust Management to the Treasurer. The Treasurer will then have the highest level of access and ability to manage users.

The information for setting up and changing user access in Xero is found on the Xero support channel here:

Managing Xero roles and access

Below is a guide to current levels of access (note IO means Invoice only):

User roles

- **Administrator** – Administrators have full access to all areas of Xero. If they're not the subscriber, they can't change the pricing plan or payment details.
- **Standard** – The user has almost full access to Xero, with optional access to cash coding, manual journals and reports.
- **Sales and purchases** – there are four variations of the sales and purchases user role:
    - **Draft sales and purchases** – The user has access to create draft invoices, bills, quotes and purchase orders, but not approve them.
    - **Sales** – The user can create, approve and send invoices, quotes and customer credit notes. They can also record payment on invoices.
    - **Purchases** – The user can create and approve bills, supplier credit notes and purchase orders. They can also pay bills.
    - **Sales and purchases** – The user can create and approve invoices, quotes, credit notes, bills and purchase orders. They can also record payment on invoices and pay bills.
- **Viewer** – These users can view most areas of Xero, but can't create or edit transactions, or run new reports.

Users with these user roles can access the Xero Accounting app.

Bank accounts

Users with this permission can view and edit bank accounts, account transactions and bank statements. They can also reconcile transactions.

Administrators and standard users have the bank accounts permission by default. Users with the edit users permission can turn off bank account access for standard users.

Edit users

Add this permission to users with the standard user role to add other users into the organisation, or update user roles for existing members. Users with this permission can also remove people from an organisation to stop their access.

The subscriber for your organisation and administrators automatically have this permission.

Edit contact bank details

Only users with this permission can add or edit bank account details for contacts in Xero. Add this permission to users with the standard, sales and purchases, or purchases user role.

Reports

The reports permission gives standard users access to reports, budgets, and manual journals via the Journal report. This lets users create and save custom layouts, view reports saved or published by other users and print or export reports. Administrators have full access to reports. You can give sales and purchases users permission to view relevant sales or purchases reports depending on their user role.

Payroll

- **Employee** – Users have access to Xero Me to view payslips, submit leave and enter timesheets.
- **Payroll admin** – Users can create and post pay runs, add employees, and run payroll reports. Users have access to payroll and no other areas in Xero.
- **Standard + approve payroll** – Users can create and post pay runs, add employees, and run payroll reports. Users also have access to other areas of Xero.

Users with the employee or payroll admin user role have access to the Xero Me mobile app.

What codes can I use – Chart of Accounts

For financial reporting purposes**, parishes are not permitted to create their own account codes**. All parish financial information must be consolidated into a single set of accounts for the Diocesan office for the end-of-year annual return. If individual parishes create their own codes, it can lead to inconsistencies and difficulties when combining financial data across the Diocese. This may result in reporting errors, delays, and additional work during the year-end consolidation process.

The Chart of Accounts is established and maintained by the Diocesan office, in conjunction with the Finance, Audit and Risk Committee, to ensure consistency, accuracy, and compliance with reporting requirements. For this reason, **only the Diocesan Manager is authorised to create or approve new account codes.**

If a parish needs to track a specific activity, ministry, project, or event, this can often be done using Tracking Codes in Xero rather than creating a new account code. Tracking Codes allow parishes to record transactions under the approved chart of accounts while still identifying the specific purpose or activity associated with the transaction. This means the financial information remains consistent for diocesan reporting, while the parish can still run reports that show the income or expenses related to a particular project, group, or initiative.

Using Tracking Codes provides the flexibility to monitor parish activities in more detail without altering the approved Chart of Accounts, ensuring both local reporting needs and consolidation requirements are met.

To view the **Chart of Accounts** in Xero, follow these steps:

1. Log in to Xero.
2. Click **Accounting** in the top menu.
3. Select **Advanced**.
4. Click **Chart of Accounts**.

This will open the full list of accounts used in the organisation, including:

- Account **codes**
- **Account names**
- **Account types** (e.g., revenue, expense, asset)
- Whether the account is **active or archived**

From this screen you can also:

- Search for a specific account 🔎
- Export the chart of accounts to **Excel for printing**
- See which accounts are available for transactions

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Recordkeeping and Approvals

The Parish is responsible for maintaining complete, accurate and accessible financial records and records of approvals to support all transactions recorded in the accounting system. The Parish must ensure that adequate supporting documentation is retained for all income, expenditure, payroll, banking, asset and taxation transactions.

Where possible, supporting documentation should be attached and retained within Xero. This then provides a central record, improves accessibility and can significantly reduce the time and cost associated with annual audits and financial reviews.

Examples of supporting documentation include, but are not limited to:

- Supplier invoices and receipts
- Bank statements
- Payroll reports and employment records
- GST, PAYE and other taxation filings
- Investment statements
- Donation records and receipts
- Vestry approvals and other authorisation records
- Vestry minutes that show that financial statements have been presented, read and accepted

Where documentation is not stored within Xero, the Parish must maintain electronic copies in an organised filing system and be able to provide them promptly upon request by the Diocesan office, Trust Management or the auditors.

The Parish must ensure that records are retained in accordance with applicable legal and taxation requirements and are available to support the annual audit process and any enquiries relating to the Parish's financial affairs.

Trust Management **requests that copies of the bank statements** are to be saved in the Xero Filing Library each month, to support a more efficient audit process. Instructions for doing this are below.

Xero Files Library

The Xero **Files** library provides a central place to store supporting documents and attach them to transactions.

Key points:

- Xero accepts most common file types, including PDF, Word, Excel, image files (JPG, PNG), emails, and ZIP files.
- Individual files must be **25MB or less**.
- Files can be uploaded directly from your device or emailed to Xero using the organisation's unique Files Inbox email address.

Upload a file from your computer

1. Click the **Organisation Name** and select **Files**.
2. Click **Upload to Files Inbox**.
3. Select the file you wish to upload.

Email a file to Xero

1. Go to **Organisation Name > Files**.
2. Select **Email to Files Inbox**.
3. Copy the unique Xero email address.
4. Send an email with the document attached to this address.

Tip: Only share your organisation's Files Inbox email address with trusted individuals to help protect your Xero organisation from unwanted or malicious emails.

Bank Reconciliations

Bank reconciliation is the process to confirm that all the transactions in your bank accounts are recorded in your business accounting records.

Bank accounts need to be reconciled regularly and at least at the end of each month. Reporting cannot be completed until bank accounts for the period are reconciled.

In Xero, this is done on the **Reconcile** tab, by matching bank statement lines from your bank account on the left against transactions in Xero on the right.

- **Statement lines** are the bank transactions imported from your bank account via a bank feed or they're manually imported. When they're in your online banking, they're referred to as bank transactions, then when they're imported into Xero we call them bank statement lines. Bank statement lines that are automatically imported using the bank feed should never be deleted.
- **Transactions** are created in Xero by the Users. These could be invoices, bills, expense claims or cash transactions. These can be deleted and/or edited.

The aim of bank reconciliation in Xero is to match each statement line in the bank account to an existing transaction in Xero or create a transaction during the reconciliation process.

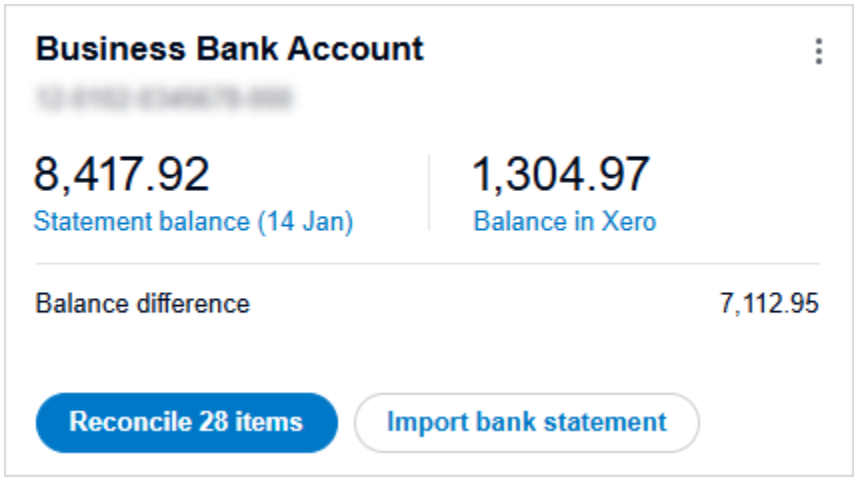
We recommend reconciling your bank accounts on a regular basis, to ensure your accounting records are up to date and to help find and correct any errors as soon as they occur.

You can connect your bank with your Xero organisation to automatically import transactions from your bank or financial institution directly into Xero.

The bank reconciliation process

Xero makes the bank reconciliation process easier by letting you know when bank statement lines are ready to reconcile. The bank account widget on your homepage shows how many bank statement lines have been imported and need to be reconciled.

If the **Reconcile [number] items** doesn't display, it indicates there are no bank statement lines to reconcile.



For each individual statement line on the **Reconcile** tab, you can either:

- Match it with an existing transaction in Xero, such as an invoice or bill
- Accept a transaction suggested by Xero, based on a bank rule you've set up or a previously reconciled transaction
- Create a new account transaction, such as a spend or receive money transaction, or a transfer of funds to another bank account

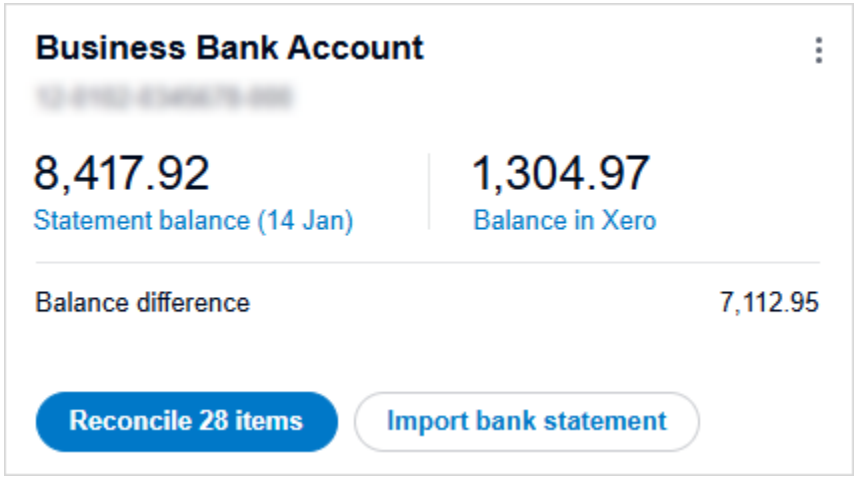
How you reconcile each statement line depends on whether a transaction has already been created in Xero to reflect it or not.

Step One - Review the bank account

View unreconciled statement lines

When a bank statement is imported, the bank account widget on the homepage shows the number of bank statement lines ready to be reconciled. If a bank account doesn't show on your homepage, in the **Accounting** menu, select **Bank accounts**.

For the bank account you want to reconcile, click **Reconcile [number] items**.



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If **Reconcile [number] items** doesn't display, it indicates there are no bank statement lines to reconcile. If you think there should be statement lines to reconcile but there aren't any, it might be because:

- The statement lines relate to dates before a bank feed was connected, or a bank feed isn't available. If this is the case, you need to manually import the bank statement lines.
- The bank feed is delayed.

The bank statement lines display on the left-hand side of the **Reconcile** tab. For each individual bank statement line, work through the steps below to reconcile it against an account transaction.

Your aim is to match each statement line in the bank account to an existing transaction in Xero or create a transaction during the reconciliation process.

Filter or search for statement lines

You can filter the list of statement lines by date or amount. Use search to find specific statement lines to reconcile.

1. For the bank account you want to reconcile, click **Reconcile [number] items**.
2. On the reconciliation screen:
    - To search for a statement line, enter its details into the search bar.
    - To filter the list, click **Filter**, select a **Start date** or **End date,** or enter an **Amount range**, then click **Apply.**

Filters are cumulative and work together. To remove all filters, click **Filter [number]**, then click **Reset filters**.

Step 2: Match to an existing transaction in Xero

If an existing transaction has already been created in Xero that relates to the statement line, the bank reconciliation process is simply matching the two.

Existing transactions might include sales and purchase documents such as invoices, bills, expense claims, payment transactions or spend and receive money transactions.

If the bank statement line relates to a transfer of funds from one bank account to another, you only need to create the transfer transaction in one account. If you've already created the transaction in the other account, just click **OK** to reconcile it.

Accept a matched transaction

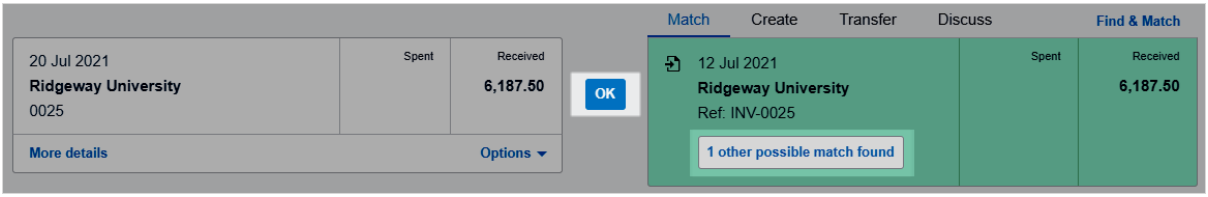
Tip

You can change how your transactions display during bank reconciliation. Select the **Compact view** switch to see a more condensed view that displays more transactions per page.

Xero first generates a list of possible account transactions to match against the statement line. These matches are made by comparing all the information in the statement line against all the information in the account transaction. The account transaction that has the most similarities to the bank statement line is offered as the suggested match. If there are multiple transactions that match, Xero looks for the one with the closest due date.

Sometimes there are multiple transactions that match, so the most likely transaction is suggested and a link is provided to the other alternatives.

- If the correct transaction is suggested, click **OK** to accept the match and reconcile.
- If you don't want to accept the match, click **[number] other possible matches found** to see other options.



Find and match

If you know a transaction has been created in Xero but it's not showing up as a suggested match, use find & match to search for the correct transaction.

Step 3: Create a new account transaction

Where a transaction doesn't already exist in Xero that relates to the statement line, create the transaction during the bank reconciliation process.

Transactions can be created by accepting suggestions or using the **Create** or **Transfer** tabs.

Accept a suggested transaction

To help you reconcile, Xero suggests account transactions to match with the bank statement lines. The suggestions are based on bank rules you've set up, similar transactions you've previously reconciled or details in the statement line.

Suggested by a bank rule

If Xero can't match an existing account transaction to the statement line, it looks at your bank rules. If the bank statement line matches the conditions of a bank rule, Xero suggests a new transaction in line with the rule.

- If the correct bank rule is applied, click **OK** to accept the match and reconcile. If you need to update any of the transaction details first, click **View details**.
- Click **Don't apply rule** to reconcile another way.

If a bank rule has been set up but it wasn't suggested for the bank statement line, check the rule conditions are set correctly.

Based on a transaction previously reconciled

If there's no existing account transaction or bank rule to apply and you've selected **Suggest previous entries**, Xero uses memorisation to suggest a transaction to create. Xero suggests to create a spend money, receive money, or a transfer transaction.

Memorisation is based on previously reconciled transactions with similar payee, particulars and reference details. Xero suggests the **Who**, **What** and **Why** for a spend or receive money transaction, or the bank account for a transfer transaction. The transaction is then ready to reconcile on the **Create** or **Transfer** tab.

- Click **OK** to accept the suggestion and reconcile. You can edit the details first if you need to.
- Click **Add details** if you want to add extra information to the suggested transaction before you create it.

Based on the details in the statement line

If there's no existing account transaction, bank rule to apply or similar past transaction to suggest, Xero uses machine learning algorithms to make a prediction. Predictions are based on the details in the statement line.

Xero predicts a contact and chart of account code for the **Who** and **What** fields. These are taken from the existing contacts and account codes available in your organisation. If there's no existing contact that fits the details in the statement line, Xero suggests a new contact to create.

Predictions display in italics so you can identify them as predictions rather than memorisation-based suggestions.

- Add or edit details if required, then click **OK** to accept the prediction and reconcile.
- Click **Add details** if you want to add extra information to the suggested transaction before you create it.

To turn memorisation and predictions on or off, select or clear the **Suggest previous entries** checkbox at the bottom of the bank reconciliation screen.

Create a cash transaction

Create a spend money or receive transaction to record a new cash transaction during bank reconciliation.

This is best used for coding of cash deposits like donations (instructions below) or for direct debit purchases.

Create a spend money

This is for when the money has already left the bank account, such as with a direct debit. (To pay a bill, set the bill up in purchases and then use a batch payment to update the payment into the online banking).

1. In the **Accounting** menu, select **Bank accounts**.
2. Click **Reconcile [number] items** for the bank account you want to create the transaction in.
3. For the bank statement line you want to reconcile, select the **Create** tab.
4. Complete the **Who** and **What** fields to add a contact and account code to the transaction. Check the tax rate assigned as well.
5. In the **Why** field, enter a description.
6. If you've set up tracking, select any relevant tracking options.
7. (Optional) Click **Add details** to enter a reference, add a file attachment or split the transaction across multiple lines. You can also assign the expense to a customer or project.
8. If you didn't add more details, click **OK** to create the transaction and reconcile it.

If you added more details, click **Save Transaction**, then **Reconcile**.

Create a receive money

This is for when money has been received into the bank account, such as donations. There is a separate instruction on how to create receive money transactions for envelopes collected and deposited as one transaction below.

1. In the **Accounting** menu, select **Bank accounts**.
2. Click **Reconcile [number] items** for the bank account you want to create the transaction in.
3. For the bank statement line you want to reconcile, select the **Create** tab.

4. Complete the **Who** and **What** fields to add a contact and account code to the transaction. Check the tax rate assigned as well.
5. In the **Why** field, enter a description.
6. If you've set up tracking, select any relevant tracking options.
7. (Optional) Click **Add details** to enter a reference, add a file attachment or split the transaction across multiple lines. You can also assign the expense to a customer or project.
8. If you didn't add more details, click **OK** to create the transaction and reconcile it.

If you added more details, click **Save Transaction**, then **Reconcile**.

Create a transfer transaction – when money has been transferred from one bank account to another.

Create a transfer money transaction to record the movement of funds between your bank accounts in Xero.

You only need to create a transfer transaction in one bank account. Xero creates the transaction in the corresponding account, so you just need to click **OK** to reconcile it.

1. In the **Accounting** menu, select **Bank accounts**.
2. Click **Reconcile [number] items** for the bank account you want to reconcile.
3. Select the **Transfer** tab.
4. Select the bank account:
    - If the statement line shows funds spent, select the bank account or credit card you transferred the money to.
    - If the statement line shows funds received, select the bank account you transferred the money from.
5. (Optional) Enter a reference for the transfer transaction.
6. Click **OK**.

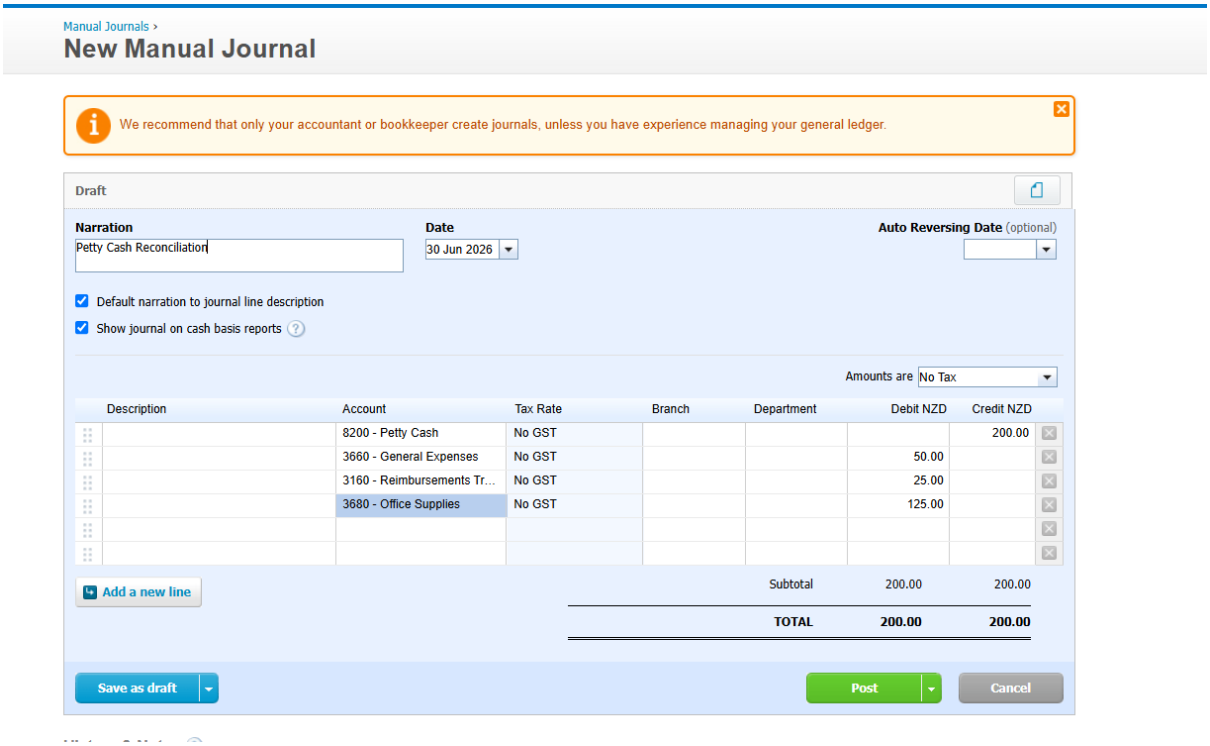
Reconciling Petty Cash

Most parishes have petty cash set up as balance sheet item, rather than a bank account. This means that transactions are managed via a journal.

Code expenditure in Petty Cash

To reconcile and code petty cash, a manual journal at the end of each month is created.

1. Go to Accounting – Manual Journals – New Manual Journal
2. Enter each expense (or total of expenses for each expense code) and code to the correct expense code and put the amount in the debit column.
3. Enter the balance amount in the 8200- Petty Cash as a credit.
4. Go to balance sheet and check balance of the petty cash at that date matches the amount of $ that are in the petty cash tin



Top up of Petty Cash

To top up the petty cash, when money is withdrawn from the bank account, reconcile the bank account line to 8200- Petty Cash.

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1. The balance of each fund in the Gross column should match the statement of the closing balance of the investment/cash fund

Reconciling DataPay Payroll payments

For the payroll and contractor payments that Trust Management has made on your behalf via DataPay, then a common error that has been made is only coding the net payment out of the bank account directly to a salary general ledger code.

The **payment out of the bank account is just the net wages, it is not the total gross wages that have been paid to the employee.** he payment is made up of the gross wages plus any kiwisaver employer payment, less PAYE and other deductions like kiwisaver.

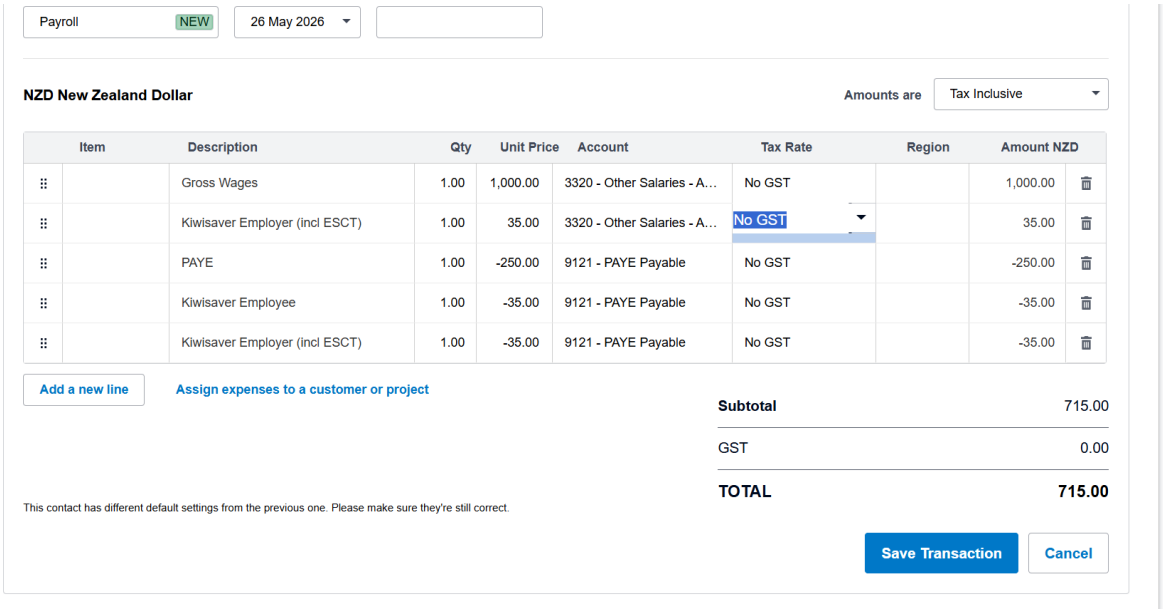
If you have been doing this then your salaries will be under reported as expenses in the profit and loss and the PAYE payable account will become out of balance with the difference.

A correct reconciliation of the payment files requires the DataPay report which was sent from parishpayroll@trustmanagement.co.nz.

For each employee, the coding needs to be broken down as a spend money add details as:

- Gross Wages Paid $ - coded to correct salary GL code
- Kiwisaver Employer Contribution before ESCT – coded to correct salary GL code
- Then enter the following entries as negative numbers
- PAYE/Withholding TAX = negative number (-) $ to 9121-PAYE payable
- Kiwisaver Employee Contribution = = negative number (-) $ to 9121- PAYE payable
- Kiwisaver Employer Contribution including ESCT = = negative number (-) to 9121-PAYE payable

In Xero it will look like this.



Each payroll the statements needed to reconcile the payments are sent to the treasurer, if you need copies of prior statements, please contact parishsupport@trustmanagement.co.nz..

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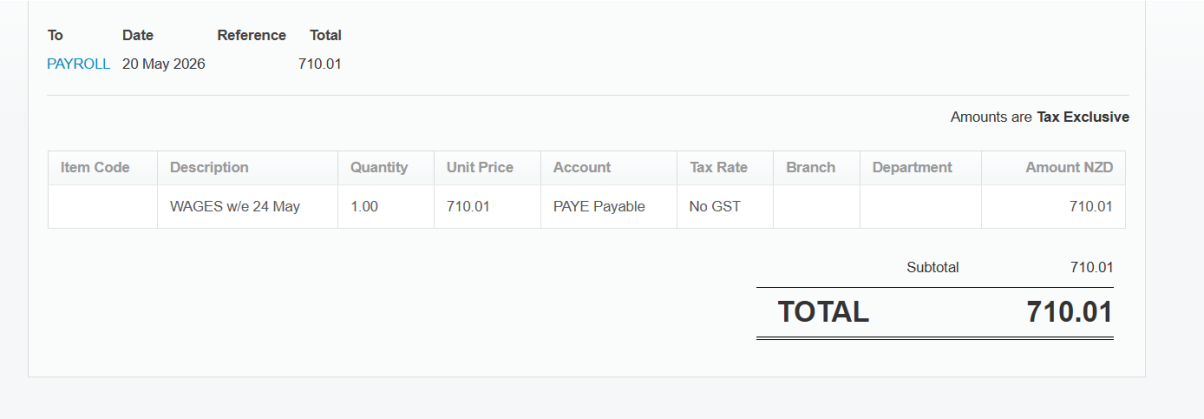
Reconciling Payroll Processed in Xero

For payroll that has been processed in Xero payroll, then you do not need to breakdown the payment down or recode to any salary lines as Xero does the coding at the time you post the payroll.

For payments from the bank for payrolls processed in Xero payroll then you just reconciled the whole payment to 9121-Wages Payable.

Here is an example:



To	Date	Reference	Total
PAYROLL	20 May 2026		710.01

Amounts are **Tax Exclusive**

Item Code	Description	Quantity	Unit Price	Account	Tax Rate	Branch	Department	Amount NZD
	WAGES w/e 24 May	1.00	710.01	PAYE Payable	No GST			710.01

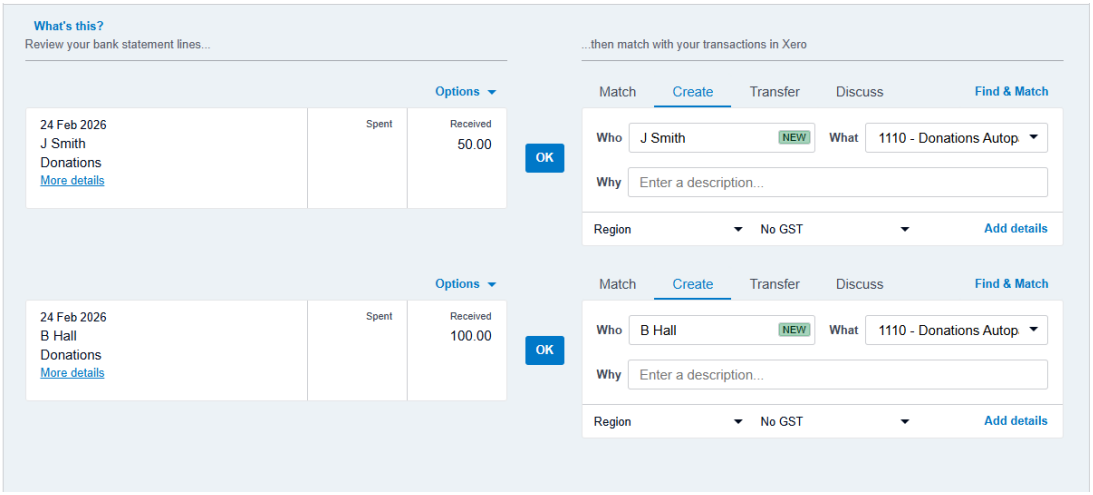
Subtotal	710.01
TOTAL	**710.01**

There is another process manual that is just for processing payroll that is available which has further information on this.

Reconciling Donations in the Bank Accounts

Reconcile Automatic Payments (Direct Credits)

1. In Xero go to **Bank account** that the money was deposited into (from home page click on the reconcile button under the bank account)
2. Be on the **Reconcile Tab** within the bank account
3. Ensure that the correct contact is in the “Who” field. Contacts are managed from the Contacts field. You can search in this field for names, donor number or add a new contact.
4. Code to 1110-Donations Autopay.
5. No GST
6. Enter in any relevant department or region information in the tracking fields.
7. Select Ok



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Reconcile Bank Deposits – Cash Deposits

There are two ways to do this:

1. Directly code cash in the bank (quicker)
2. Create invoices and then match in the bank (simpler)

Method One: Reconciling one bank deposit to different contacts using "Receive Money"

This method can be used when:

- One bank deposit includes amounts for **multiple people**
- No invoices have been raised
- You need to split the transaction and assign each part to a **different contact**

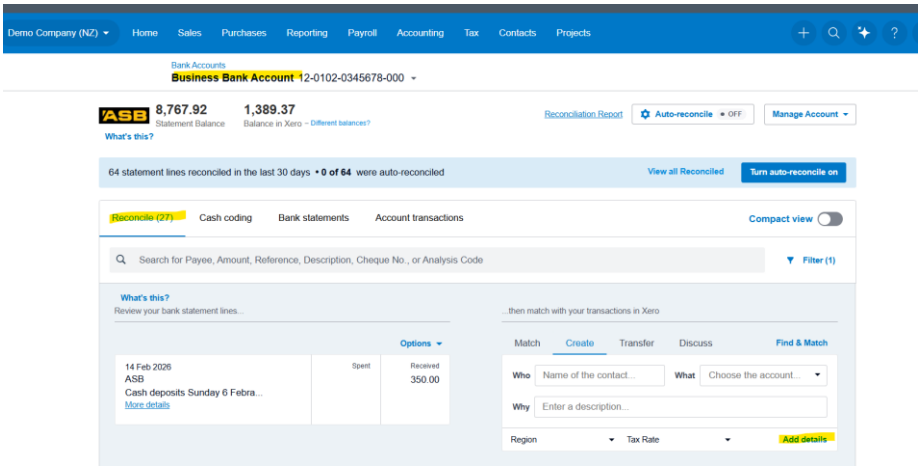
Example

Your bank feed shows **$350 received**, made up of:

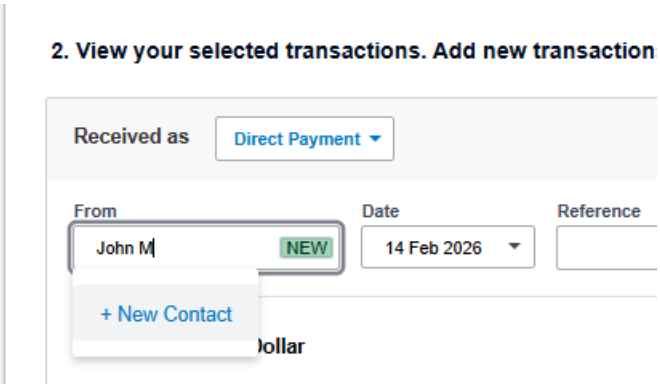
- $100 from John
- $200 from Sarah
- $50 for cash donation

Step 1:

8. Go to **Bank account** that the money was deposited into (from home page click on the reconcile button under the bank account)
9. Be on the **Reconcile Tab** within the bank account
10. On the bank line, click the **add details** in the bottom right corner.



11. Enter the details for the first donor:
    - In the "From" field top left-hand corner. Search for the name of the donor or you can search by donor number.
    - Add new contact - If you need to create a new contact for a new donor it has the option to add a new contact here. Just type the name of the new contact and an option will appear to "



    - Enter Contact in From field: John
    - Amount: $100
    - Account – Donations –Envelope Collection
    - "No GST" for donations.

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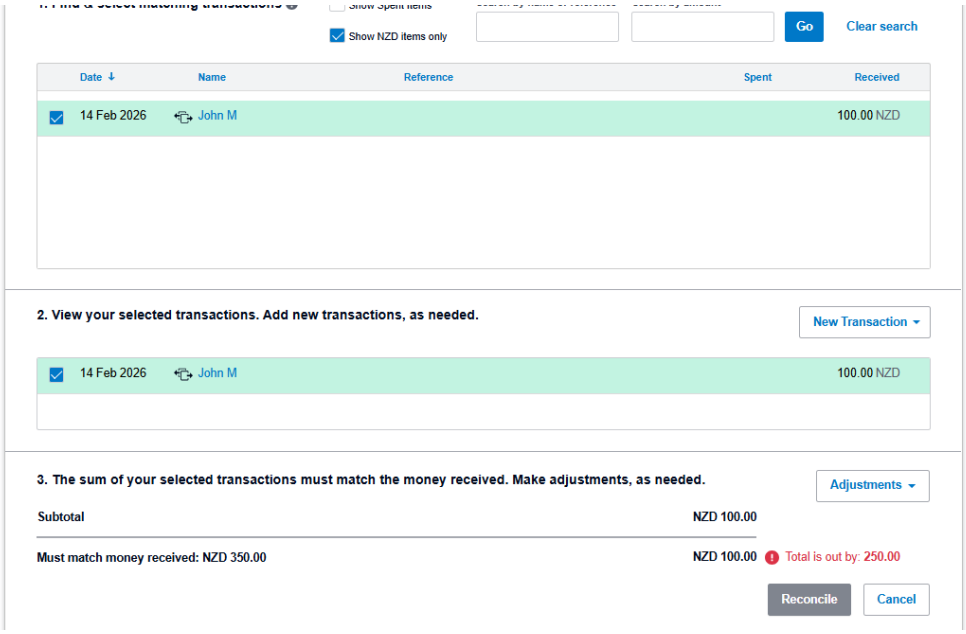
- Enter any relevant department codes if you need it to be coded to a special project or department in the Region and Project drop down fields.

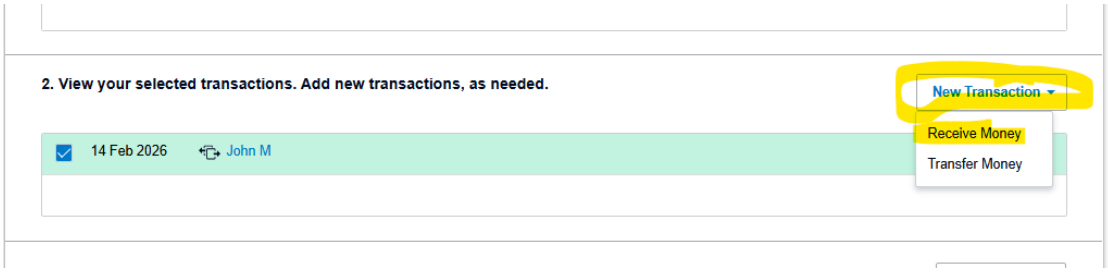
12. Save Transaction. This creates the first transaction to be matched.

It will show a screen which shows the transactions you have created and how much the total is still out by, representing the donations that are still to be entered.



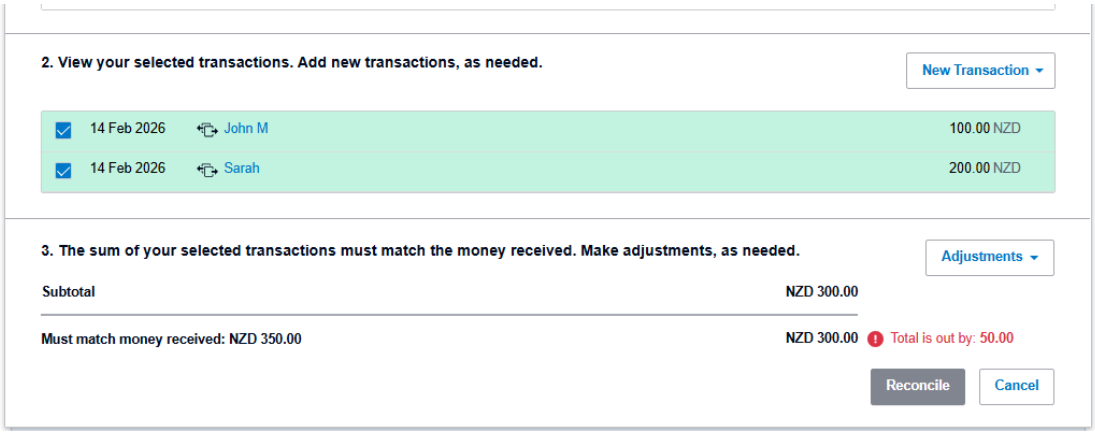
Step 2: Create Receive Money for Sarah

1. Stay on the **same bank line, in the same place.**
2. Click **New Transaction**
3. Select **Receive Money**:



4. Enter the information for the next donor. Using this example it would be
   - Enter Contact in From field: Sarah
   - Amount: $200
   - Account – Donations –Envelope Collection
   - No GST for donations.
   - Enter any relevant department codes if you need it to be coded to a special project or department.

5. Save Transaction. It will now appear as another transaction below the first one you created.



Step3: Continue entering New Transactions for each donor as above.

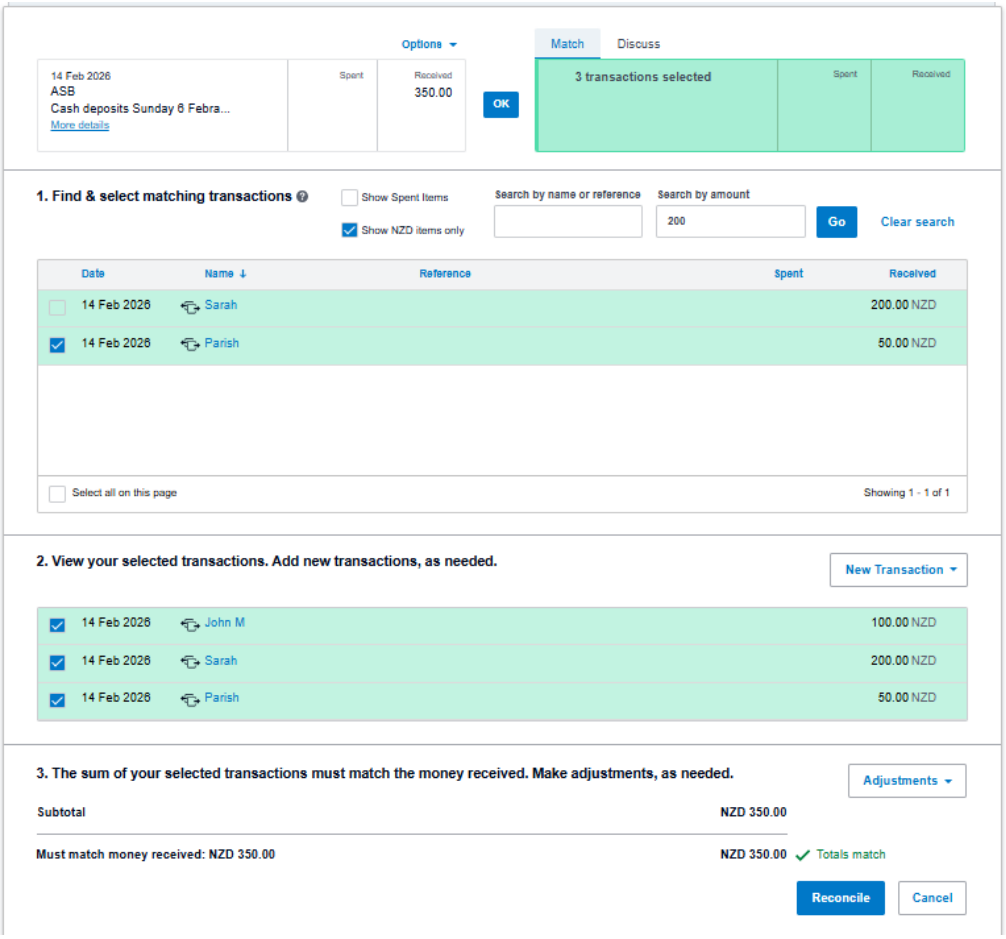
Step4: Enter the cash deposits that are general collection.

1. Once all the individual envelopes for specific donors have been added.
2. Create another New Transaction, Receive Money.
3. This time code the From: (to name of contact where previous cash deposits have been coded to. Usually this is the name of the Parish or a bank account).
4. Amount: Enter cash deposit amounts (which should equal the balance that the total is out by)
5. Account - “Donations – Cash Collection”
6. Save Transactions

Step 5A: Reconcile when totals match

You should now see a screen where you have a list of all the transactions that you have created at the bottom that reconcile to the amount of the deposit.

If this is correct, you can push the reconcile button and the transaction is now reconciled and the donations recorded against each donor.

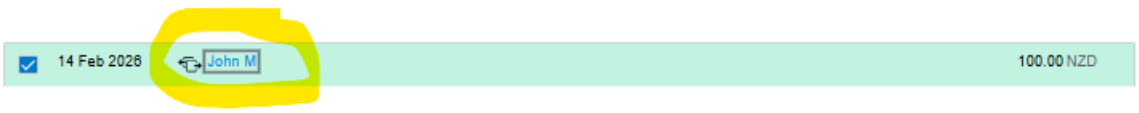


Step 5B: When the totals are not correct and changes need to be made

If it is not correct – you may of:

1. Entered a wrong amount for a donor
2. Have not entered all the transactions

To correct a transaction amount - You can select “Ctrl” on the keyboard and hold it down while you click on the name of the donor highlighted in blue, which will open a new screen where you can edit.



From here you can edit the details of the transactions and Update.

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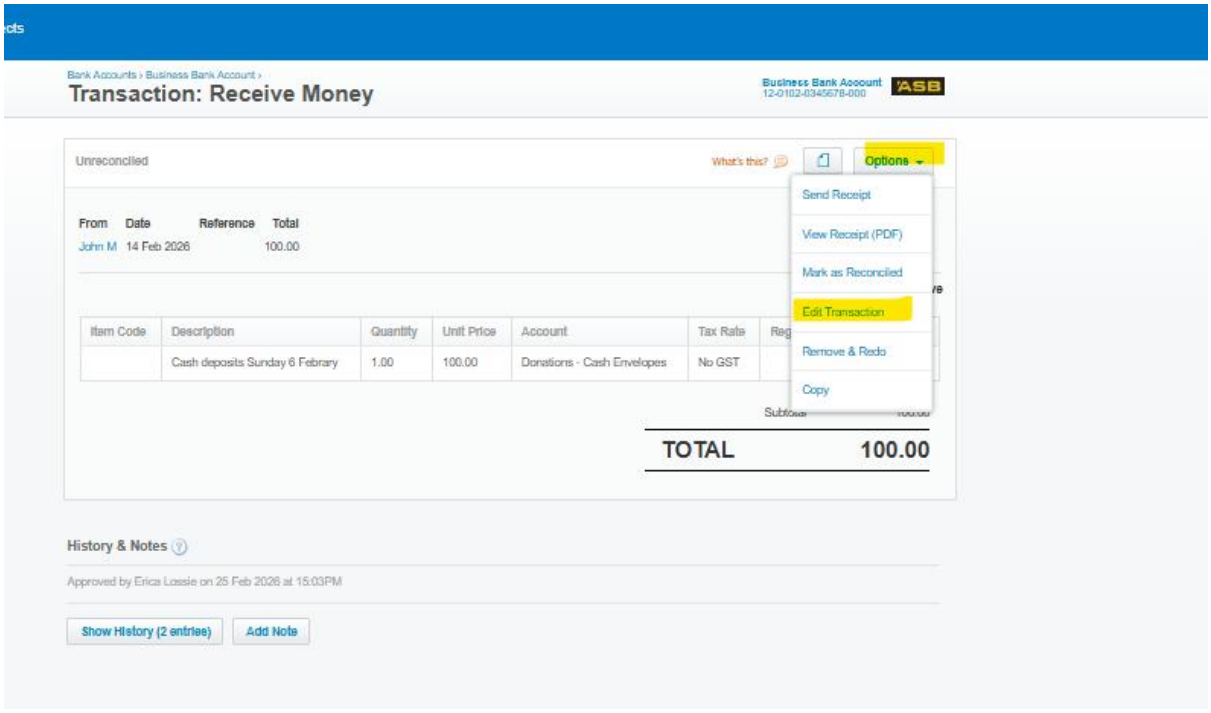
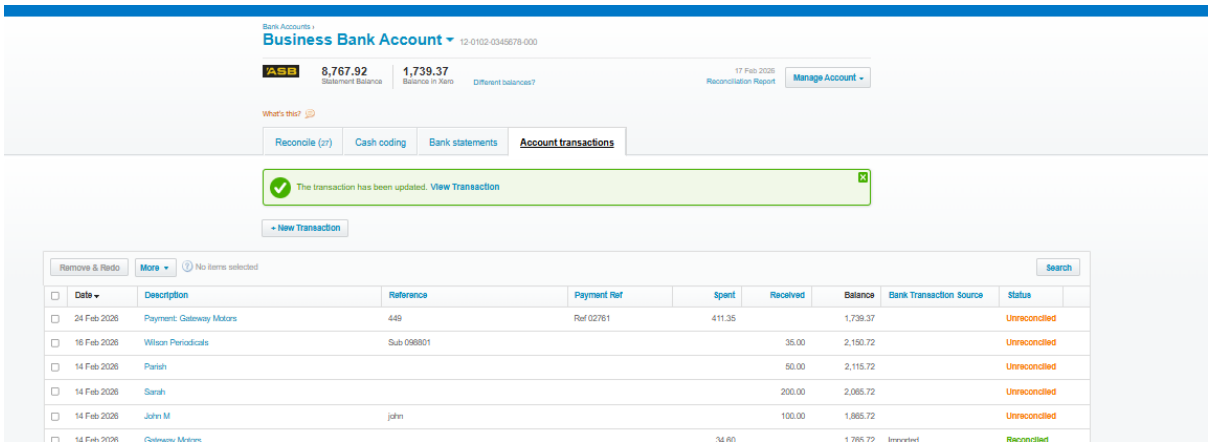


If you change the amounts, then when you update it will bring you back to a different screen.

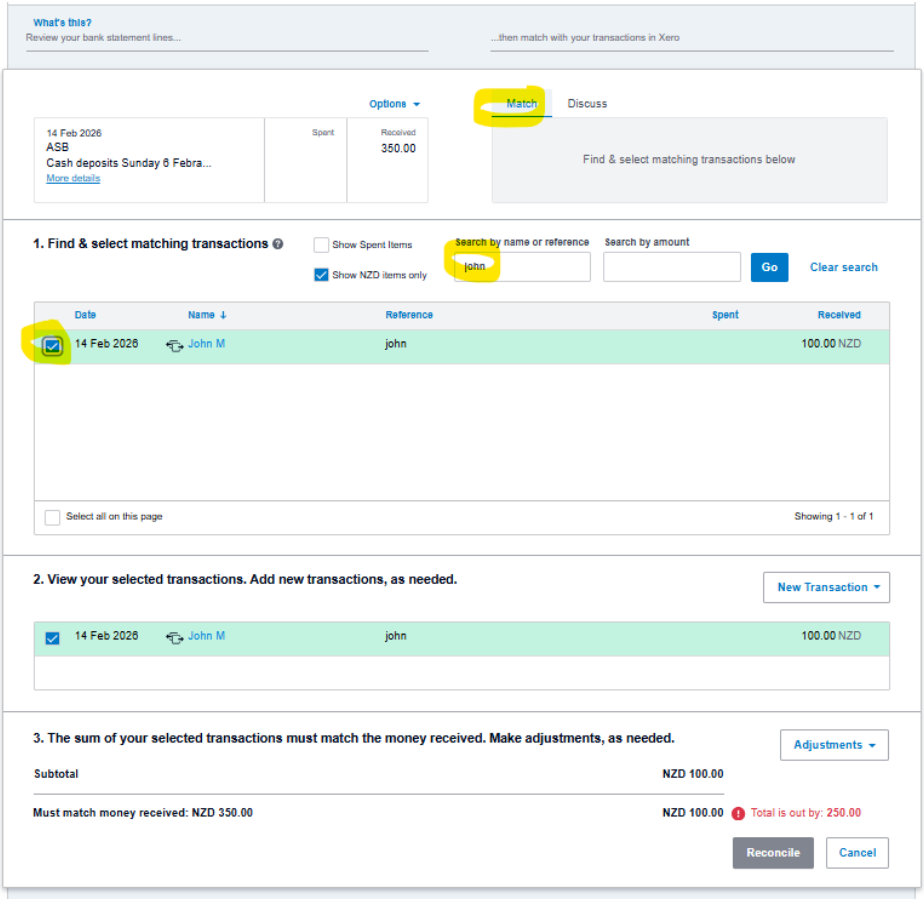
It will be the Bank Account page but now on the “Account Transaction” tab and not the “Reconcile Tab”. In this view you can also see and edit all the transactions that you have now made. In this example, I can see the Sarah, John and Parish transactions created.



You now need to go back to the Reconcile Tab and go to the bank deposit line as in the first step.

As the receive money transactions have already now been created this time select “Match” (not add details) and search for each transaction by searching for the name of the contact in the search box.

Select the tick next to the correct transaction.



Put the next person in the search box and select tick next to the correct transaction.

Until each transaction has been selected and the total amount of each transaction corresponds to the total of the deposit and you can “Reconcile”.

If you cannot select “Reconcile” the amounts are out and need to be edited.

If you still need to add more transactions, you can also add in more “Receive Money” transactions as per the previous instructions.

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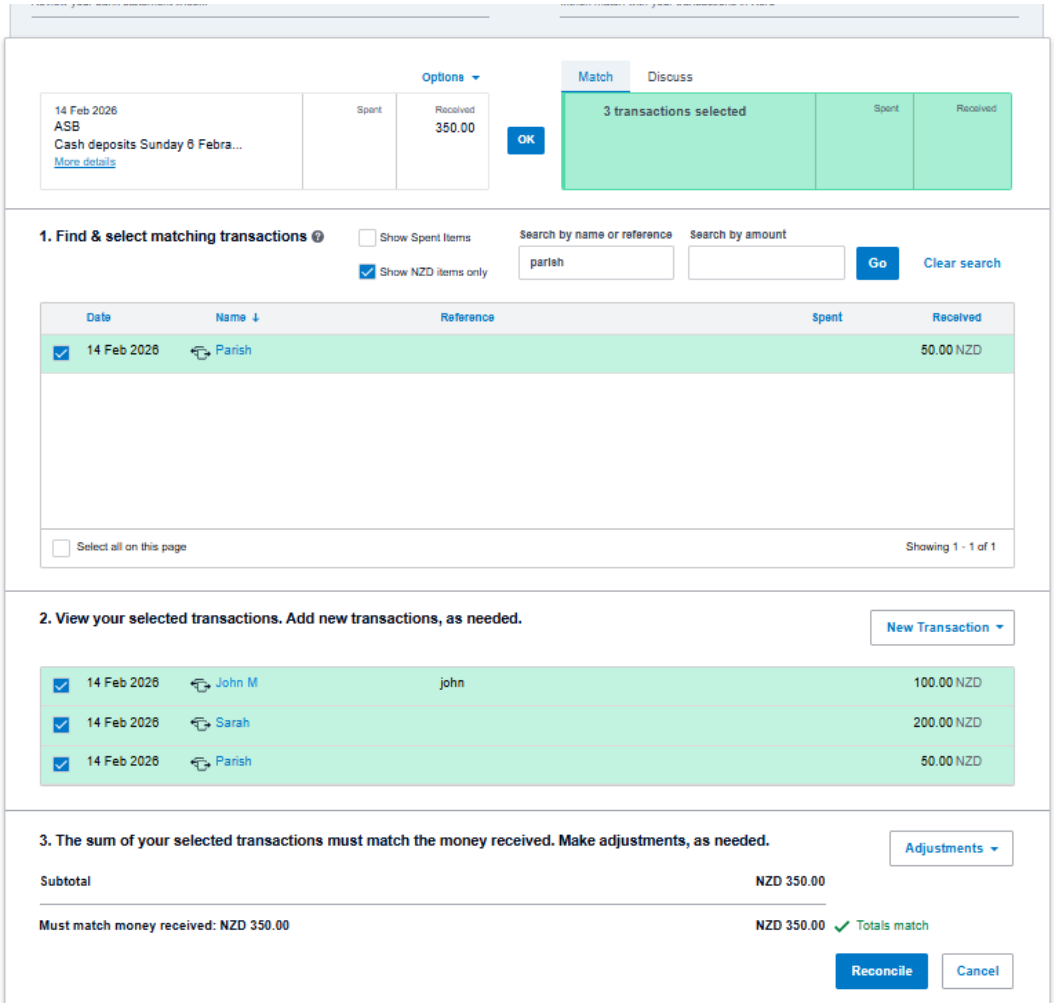

Options
Match
Discuss
14 Feb 2026
ASB
Cash deposits Sunday 6 Febra...
More details
Spent
Received
350.00
OK
3 transactions selected
Spent
Received
1. Find & select matching transactions
Show Spent Items
Show NZD items only
Search by name or reference
parish
Search by amount
Go
Clear search
Date
Name
Reference
Spent
Received
14 Feb 2026
Parish
50.00 NZD
Select all on this page
Showing 1 - 1 of 1
2. View your selected transactions. Add new transactions, as needed.
New Transaction
14 Feb 2026
John M
john
100.00 NZD
14 Feb 2026
Sarah
200.00 NZD
14 Feb 2026
Parish
50.00 NZD
3. The sum of your selected transactions must match the money received. Make adjustments, as needed.
Adjustments
Subtotal
NZD 350.00
Must match money received: NZD 350.00
NZD 350.00
Totals match
Reconcile
Cancel

Method Two: Reconciling one bank transaction to multiple invoices from different contacts

In this method, a sales invoice is first created for each donor. Then each sales invoice is matched against the transaction in the bank account,

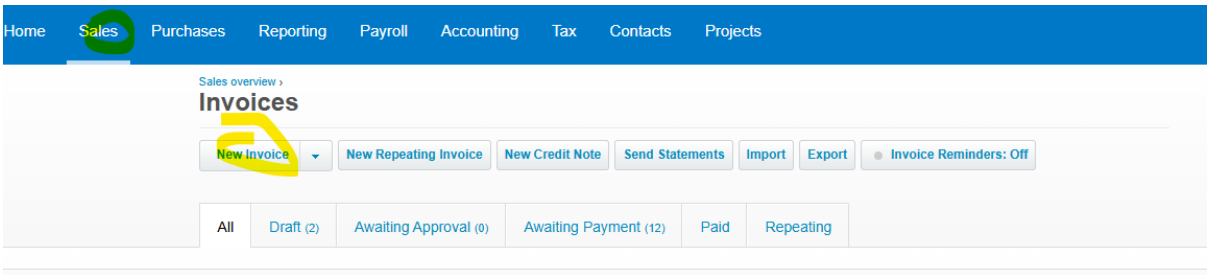
Example

Your bank feed shows **$350 received**, paying:

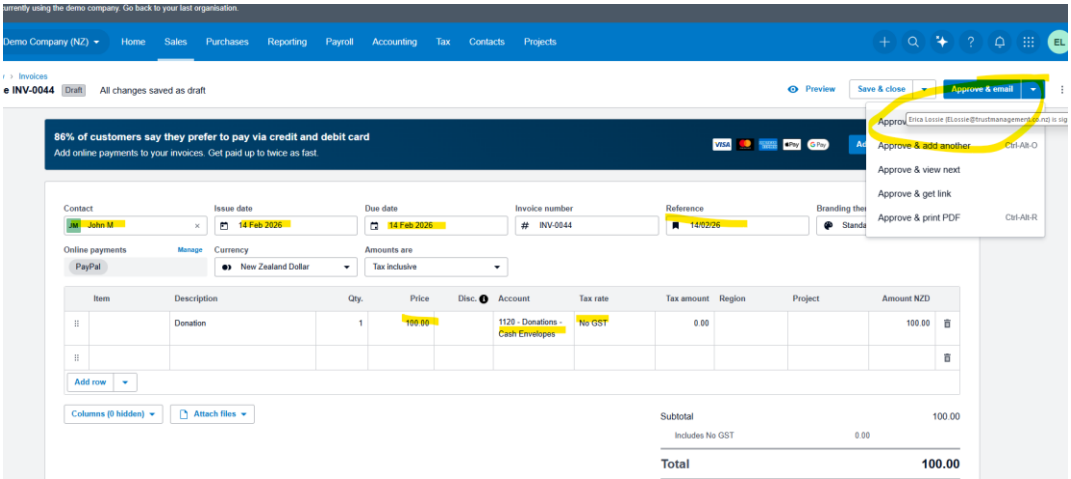
- John's invoice: $100
- Sarah's invoice: $200
- Cash $50.

Step 1

1. Go to Sales, New Invoice.



2. Select the Contact the envelope is for in the Contact Field. Enter in the date as the date of the deposit. Select the Donations – Envelopes or Donations – Cash as appropriate.
3. Also, enter the same reference in each reference field (like the date), which will help find them when you are reconciling.



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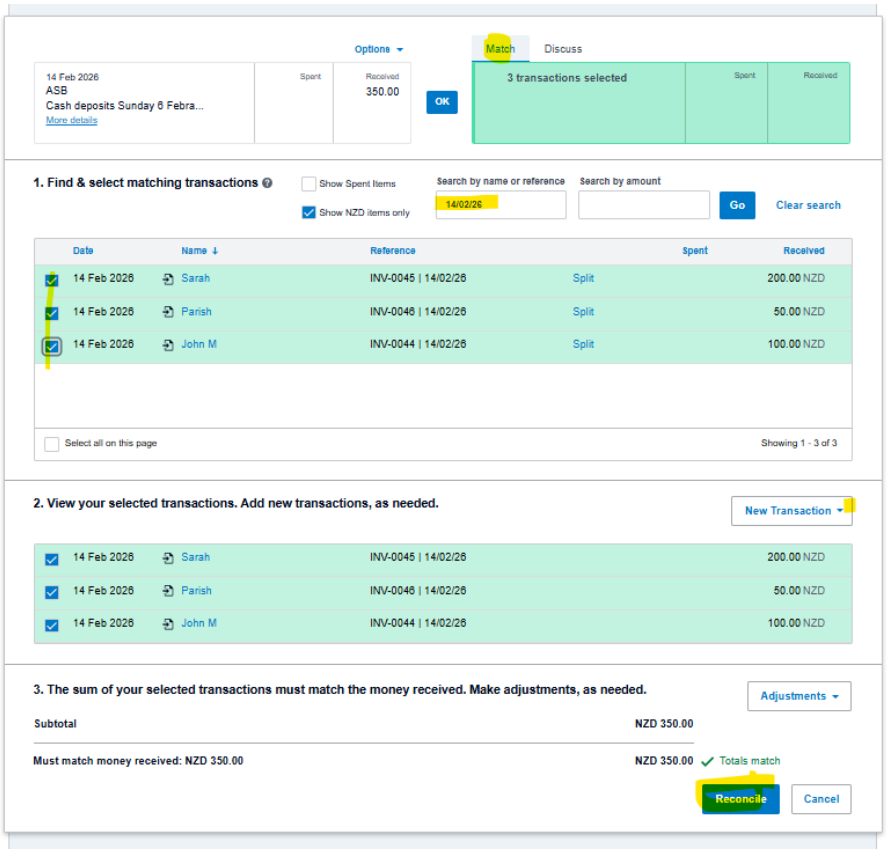
3. Enter any relevant department codes if you need it to be coded to a special project or department in the Region and Project drop down fields.
4. Ensure invoices are **approved.** (Top right-hand corner when in invoice.)
5. Enter an invoice for each Donor (and one for the Church or you can add a receive money transaction later for this part).

Step 2:

1. Go to **Home → Bank accounts - Reconcile**
2. Find the bank transaction
3. Click **Find & Match** (instead of Create)
4. Use the search and filters to locate each invoice. This can be done by searching for the reference field that you added to each invoice or search by names. Tick **each invoice.**
5. Confirm: Combined total = bank transaction amount
6. Click **OK** to reconcile (if you still need to add the cash collection which was from the general public you can add a "New Transaction" then receive money transaction for this amount, as the instructions in Method one).


Options
Match
Discuss
14 Feb 2026
ASB
Cash deposits Sunday 6 Febra...
More details
Spent
Received
350.00
OK
3 transactions selected
Spent
Received
1. Find & select matching transactions
Show Spent Items
Show NZD items only
Search by name or reference
14/02/26
Search by amount
Go
Clear search
Date
Name
Reference
Spent
Received
14 Feb 2026 Sarah INV-0045 | 14/02/26 Split 200.00 NZD
14 Feb 2026 Parish INV-0046 | 14/02/26 Split 50.00 NZD
14 Feb 2026 John M INV-0044 | 14/02/26 Split 100.00 NZD
Select all on this page
Showing 1 - 3 of 3
2. View your selected transactions. Add new transactions, as needed.
New Transaction
14 Feb 2026 Sarah INV-0045 | 14/02/26 200.00 NZD
14 Feb 2026 Parish INV-0046 | 14/02/26 50.00 NZD
14 Feb 2026 John M INV-0044 | 14/02/26 100.00 NZD
3. The sum of your selected transactions must match the money received. Make adjustments, as needed.
Adjustments
Subtotal
NZD 350.00
Must match money received: NZD 350.00
NZD 350.00
Totals match
Reconcile
Cancel

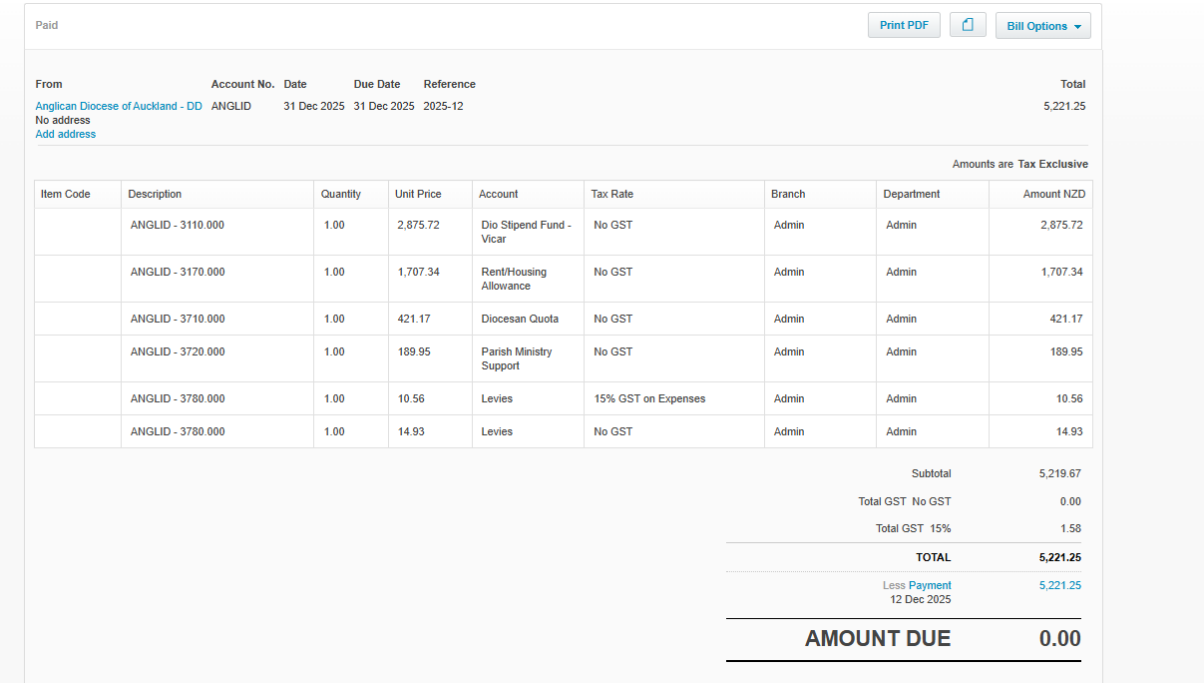
Reconciling direct debits for Stipend and related

To reconcile the direct debit monthly payments from the Anglican Diocesan Office you will need the breakdown of what is included in the payment. This usually includes stipend, quota, levy, housing allowances etc. This is sent to the Treasurer in October each year. To get another copy of the contribution form email quota@aucklandanglican.org.nz.

Please note the payment generally does not have GST, apart from on a small proportion of the levy as indicated on the statement. Please be mindful of this when coding.

Once you have the details you can set up a repeating purchase bill with the correct details to be match to the payment each month or you can create a spend money each time the payment is made.

Below is an example.



Paid

Print PDF | Bill Options

From	Account No.	Date	Due Date	Reference	Total
Anglican Diocese of Auckland - DD No address Add address	ANGLID	31 Dec 2025	31 Dec 2025	2025-12	5,221.25

Amounts are Tax Exclusive

Item Code	Description	Quantity	Unit Price	Account	Tax Rate	Branch	Department	Amount NZD
	ANGLID - 3110.000	1.00	2,875.72	Dio Stipend Fund - Vicar	No GST	Admin	Admin	2,875.72
	ANGLID - 3170.000	1.00	1,707.34	Rent/Housing Allowance	No GST	Admin	Admin	1,707.34
	ANGLID - 3710.000	1.00	421.17	Diocesan Quota	No GST	Admin	Admin	421.17
	ANGLID - 3720.000	1.00	189.95	Parish Ministry Support	No GST	Admin	Admin	189.95
	ANGLID - 3780.000	1.00	10.56	Levies	15% GST on Expenses	Admin	Admin	10.56
	ANGLID - 3780.000	1.00	14.93	Levies	No GST	Admin	Admin	14.93

Subtotal	5,219.67
Total GST No GST	0.00
Total GST 15%	1.58
TOTAL	**5,221.25**
Less Payment 12 Dec 2025	5,221.25
AMOUNT DUE	**0.00**

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Invoicing for services/hall hire and Receiving Payment

Send an invoice when a payee is required to pay you for a service, such as hall hire or wedding. The payee will receive a tax invoice with bank account details to pay for the invoices. Creating the invoice will also mean the Parish can track what money is owed and who has not paid for services.

Set up a sales invoice template

A template for an invoice can be set up with the Parish's bank details, contact information, IRD number and logo. Instructions to this are here: Instructions for formatting a sales template for invoices in Xero

To create a Sales Invoice

You can show or hide fields on your invoice by clicking **Columns** and selecting or clearing fields that are relevant to your invoicing needs.

1. From the header, click the quick launch icon , then select **Invoice**.
2. In the **Contact** field, start typing to select an existing contact or to add a new one. You can click on the contact name you've selected to view or edit their details.
3. **Dates** – select relevant issue date and due date.
4. **Invoices number** – will auto generate but can be written over. Each invoice must have a unique invoice number.
5. **Reference** - option
6. **Item** - Leave the item field blank
7. **Description** – Enter what the invoice is for, this is what the payee will read.
8. **Price** - Enter relevant pricing information.
9. **Account** – select relevant sales code from the list of accounts
10. **GST** – ensure correct GST is selected.
11. **Tracking codes** - Enter relevant branch and department codes (if required).
12. Once you've finished entering your invoice, click **Save & close** to save the invoice as a draft. Or click the arrow next to **Save & close** then select:

- **Save & add another** – To save the invoice as a draft and open a new draft invoice.

Submit for approval – To submit the invoice for approval.

Or

Click **Approve & email** (top right-hand corner), or click the arrow next to Approve & email and select:

Approve to only approve the invoice. You can go back to the invoice at a later date to send or print it.

Approve & add another to approve the invoice and open a new draft invoice.

Approve & view next to approve the invoice and open the next invoice awaiting approval in your list.

Approve & get link to approve the invoice and copy a link of the online invoice to send outside of Xero.

Approve & print PDF to approve the invoice and create a PDF copy of the invoice to print.

If your customer has remaining credit, click:

Apply credit to allocate it to the invoice, enter the credit amount you want to apply, then click Apply. Skip for now to use the credit another time

Approve and send, update the information in the Send invoice window, then click Send to email the invoice.

Alternatively, to send or print a draft invoice without approving it, click the menu icon , then select Email or Print PDF.

Copy an invoice to a new invoice

- Existing invoices can be copied saving you time from having to fill out all the invoice details manually.
- Copy a single invoice, or multiple invoices with the same status, into a new invoice.
- When copying an invoice some details might change because of the defaults applied to your organisation, contacts or inventory items.
- If you're copying multiple invoices, Xero creates one draft invoice with all line items from the original invoices.
- You can keep the same contact when copying an invoice or select a different contact.

To copy an invoice:

1. In the **Sales** menu, select **Invoices**.
2. Select the tab for the status of the invoices you want to copy. You can't copy from the list of all invoices.
3. Select the checkbox of the invoices you want, then click:
    - **Copy to** if invoice reminders are off.
    - **More**, then select **Copy to** if invoice reminders are on.
4. Select **Invoice** and enter the name of the customer you're creating it for.
5. Click **Copy** or **Copy & merge**.
6. Review the invoice and update the details if needed.
7. Click **Save** or **Save & close** to save the invoice as a draft.

You can also copy a single invoice while viewing it. To do this, click the menu icon , then select **Copy to draft invoice**

Enter a bill in Xero/Pay a supplier or organisation.

Here is basic overview of setting up bills for payment. Below is the full link to the Xero training guides on Bills, https://central.xero.com/s/topic/0TO1N0000017kmKWAQ/bills-purchase-orders-expenses#business.

An internal Parish process for making sure that bills are approved for payment by the correct authorisers and the correct paperwork is required. The Parish can decide what process works best for them but must show clear documentation of approval for payments, such as was previously maintained with Trust Management.

Xero does have the option to add a copy of the bill from the supplier in the bill and it is recommended that bills for payment are attached to the bill in Xero.

Depending on your internal process, you can have one user set up the bills and save as draft and then have another approve the bills. Otherwise, the same person can set up and approve the bills in Xero and there be another external approval process, such as exists currently with email approval or signing of schedules.

There are 3 ways to add a bill. Select the one that you prefer.

1. Manually add a bill
2. Upload a bill to Xero
3. Email a bill to Xero

Once the bill has been set up then refer to the paying of bills document to pay the bill.

Manually add a bill

1. In the **Purchases** menu, select **Bills**.
2. Click **New bill**, then select **New bill.**
3. Enter the information into the bill fields. Xero warns you if the reference and customer name match any existing bills.
4. This short video shows you how to speed up data entry using Xero's inbuilt calculator.
5. Add the items you need to pay for. You can drag and drop the item lines to reorder them.
6. (Optional) Click the file icon  to upload items related to the bill.
7. Save the bill, send it for approval or approve it yourself.

You can also add a bill from the create new icon  or from a contact's details.

Upload bills to your organisation

1. In the **Purchases** menu, select **Bills**.
2. Click **New bill**, then select **Upload bills**.
3. Click **Select files**, then select the files you want to upload. You can also drag and drop files from your computer into this field to upload bills.
4. Review the files, then click **Upload**.

Xero lets you know once the upload is complete. If the bills fail to upload, click **Failed to upload** to see the failed bills and the reason.

Email a bill to your organisation

Once you've copied your Xero bills email address, forward any bills you've received from your suppliers to Xero.

1. From your email program, send your bill to your Xero bills email address.
2. Log in to your Xero organisation.
3. In the **Purchases** menu, select **Bills.**
4. Select the **Draft** tab.
5. Open the bill you've just created. Auto-generated bills are labelled **forwarded bill** and should automatically include the correct contact.
6. (Optional) If Xero doesn't automatically suggest a contact, check that there aren't any duplicate contacts or spelling errors in their name. Details of the bill can be entered or edited manually, using the side-by-side view.
7. Review the suggested details, indicated with a icon, to ensure the bill is correct.



8. (Optional) Make any changes you need and enter any missing details.
9. Click **Save** or **Approve**.

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Copy a bill

If you have paid the same organisation before, you can find the existing bill and copy it to a new bill. Copy an existing bill to create a new one using the same information.

1. In the **Purchases** menu, select **Bills**.
2. Find the bill you want to copy, then click the view icon . Use search if you know the contact's name, or bill amount.
3. Click **Copy**.
4. Review the bill and amend any details as required.
5. Save the bill, send it for approval or approve it yourself.

If you copy a bill with a file attachment, the attachment isn't copied to the new bill.

Approve draft bills

Approve a single bill

1. In the **Purchases** menu, select **Bills**.
2. Select the **Draft** tab to view all draft bills.
3. Find the bill you want to approve, then click the view icon . Use search if you know the contact's name, or bill amount.
4. Review the bill and amend any details as required.
5. Click **Approve & next**.

Approve multiple bills

1. In the **Purchases** menu, select **Bills**.
2. Select the **Draft** tab to view all draft bills.
3. Select the checkbox for each bill you want to approve, then click **Approve**.
4. Click **Approve** to confirm.

Paying Bills - Batch Payments in Xero

Batch payments allow you to pay multiple bills at once, streamlining the payment process.

Here's how to manage batch payments in Xero:

Overview – There are 3 steps that need to happen.

- **Step one** - Create batch payments to bundle multiple bills into one payment transaction in Xero
- **Step two** - Create a payment file to mark bills as paid or to import into your bank account.
- **Step three** – Have the 2 authorisers approve the payment directly in the bank. If they have not done this by the end of the day of the date of payment, the payment will expire and need to be re-entered.

How it works

You can combine multiple bills to mark them as paid in a single batch payment. To pay your suppliers, export a payment file from Xero and upload it into your online banking.

Bills display separately in Xero, but bills from the same supplier are combined in the payment file, so each supplier receives a single payment and reference.

If you export to ANZ, BNZ, Kiwibank, ASB, Rabobank, Westpac (deskbank), TSB Bank or Nelson Building Society NBS, Xero will create the file in the correct format for upload.

Payments can only be made in the base currency that's set up for your organisation. Foreign currency transactions are not available for batch payments or deposits. You can record a historical payment by creating a payment file and selecting a past date.

Step one - Pay Multiple Bills in Xero

1. In the **Purchases** menu, select **Bills**.
2. Select the **Awaiting payment** tab.
3. Select the checkboxes of the bills you want to pay, then click **Batch payment**.
4. Enter the **Payment Date** and select the **Bank Accoun**t to make the payment from.
5. You must enter in a Reference for the batch, like the date of the payment or an internal reference like March creditors.

6. Click into a field to complete any remaining details. Any changes you make to the supplier's details are automatically saved to their contact record in Xero.
7. You **need the bank account admin user permission to edit supplier bank account details.**
8. If your bank requires it, enter the payee reference for each bill. This displays on the payment file for CSV file types so the supplier knows what the payment relates to. If there's already a reference on the bill or supplier contact record, the Reference from bill or Payee reference fields might be pre-filled.

If there's already a reference on a bill or supplier contact record, the Ref and payee reference fields might be pre-filled.

9. (Optional) To pay part of a bill, click into the Payment field and edit it to the amount you want to pay.
10. Click Make Payment.

You'll be taken to the batch payment transaction where you can export the batch file, print a PDF of the batch or send a remittance.

If there's a bill in your batch with incomplete information, you'll get a message showing the payment line errors when you try to export the file. If you see an error, you'll need to edit your batch before exporting the file.

Any punctuation in the bank account number, such as hyphens, will be removed when you export the file.

Fully paid bills are marked as paid and moved to the Paid tab. If the payment was made from a bank account, the transaction will show in the account's transaction list.

Step two - Import the file into your bank account (online banking)

Once you've downloaded a file, you don't need to open it. Simply upload it into your online banking.

To import the file into your bank account:

1. From the downloads folder on your computer, upload the file into your online banking. If you're uploading the file to a Westpac account, select CSV dbk as the import profile (not fixed bank length). If it's set to fixed bank length, delete your existing import profile and create a new one.
2. (Optional) If you're asked whether you'd like to process the batch as a single statement line or multiple statement lines, **choose the single statement line**. This makes it easier to reconcile the batch in Xero.

Step three – Approve the payment in the online banking

1. Notify the **two bank authorisers** (your internal people who have been assigned the rights in the bank to approve payments) that they need to authorise the payment in the online banking system.
2. The **payment will not be sent until both of the authorisers** have approved the payment in the online banking system and then sent the payment (some banks have an extra step to send the payment and not just authorise it, so please check your exact banks instructions on the following page).
3. The payment will expire and need to be reloaded if the payment is not authorised by both people by 12pm on the day of the payment.
4. It is best practice to give the authorisers a few days to approve payments so they have enough time to do it. For example, if the payments are due on the 20th, set them up on the 18th with a payment date of the 20th. This gives them a few days to both approve.

Information from Different Banks on how to upload batch payments.

Every bank has a slightly different process. Here are some links to the instructions that the main banks provide, you still might find variations on your banking platform but this should give you an indication of what to expect.

ASB

https://www.asb.co.nz/help/how-do-i-import-a-direct-credit-bulk-payment-file-from-xero-to-f.html

To create a payment file in Xero:

Once you've downloaded the payment file from Xero, you don't need to open it. Simply upload it into FastNet Business.

Log in to FastNet Business and display the Import Files page. To do this:

1. On the FastNet Business tab bar, click Transactional Banking

2. Below the tab bar, click Import/Export Files

3. On the left menu, click Import Files

To Import a Direct Credit File in FastNet Business:

1. On the Import Files page, select the Direct Credit option, then click OK.

• Result: The 'Import Direct Credit File' page is displayed.

2. Click Choose File.

3. Locate the relevant file, then click Open.

• Result: The Choose File window is closed and the file path of the file is displayed in the Path and Filename field.

4. Click Import.

• Result: The file is imported successfully and its details are displayed.

5. Click Save & Exit.

• Result: The Import Files page is displayed; ready to import another file.

• Next step: From the Unsent Payment page, review and approve the payment.

BNZ

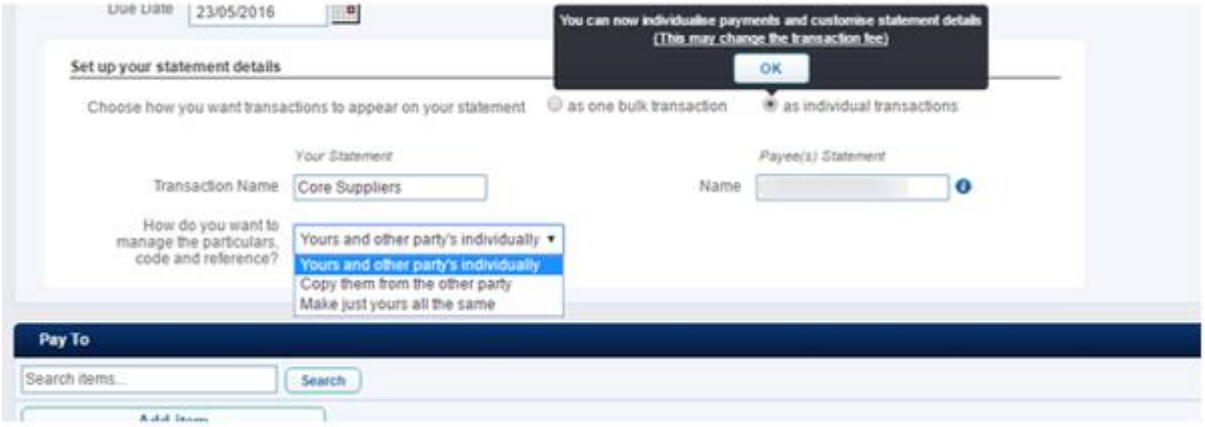
https://www.bnz.co.nz/business-banking/support/internet-banking-for-business/payments-and-direct-debits/payroll-and-direct-credit-payments

Making a payment from a file

You can upload payment files to Internet Banking for Business, from software packages like Xero or MYOB. Make sure that you create the right file type.

Go to the 'Transfer/Pay' tab of Internet Banking for Business:

- choose 'Import a Transaction File' from the left-hand menu
- from the dropdown menu, choose the kind of direct credit you'd like to make
- use 'Browse' to choose and upload your file
- click on 'Import File' (we'll validate your file and let you know if there are any problems with the format. Refer to our file format guide for more pdf 244kB).
- You can choose to individualise your payment in the 'Set up your statement details' area by selecting the 'as individual transactions' indicator. This means the transaction items will appear as separate transactions on your statement. Note this may change the payment's fees.
    - If you have selected 'as individual transactions', you can change the particulars, code and reference fields using the dropdown menu.



- click on 'Review'
- click on 'Show Transaction Items' if you want to see the details of each of the payments
- click on 'Confirm'
- your payment is now ready to be authorised.

ANZ – Upload a payment file

https://www.anz.co.nz/banking-with-anz/ways-to-bank/guides/business/#upload

1. In Internet Banking, select **Pay & transfer** > **Pay several payees**
2. Select **Upload a file** > **Choose a file**
3. Choose a payment file to upload
4. Select **Upload**. Payment details will be populated with the details from your upload
5. Check the account you're paying from
6. Check details of each payment (amount, reference and date). If something is wrong, you can make changes on this page
7. If all details are correct, select **Next** > **Confirm & pay**

Payments scheduled for today will be made immediately. Future payments will be scheduled for the payment date entered.

Or ANZ Direct

https://www.anzdirect.co.nz/_dlcommon/assist/online2015/index.htm#t=Setting_Up_Batches%2FDomestic_Batches%2FBulkload_Domestic_Payments_into_a_Batch.htm

Go to Batch Workflow

New Bulk Load

Upload file, import

Westpac

https://www.westpac.com.au/faq/business-import-payment-details/

In Online Banking

1. Go to Payments, then select File Imports
2. In the Imports section, select IMPORT NEW FILE
3. Select CSV as the file type, then select File contains payees only
4. Select payee group (optional) and Payee type - BPAY® (for BPAY) or Payee type - Payee (for Pay Anyone)
5. Select Choose File to browse and select a .CSV file to upload.

Kiwibank (no online instructions)

To upload bulk payments in Kiwibank Internet Banking for Business, generate a payment file (CSV or GIFTS format) from your accounting software (e.g., Xero, MYOB, Payroll), log in to Kiwibank internet banking, navigate to 'Payments' > 'Bulk Payments', upload the file, and authorize the batch.

Steps to Upload Bulk Payments (Batch Files)

1. Generate the File: Create your payment file in your payroll or accounting software using the GIFTS (or BNZ GIFTS) format.
2. Log in: Sign in to Kiwibank Internet Banking for Business.
3. Navigate: Go to the 'Payments' menu and select 'Bulk payments'.
4. Upload: Select the option to upload a file, choose your file, and select the account to debit.
5. Review: The system will display a summary of the file to review for accuracy.
6. Authorize: Data entry users can upload files, but they must be approved by an authorized user (or two, if the account is set to "two-to-sign").
7. Timing: Select "Send now" (processed hourly 9 am - 11:30 pm) or "Send after 6 pm".

Helpful to know about batch payments

- If your batch payment file fails when you upload it to your bank, you can try again or delete it in Xero. You might need to change/update the dates.
- You can delete a batch payment before you make a payment in the bank.
- If you need to remove a bill from a batch payment, edit the batch payment instead of deleting it.
- You need the advisor or standard user role to delete a batch payment or remove a bill from it.
- When you delete a batch payment, the bills revert to awaiting payment status.

Finding Batch Payments

- **From Bank Accounts**:
    - Go to the **Accounting** menu and select **Bank accounts**.
    - Click on the relevant bank account.
    - Look for entries labelled as:
        - **Payment: multiple items** (for several invoices)
        - **Payment: Name/Organisation** (for a single payment)
- **From Non-Bank Accounts**:
    - Navigate to the **Purchases** menu and select **Bills**.
    - Click on the **Paid** tab and select a bill from the batch payment to view details.
    - Click on the **paid amount** to take you to the batch payment transaction.

Reconciling Batch Payments

- When reconciling, match the bank statement line with the batch payment instead of individual invoices.
- If the batch matches the statement line, click **OK** to reconcile.
- If **payments appear as separate lines, reconcile them individually, by first finding the batch payment transaction and 'Remove and Undo**" to separate the payments back into individual lines.

Sending Receipts

- To email a receipt for a batch payment:
    - Go to the **Accounting** menu, select **Bank accounts**, and find the payment.
    - Click **Options** and select **Send Receipt**.
    - Fill in the details and check the box to send a copy to yourself.

Batch payments simplify managing multiple invoices, making it easier to keep track of payments and reconciliations.

Delete a batch payment

1. In the **Accounting** menu, select **Bank accounts**.
2. Select the name of the bank account you want to delete the batch payment from.
3. Select the checkbox of the batch payment to delete, then select **Remove & Redo**.
4. Click **Yes**.

Remove a bill from the batch before making the payment

You can only remove bills from a batch payment if it's unpaid. If you've paid the batch payment, you need to delete it and remove the payment.

1. In the **Accounting** menu, select **Bank accounts**.
2. Select the name of the bank account you want to delete the batch payment from.
3. Open the batch payment you want to delete the bill from.



4. Click **Options**, then select **Edit Batch**.
5. Click the remove payment icon to the right of the bill.
6. Click **Save**.

Remove a bill from the batch after reconciliation

To remove a bill from a reconciled batch payment, you need to unreconcile the batch first.

1. In the **Accounting** menu, select **Bank accounts**.
2. Select the name of the bank account you made the batch payment from.
3. Open the batch payment.
4. Click **Options**, then select **Unreconcile**.
5. Click **OK**. This will return the bank statement line to the **Reconcile** tab.
6. Click **Options**, then select **Edit batch**.
7. Click the remove payment icon to the right of the bill.
8. Click **Save**.

Manual Journals

A manual journal is an accounting entry that is recorded directly in the system (rather than being created automatically from invoices, payments, or bank transactions). It is used to adjust balances, allocate costs, or record transactions that are not captured through normal processing.

The manual journals required will differ for each parish because their activities, accounts, and reporting needs are different.

Examples of common journals the Parish will need to post if relevant:

- Insurance prepayments
- Annual leave provisions
- Accruals for expenses incurred but not yet billed
- Recognition of income received in advance (Grants)

The following may also need to be posted but this information would need to be advised to the Parish:

- Accruals for interest (STD & TD) or investment income (GTB & PIE) earned but not yet received
- Investment additions and withdrawals (including the ones paid directly from GTB cash)
- Investment revaluations
- Realised gain/loss on investment sales
- Special Funds transfer (monthly, quarterly, yearly)
- Reclassification between land and buildings and investment properties.

Make sure you have the appropriate user role to add and post manual journals.

Entering a Manual Journal

To enter a manual journal, follow these steps:

1. **Access the Journals**:
    - In the Reporting menu, select **Accounting – Manual Jounrals**
2. **Add a New Journal**:
    - Click on **Add new journal**.
    - Enter the journal details in the relevant fields.
3. **Save or Post the Journal**:

- To save as a draft, click **Save as draft**.
- To post the journal straight to the general ledger, click **Post** or select **Post & add another** to post and create a new journal.

Create a New Repeating Journal:

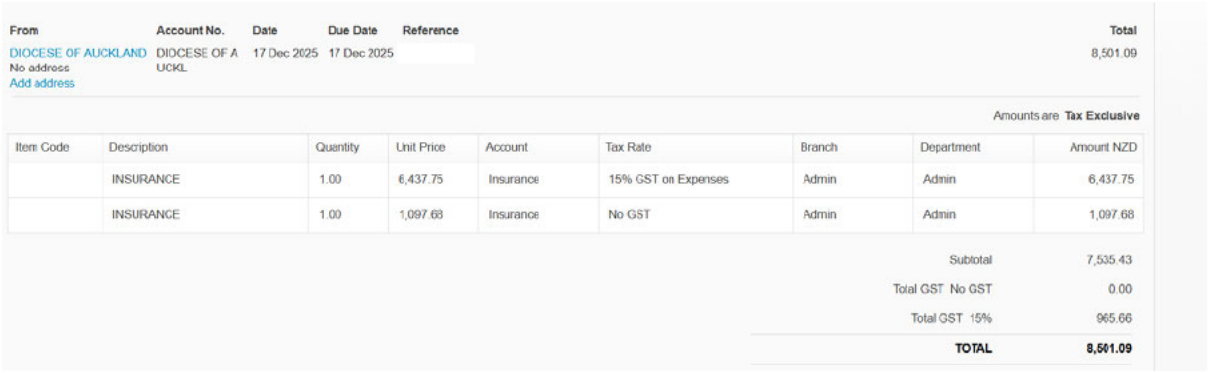
To create a new repeating journal:

1. In the **Reporting** menu, select **All reports**.
2. Find and open the **Journal Report**. You can use the search field in the top right corner.
3. Click **Go to manual journals** to get to the manual journals screen.
4. Click **New Repeating Journal**.
5. Enter the date and frequency information for the repeating journal.
6. Select **Save as Draft** or **Post**.
7. (Optional) Add placeholders to the **Narration** and **Description** fields.
8. Enter the journal details into the relevant fields.
9. Click **Save**.

Insurance

For information on your premiums and to make claims before refer to the Diocese of Auckland insurance information on their website: https://aucklandanglican.org.nz/insurance/

The insurance bill is entered in Xero as a purchase for the full amount coded to the code "3430 – Insurance" and then any applicable branch and department codes are entered. The GST is as per the invoice; some items will have GST and some will not. You can look up a previously paid bill for insurance to see how the invoice has been coded, and copy it.



From	Account No.	Date	Due Date	Reference	Total
DIOCESE OF AUCKLAND No address Add address	DIOCESE OF AUCKL	17 Dec 2025	17 Dec 2025		8,501.09

Amounts are **Tax Exclusive**

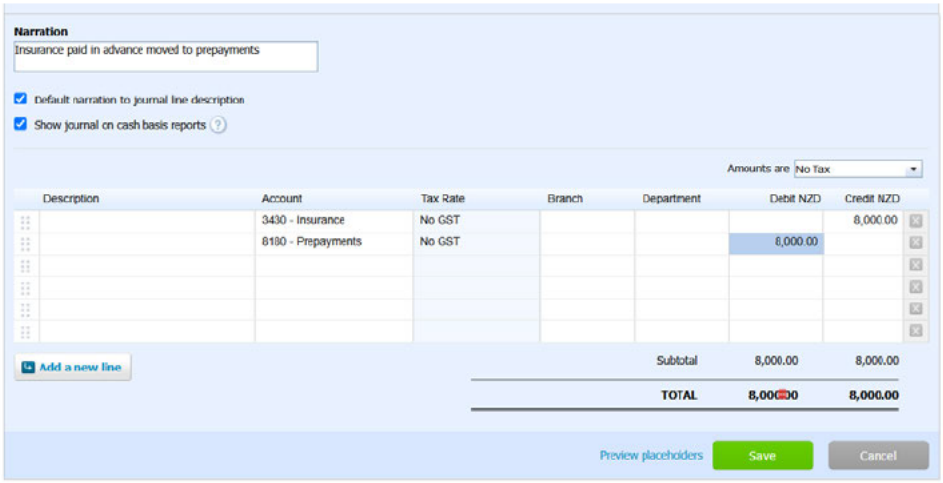
Item Code	Description	Quantity	Unit Price	Account	Tax Rate	Branch	Department	Amount NZD
	INSURANCE	1.00	6,437.75	Insurance	15% GST on Expenses	Admin	Admin	6,437.75
	INSURANCE	1.00	1,097.68	Insurance	No GST	Admin	Admin	1,097.68

Subtotal	7,535.43
Total GST No GST	0.00
Total GST 15%	965.66
TOTAL	**8,501.09**

A journal is then created which transfers the full amount of insurance to prepayments, then every month a journal brings back a 12th of the insurance costs into the profit and loss. This is so all the costs are applied to the month that they apply to and the full cost does not show in one month.

Journalling the insurance payments to prepayments

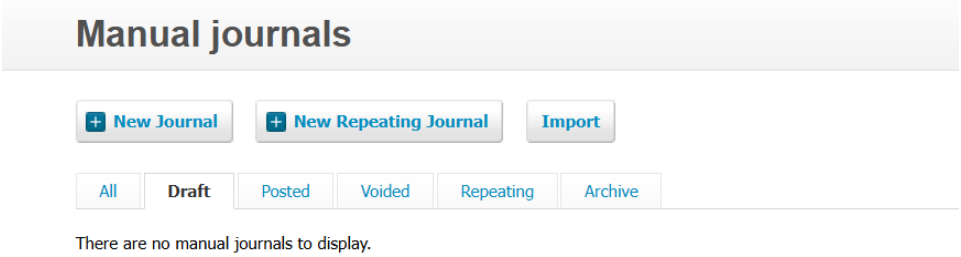
Go to Accounting – Manual Journals – New Journal. Credit GL code 3430- insurance and Debit 8180 – Prepayments for the full amount on the date of the invoice. If the insurance had been divided into different branches you would need to split this out in the journal to, as long as the total amount goes to prepayments, you can enter separate lines for each branch/department coded to insurance. This should match the coding on the invoice.



Published August 2026

Journalling the monthly insurance to the P&L from Profit and Loss

Set up a repeating journal to bring in 1/12 of the total insurance bill with no GST for the end of each month for the period of the insurance. Go to Manual Journals – Select Repeating Journal.



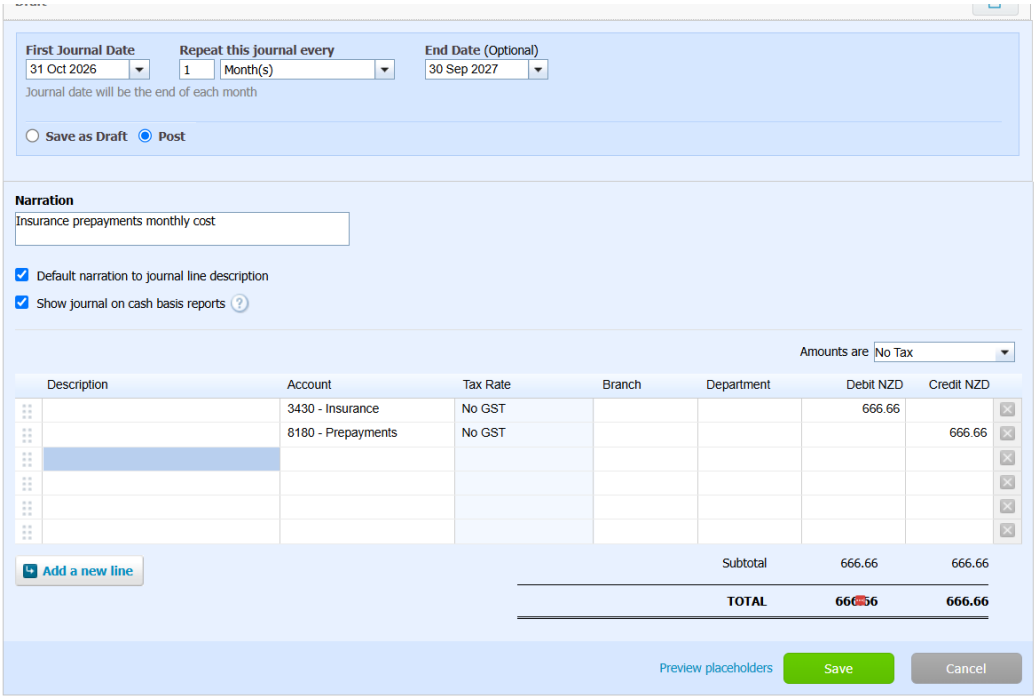
First Journal date enter the end day of the month for the first month in the insurance period.

Repeat the journal every 1 month, put end date as the last day of the month for the last month in the insurance period.

Select Post

Narration – Insurance prepayments monthly cost

Debit the 3430- Insurance and Credit 8210- Prepayments

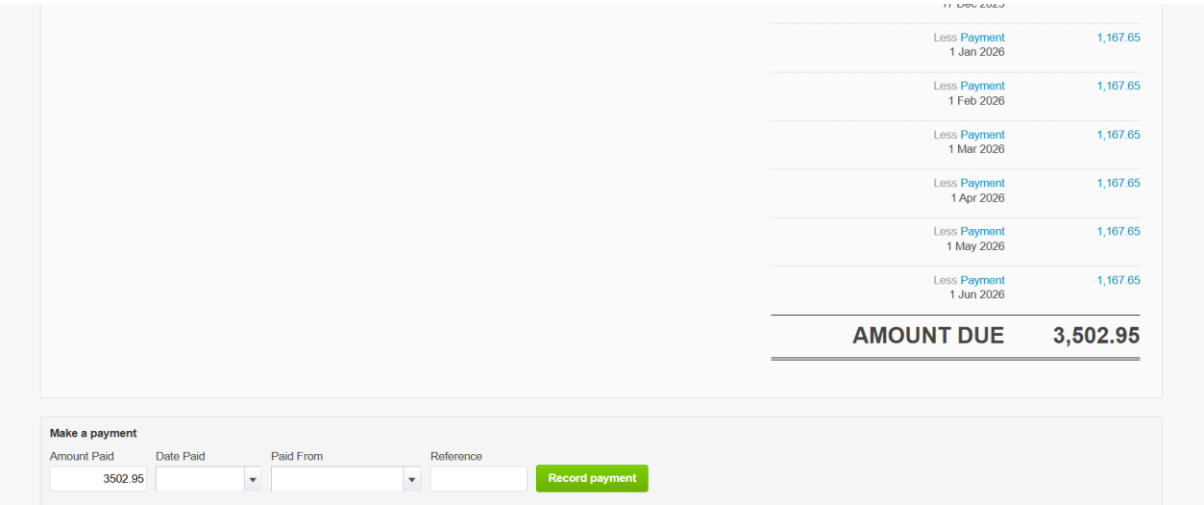


This will auto post the journal so there is nothing more you need to do until the next insurance payment needs to be set up.

Tip – you can search the journals to find previous ones and then you can copy them.

Paying in instalments – Reconciling Payments

If the insurance is being paid in instalments, then when the direct debit leaves the bank account it is not reconciled as a spend money to insurance. This would create a double insurance payment in the accounts. The process is to find the invoice in awaiting payments and then add a payment to the bottom of the invoice for the date the payment left the bank account. This will create a transaction that will match green with the bank transaction in the bank account for reconciliation.



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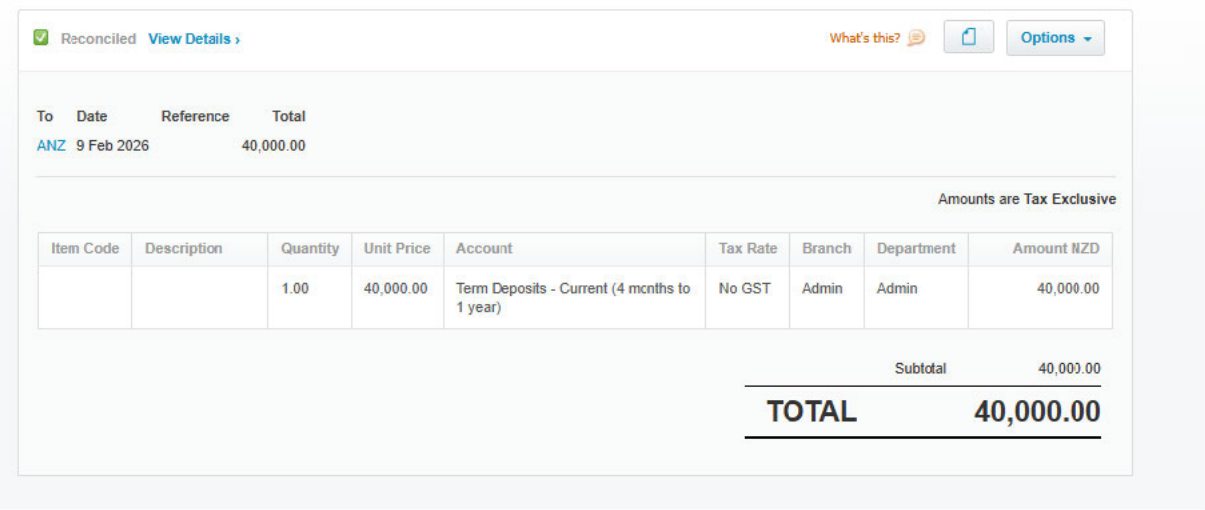
Term Deposits

The vestry is responsible for setting up term deposits and advising the bank of any term deposits that they want rolled over when they reach end of term.

Reconciling the term deposit when it is set up

Create a spend money that is coded to the correct term deposit code depending on how long the term of the deposit is as below (options include 8190- Term Deposits – Short Term (less than 3 months, 8210 – Term Deposits – Current (4 months to 1 year) or 8540- Term Deposits – Non-current (more than 1 year))


Reconciled View Details ›

What's this? Options

To	Date	Reference	Total
ANZ	9 Feb 2026		40,000.00

Amounts are Tax Exclusive

Item Code	Description	Quantity	Unit Price	Account	Tax Rate	Branch	Department	Amount NZD
		1.00	40,000.00	Term Deposits - Current (4 months to 1 year)	No GST	Admin	Admin	40,000.00

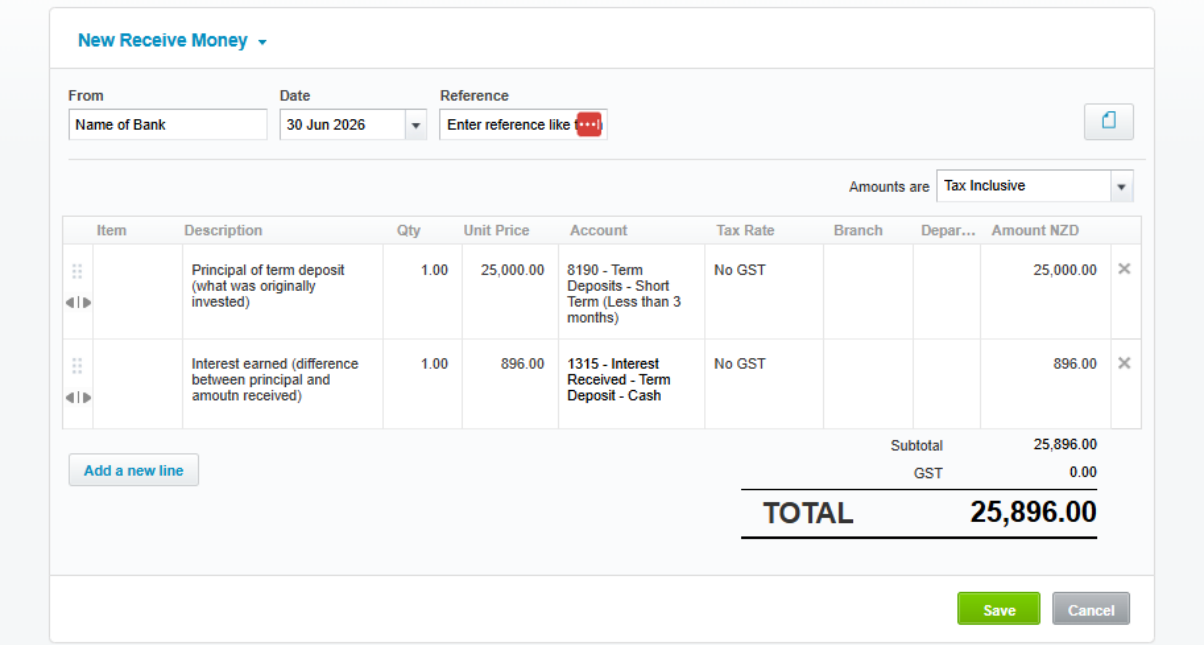
Subtotal 40,000.00

TOTAL 40,000.00

Reconciling when the Term ends and is paid into bank account

You create a receive money. The amount originally invested gets coded to the term deposit code depending on how long it was invested (it is good to double check where it was originally coded to).

The difference goes to 1315- Interest Received – Term Deposit

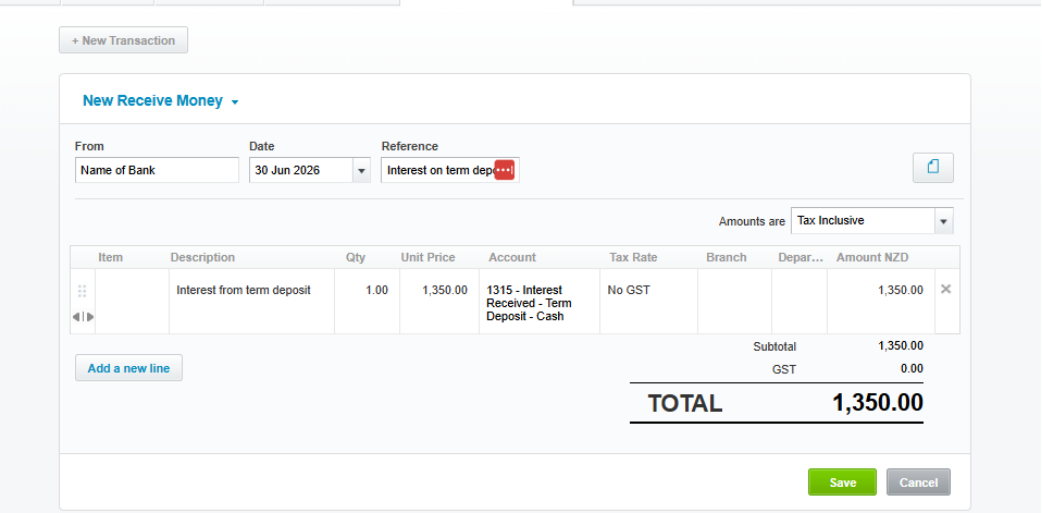


If it is paid out into the bank account and then reinvested

When it is paid out in to the bank account and then reinvested, then use the 2 processes above. One for when money is received with interest, and then a spend money for the reinvestment.

If only the interest is paid out and the same amount is reinvested.

You will receive an interest payment in the bank account, and then code it as a receive money. You do not need to adjust the term deposit on the balance sheet.



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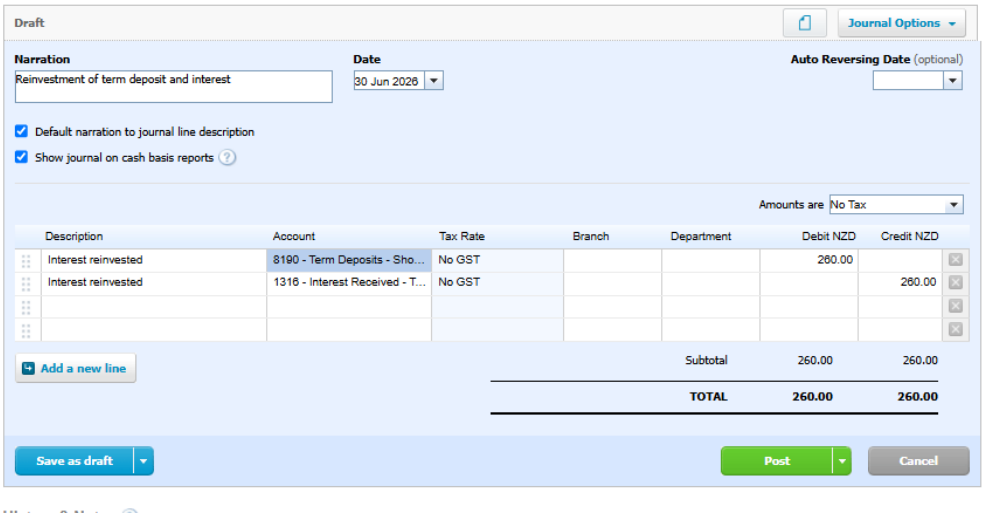
If interest and the principal are reinvested with no pay out into the bank account.

This requires a journal as there is no bank statements lines to reconcile. The interest received needs to be added to the term deposit to increase the amount of the term deposit, and then the difference is credited to the interest received

Debit – Term Deposit code on balance sheet

Credit – 1316 Interest Received – Term Deposit – Reinvested.



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What to do if being charged RWT on interest

Check status for exemption

All charities are exempt from paying RWT on interest, but only if they are listed on the exemption register. You can search the register with your parishes IRD number to check:

https://myir.ird.govt.nz/tools/_/

Apply for exemption

If you are not on the register the parish will need to apply for an exemption:

https://www.ird.govt.nz/income-tax/withholding-taxes/resident-withholding-tax-rwt/using-the-right-rwt-tax-rate/getting-an-exemption-from-paying-rwt/apply-for-a-resident-withholding-tax-exemption

If you are exempt and RWT has been charged in error

If RWT has been deducted in error, the IR454 form (link below) can be used to claim a refund. The form requires details of the account, the periods during which RWT was deducted, and the amounts involved. The bank must complete and sign the relevant section confirming the withholding.

Once completed, the form can be submitted via myIR (“Send a message”) or posted to Inland Revenue.

ir454-2021.pdf

When setting up term deposits, double check that the bank has you listed as RWT exempt.

Funds distributions and Revaluations

When coding for Funds always use the reference of the Fund, TIMS111 for example, which is on the statement as a reference in Xero. Also, please remember to code it to the relevant branch or department for the fund name when coding. If it is a new fund you can add a new tracking code for that fund (instructions here) as a department or branch.

If you need copies of statements please email investmentsupport@trustinvestments.co.nz with the reference number and name of the fund.

Check where your current investments have been coded

It is best to check first if your funds have been coded as a PIE Fund or as a GTB Cash fund. Some GTB Cash Funds have been coded as PIE Funds.

1. Go to Reporting - Account Transactions
2. Select all the following Accounts
    a. 8551 – PIE Fund Investments – Revaluations
    b. 8550- PIE Fund Investment – Cost
    c. 8555 - GTB Cash Fund Investments
3. Date Range = 1 Jan 2010 (go as far back as Xero entries start to current date
4. Group by either Department/Branch, depending on which one the tracking codes have been set up for the name of the funds.

Look in the column that says Account and you will see for each fund if it has been coded as a PIE Fund or a GTB Cash Fund. This is where you would need to code any adjustments and revaluations. If a GTB Cash Fund as been coded as a PIE Fund, a journal would need to be created to move the fund from PIE Funds to GTB Cash Funds.

If you want to do this you would create a journal which credited the incorrect PIE Fund Cost and Revaluation amounts, and debited the GTB Cash Fund. Remember to also enter the tracking code.

Cash Distribution Paid Out – GTB Cash Funds

To record the income in the month the distribution was received

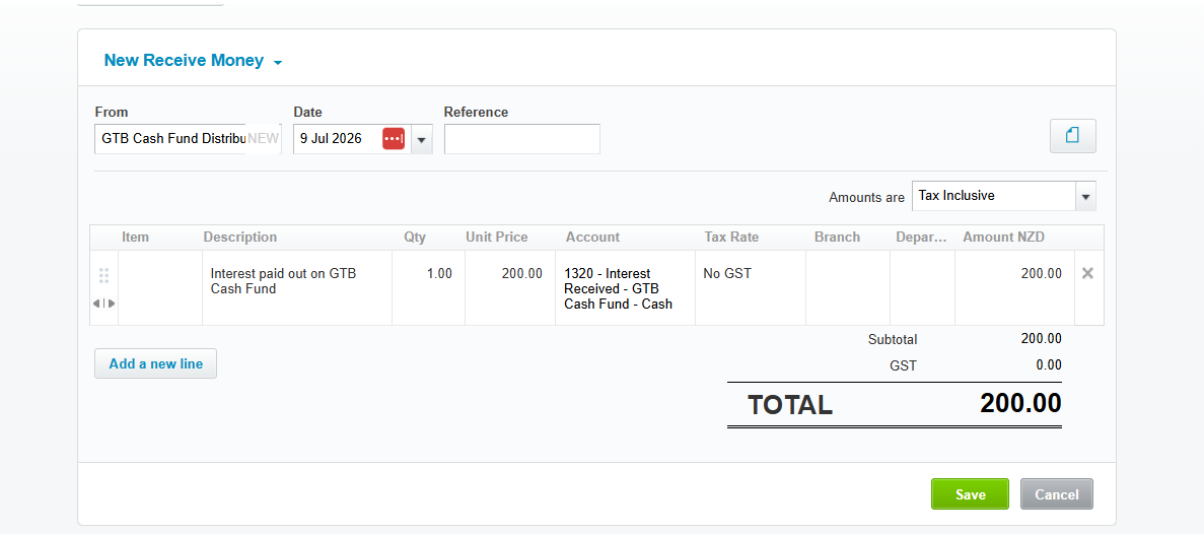
For cash distributions paid out (which will be indicated in the letter as in the example below and received as a deposit in your bank account), you need to reconcile it as a spend money transaction to code **1320- Interest Income – GTB Cash Funds – Cash.**

Summarised below are the distribution details for your investment in the Trust Management PIE Funds Scheme for 31 December 2025:

ESG Balanced Fund	
Cents per unit	0.8632
Number of units held prior to distribution	6,202.26
Distribution amount	$53.54
Amount credited to bank account	$53.54

Cash distributions will be paid to your nominated bank account within 10 business days of 31 December 2025.

This is what the receive money would like and this would put the distribution income into the profit and loss for the month that the money was received in.



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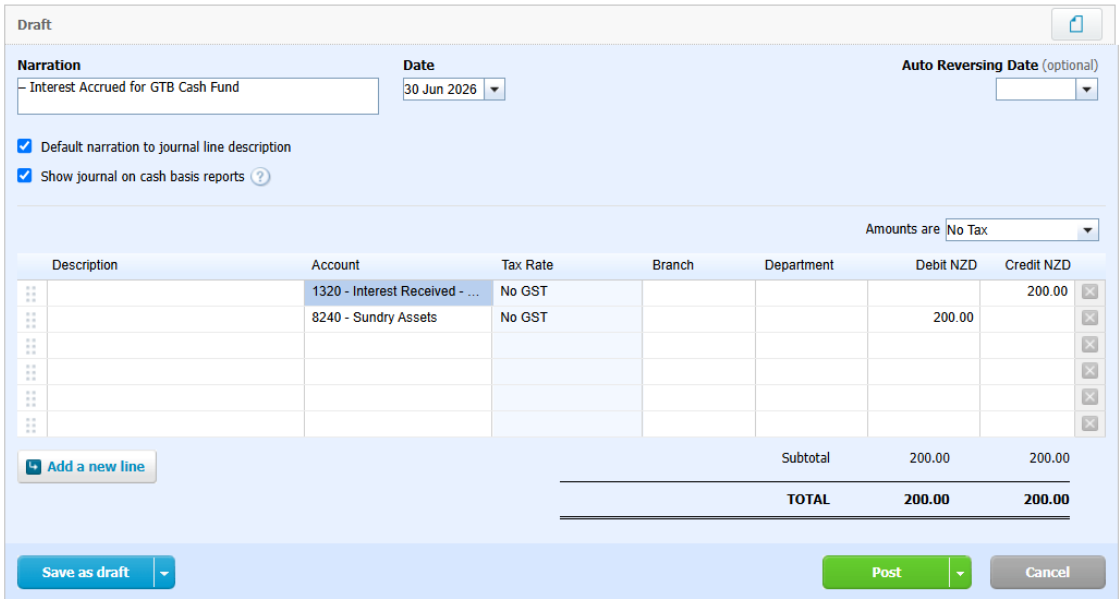
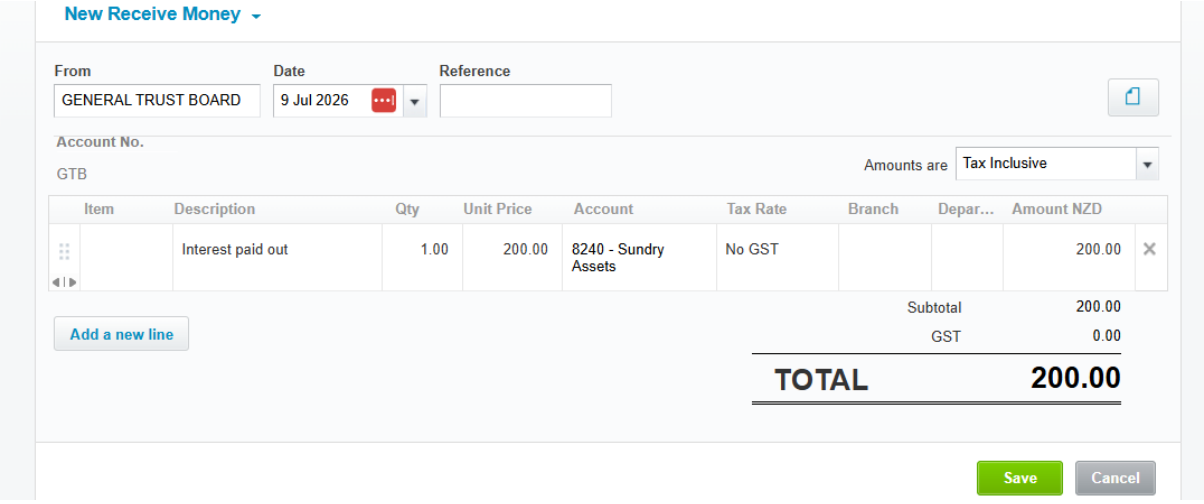
OR To code it to the month that it was earned

Note that the distribution will appear in the profit and loss on the date that the receive money was coded. If you want to journal it back to the period it applies to you would need to:

1. Go to Accounting – Manual Journals –New Journal
2. Narration – Interest Accrued for GTB Cash Fund
3. Date – End date of period the interest was earned in
4. Credit – 1320- Interest Recived Cash Funds – by amount of $
5. Debit – 8240 – Sundry Assets – by amount of $
6. Save



Then when the cash is received in the bank account, you would select code **8240- Sundry Assets, (**and **not 1320 – Interest Received)**.



Published August 2026

PIE Fund Distributions – Reinvested/Cash Distributions

- For PIE Funds where the distribution is reinvested, a **journal needs to be created to allocate the distribution** and **another to also adjust the valuation of the fund**.
- The funds also need to be reevaluated at the end of each quarter, so that the closing balance $ for the fund on the statement matches the closing balance in Xero.
- There is a spreadsheet template to use for working out this calculation. Which can be downloaded by clicking the icon below.
- You will need the statement for the account.

Download the fund revaluations spreadsheet from this location
https://aucklandanglican.org.nz/parish-accounting/

(or email parishsupport@trustmanagement.co.nz)

ENTER INFORMATION ON SPREADSHEET IN THIS ORDER

Step One – Enter the COST OB (Opening Balance)

If you have the spreadsheet from the previous quarter the closing balance will be the opening balance for the new revaluation spreadsheet. The statement will have the opening balance on it too, just check that this matches to the date you are looking for. For example, if the statement is monthly but you want to post the journal quarterly you would need the opening balance for the 1st day of the quarter.

To find the balance from Xero:

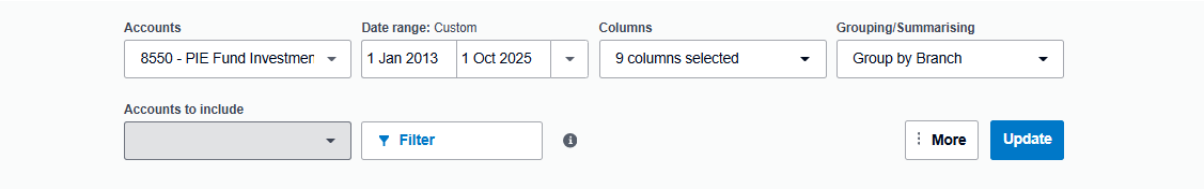
To get the Cost OB (opening balance).

Run report – Account Transactions

Account = 8550 – PIE Fund Investments - Cost

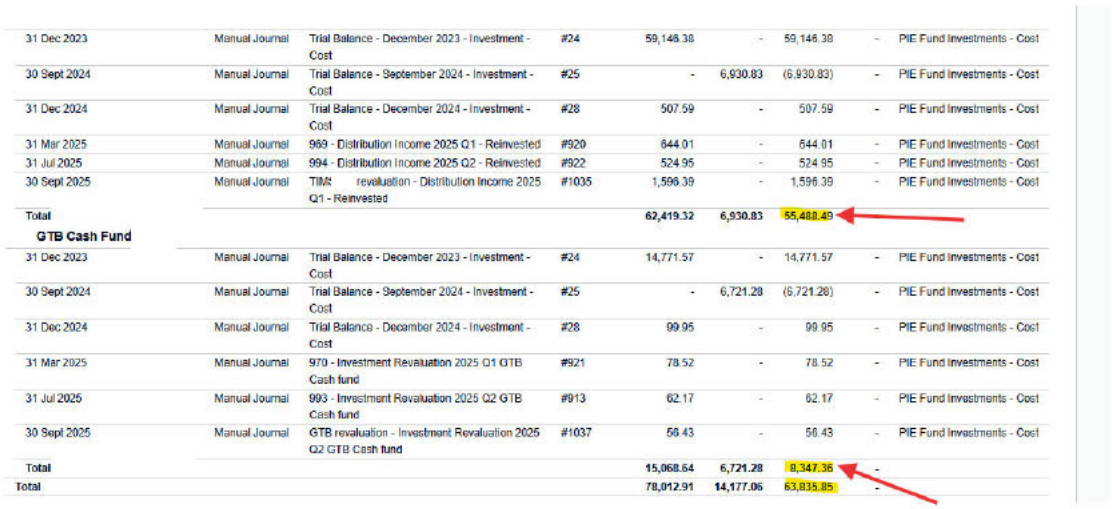
Date Range = 1 Jan 2010 – (Date of the 1 day of the Quarter you are revaluation, so either 1 Jan, 1 April, 1July or 1 October).

Group by either Department/Branch, depending on which one the tracking codes have been set up for the name of the funds.



Use the closing balance from the previous quarter as the opening balance for the current quarter.

In the example below, the revaluation opening balance for the first investment is $55,488.49 and for the second it is $8,347.36. The total PIE Fund Investments – Cost Transaction is $63,835.85



31 Dec 2023	Manual Journal	Trial Balance - December 2023 - Investment - Cost	#24	59,146.38	-	59,146.38	-	PIE Fund Investments - Cost
30 Sept 2024	Manual Journal	Trial Balance - September 2024 - Investment - Cost	#25	-	6,930.83	(6,930.83)	-	PIE Fund Investments - Cost
31 Dec 2024	Manual Journal	Trial Balance - December 2024 - Investment - Cost	#28	507.59	-	507.59	-	PIE Fund Investments - Cost
31 Mar 2025	Manual Journal	969 - Distribution Income 2025 Q1 - Reinvested	#920	644.01	-	644.01	-	PIE Fund Investments - Cost
31 Jul 2025	Manual Journal	994 - Distribution Income 2025 Q2 - Reinvested	#922	524.95	-	524.95	-	PIE Fund Investments - Cost
30 Sept 2025	Manual Journal	TIM revaluation - Distribution Income 2025 Q1 - Reinvested	#1035	1,596.39	-	1,596.39	-	PIE Fund Investments - Cost
Total				**62,419.32**	**6,930.83**	**55,488.49**		
GTB Cash Fund								
31 Dec 2023	Manual Journal	Trial Balance - December 2023 - Investment - Cost	#24	14,771.57	-	14,771.57	-	PIE Fund Investments - Cost
30 Sept 2024	Manual Journal	Trial Balance - September 2024 - Investment - Cost	#25	-	6,721.28	(6,721.28)	-	PIE Fund Investments - Cost
31 Dec 2024	Manual Journal	Trial Balance - December 2024 - Investment - Cost	#28	99.95	-	99.95	-	PIE Fund Investments - Cost
31 Mar 2025	Manual Journal	970 - Investment Revaluation 2025 Q1 GTB Cash fund	#921	78.52	-	78.52	-	PIE Fund Investments - Cost
31 Jul 2025	Manual Journal	993 - Investment Revaluation 2025 Q2 GTB Cash fund	#913	62.17	-	62.17	-	PIE Fund Investments - Cost
30 Sept 2025	Manual Journal	GTB revaluation - Investment Revaluation 2025 Q2 GTB Cash fund	#1037	56.43	-	56.43	-	PIE Fund Investments - Cost
Total				**15,068.64**	**6,721.28**	**8,347.36**	-	
Total				**78,012.91**	**14,177.06**	**63,835.85**	-	

Step Two – Enter the REVALUATION OB (opening balance)

To find the balance from Xero:

To get the Revaluation OB (opening balance).

Run report – Account Transactions

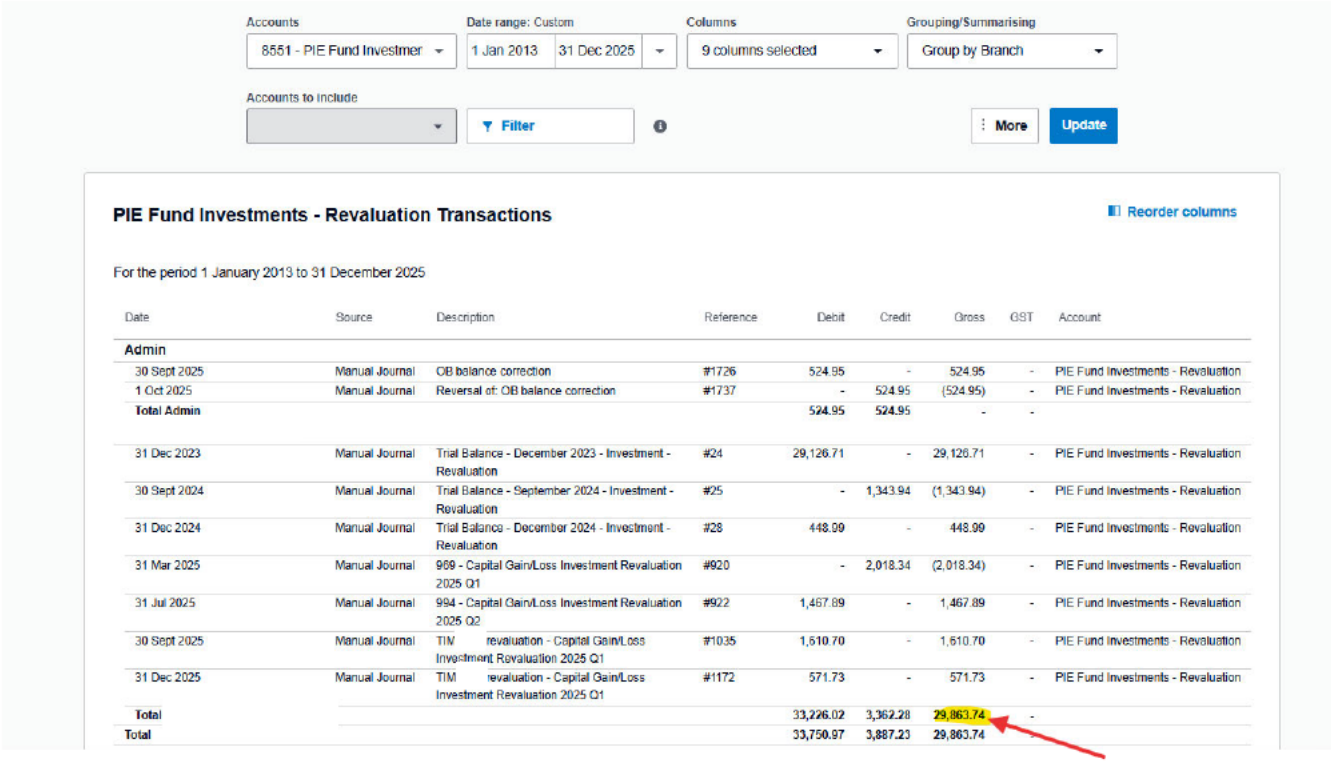
Account = 8551 – PIE Fund Investments - Revaluations

Date Range = 1 Jan 2010 (go as far back as Xero entries start to (Use the first day of the quarter being reviewed (1 January, 1 April, 1 July or 1 October)

Group by either Department/Branch, depending on which one the tracking codes have been set up for the name of the funds.

Use the closing balance from the previous quarter as the opening balance for the current quarter.

In the example below, the revaluation opening balance for the PIE Fund Investments – Revaluation is $29,863.74.



Step 3 – Enter in Additions or Withdrawals from the fund (that are not distribution reinvestment)

Enter in the $ amount of any money additions or withdrawals (that are not distributions reinvested) in the spreadsheet as indicated for step 3.

Step 4B – Update the Units

Enter in the number of units at the closing balance from the statement in the spreadsheet as indicated for step 4b.

Step 4A – Update the Unit Price

Enter in the $ amount of the unit price at the closing balance from the statement in the spreadsheet as indicated for step 4a.

Step 5 – Enter Reinvestment or Cash Distribution.

If the letter says reinvestment, then enter the $ amount in 6A or if the letter says cash distribution enter the amount in 6B.

For example this is 6A – Reinvested for $555.99

ESG Balanced Fund		Units	Price	Value
01/12/2025	Opening Balance	64,410.8316	$1.5140	$97,518.00
31/12/2025	Reinvested Distribution	368.7425	$1.5078	$555.99
31/12/2025	Closing Balance	64,779.5741	$1.5078	$97,674.64

If you have any queries regarding your statement, please contact us on (09) 550 4046 or investmentsupport@trustinvestments.co.nz.

Or example of a Cash Distribution for 447.11

ESG Balanced Fund		Units	Price	Value
01/12/2025	Opening Balance	51,797.2135	$1.5140	$78,420.98
31/12/2025	Cash Distribution	0.0000	$0.0000	$447.11
31/12/2025	Closing Balance	51,797.2135	$1.5078	$78,099.84

Step 6 – Prepare and Post the Journal

The spreadsheet will give the total figures of the journals that need to be posted. This is the total of all combined funds, so make sure you code each change for each fund as a separate journal. You could do a separate spreadsheet for each fund if it is easier.

Journal for Interest for Pie Fund		**Debit**	**Credit**
8550 - PIE Fund Investments - Cost		-	
1331 - Distribution Income - PIE Funds - Reinvested			-
Journal for Interest for Revaluation			
Investment - Revalution (8551)		0.00	
Revaluation Reserve (9838)			0.00
Journal for Reinvested Distribution GTB Cash			
8555 - GTB Cash Fund Investments		-	
1321 - Interest Received - GTB Cash Fund - Reinvested			-

Step 7 – Check the balances in Xero

2. Go to **Reporting - Account transactions**
3. Select Codes = Investment – Cost (8550) and Investment Revaluation (8551) and 9838 - Investment Revaluation Reserve
4. Set dates from when Xero started 1 Jan 2016 to end of quarter you have just adjusted
5. Group by Department or Branch (what ever you have your funds set up as)

Contacts (Managing Donor/Envelope Numbers)

In Xero, each donor should be set up as a **Contact**, with the **Donor Number recorded in the Account Number field**. This helps keep donor records organised and makes it easier to search for and report on donors.

The parish needs to maintain a master list of donor/envelope numbers issued. If a new envelope number is required the contact needs to be added to this list with a unique number assigned to them, which will become this contacts account number in Xero.

Setting Up a New Donor Contact

1. Go to **Contacts** in Xero.
2. Click **Add Contact**.
3. Enter the donor's **Name** and any other relevant details (email, address, phone).
4. In the **Account Number** field, enter the **Donor Number**.
5. Click **Save**.

Editing a Contact or Adding a Donor Number

1. Go to **Contacts** and search for the donor.
2. Click on the **Contact Name** to open the record.
3. Click **Edit**.
4. Enter or update the **Account Number** field with the correct **Donor Number**.
5. Click **Save**.

Merge Contacts

Be careful that the contacts to be merged are truly duplicates. If a donor also receives reimbursements, they will have had 2 contacts set up for them, one to process reimbursements and the other to record their donations.

1. Navigate to the **Contacts** menu and select **All contacts**.
2. Search for and select the checkbox for the duplicate contacts.
3. Click **Merge**.
4. In the **Merge Contacts** screen, start typing the name of the main contact you want to keep.
5. Select the correct contact from the list.

6. Click **Merge**, then click **Confirm merge** to combine the records.

Important Information

- **Irreversible Action:** Merging is generally permanent. If you make a mistake, you can restore a merged contact by going to **Contacts > All Contacts**, filtering by **Archived**, selecting the contact, and clicking **Restore**.
- **What Happens:** Invoices, bills, and transactions associated with the old contact will be merged into the primary contact.

Archiving a Contact

If a donor has passed away or is no longer part of the Parish, the contact should be archived rather than deleted.

1. Go to Contacts and open the contact record.
2. Click Options (top right of the contact screen).
3. Select Archive.
4. Confirm the action.

Archiving keeps the historical transactions and records in Xero but removes the contact from the active contact list.

Important Notes

- Each donor should have **only one contact record** in Xero.
- The **Account Number field must contain the Donor Number** to ensure consistency across the Parish records.
- An account number should only be assigned once. If a donor passes away or leaves the Parish, their number must not be allocated to someone else.
- Check for an existing contact before creating a new one to avoid duplicates.

GST

At the end of creating the transaction in Xero, the correct GST rate needs to be applied. The rates that are applied are what is used to calculate the GST return.

Parish not registered for GST

If your organization is set to "not registered for GST" in Xero's financial settings, Xero will automatically default almost all transactions to **No GST**.

Here is how Xero handles transactions when you are not registered for GST:

- **Default Behaviour:** The "Tax Rate" field on bank reconciliation, invoices, and bills will default to "No GST" (or "BAS Excluded" in some regions), and the field may become inactive or unchangeable.
- **Chart of Accounts:** The default tax rate for all accounts in your chart of accounts will be set to "No GST".
- **Transactions:** Any "Spend Money" or "Receive Money" transactions will not have GST calculated.
- **Impact on Reporting:** Transactions are excluded from any GST reporting, as you are not filing returns.

Important Considerations:

- **Check Settings:** Ensure that in **accounting > Advanced > Financial Settings**, your GST Basis is set to **None**.
- **Manual Overrides:** If you accidentally select a tax rate, or if you are importing data, it is crucial to ensure it is coded as "No GST" so that costs are treated as GST-exclusive, as you cannot claim back GST.

Parish is Registered for GST

If the Parish is registered for GST, then GST will apply to all NZ purchases and sales except for those which are exempt. Below is a guide on what will be exempt and may change so please keep updated with the GST regulations from the IRD. Further information is found here on the IRD website around what is GST exempt:

https://www.ird.govt.nz/gst/charging-gst/exempt-supplies

GST Exempt

Donated goods-services

GST on sales

If the Parish has goods or services donated to it and later sells them, it can't charge GST on the sale. For example, a goods that are donated to be sold in a charity shop.

GST for expenses

The Parish can't claim a GST credit for expenses involved in supplying donated goods and services.

For example, a charity that runs an opportunity shop selling only donated clothing can't claim GST credits on the shop expenses, such as rates, electricity or maintenance. If this was the charity's only activity, it would not even register for GST.

However, if it also sells purchased goods, a GST credit may be claimed on the expenses that directly relate to those goods. All other expenses must be apportioned between the exempt and taxable supply use.

Financial services

The following are GST exempt.

- paying or collecting any amount of interest
- mortgages and other loans
- bank fees
- insurance claim payouts

Renting a residential dwelling (including vicarage)

GST cannot be charged on the rent for a residential dwelling. A landlord cannot claim any GST on dwelling expenses, such as maintenance, rates and insurance.

Donations/Koha

If the donation is an unconditional gift there is no GST on it. An unconditional gift is a voluntary payment to that does not benefit the payer or giver in the form of goods or services.

If the donation, such as payments, goods or services are not an unconditional gift they will be liable for GST.

Deciding if your Donation/Koha is liable for GST.

Using the unconditional gift rule will let you know whether the donation/Koha is liable for GST. If the donor **gets anything identifiable in return** (goods, services, advertising, entry, or privileges), the payment **may trigger GST**. Here are some examples:

1. Donation that includes entry to an event

Example:

- Parish advertises: *"$50 donation for entry to the parish dinner."*
- Because the donor **receives a meal and event access**, the payment is **consideration for a supply**.

➞ GST applies to the $50 (or the portion relating to the meal/event).

2. "Donation" required to receive goods

Example:

- Parish says: *"$20 donation for a parish T-shirt."*

Since the donor **receives a T-shirt**, the payment is effectively **payment for goods**.

➞ GST applies.

3. Sponsorship payments

Example:

- A local business gives $1,000 and receives:
    - logo on parish newsletter
    - advertising banner at parish fair

Because the parish **provides advertising**, the payment is **consideration for services**.

➞ GST applies.

4. Fundraising auctions

Example:

- Parish auction where someone pays $500 for a painting.

The buyer **receives the painting**, so the payment is **for goods**, not an unconditional gift.

→ GST applies (if the parish is GST-registered).

5. Raffle tickets

Example:

- Parish sells raffle tickets for $5.

Participants **receive a chance to win a prize**, which counts as **consideration**.

→ GST applies.

6. Payments tied to services

Example:

- Parish requests a "donation" of $100 for a **retreat or course fee**.

If attendance depends on payment, it's **payment for the service**.

→ GST applies.

Examples that would remain unconditional gifts

(No GST)

- Sunday offertory collections
- General parish donations
- Building fund donations where **nothing is given in return**
- Online giving with **no benefits attached**

Purchases via the GTB Cash Fund

Please note if you have had payments made via GTB such as for building works then you will need to enter the bills in Xero to ensure the GST is coded in to Xero as per the following instructions using the GTB Cash Fund Statement:

Step 1 Create a purchase bill with proper GST code and account code in Xero.

Step 2 Enter a payment to this bill at bottom of the bill in Xero. Enter the date and amount paid and then select "9920- Creditor Clearing a/c" in the Paid from field.

Step 3 Create a journal based on the quarterly Cash Fund Statement.

Credit the 8555- GTB Cash Fund Investments

Debit the 9920- Creditors Clearing A/c

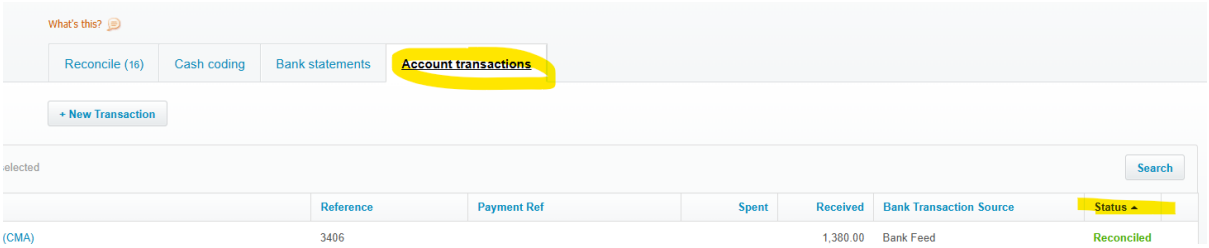
GST Returns

- To see when your GST returns are due go to Tax – GST.
- It will have the dates that the GST is due to be filed.
- Put a reminder in your calendar for when GST is due to be filed. There are fines for late filing and interest on any money late paid.
- The GST can be filed via Xero, but any payments still need to also be made in the bank account.

Step One – Finalise GST Return and Approve in Xero

1. Reconcile Your Bank Accounts

- Make sure all transactions for the GST period are reconciled in the bank account.
- Double check no incorrect transactions have been created that are not matched to a bank account line for this period. Go to **Accounting → Bank Accounts → [Select Account] → Transactions**.
- Click the **Status column header** to **sort by reconciled status**.



- This will bring all **unreconciled transactions to the top**.
- Review these transactions:
- Ensure each is **matched to an invoice, bill, or payment**, or entered correctly as spend/receive money.
- Match or reconcile any missing items so that **all GST-relevant transactions are included**.

2. Check the GST Reconciliation Report

1. Go to Accounting → Reports → GST Reconciliation.
2. Select the correct GST period.
3. Review the totals for the following only for that GST period:
    - GST collected on sales
    - GST paid on purchases

    - Net GST (difference to pay or claim)
4. Note these totals only — you will compare them to your GST Return.
5. Do not worry about the opening balances or other figure on this report. It is just to check GST collected and GST paid match the GST Return.

3. Prepare the GST Return

1. Go to Tax → GST Return → Select GST Return
2. Select the same GST period.
3. Compare totals to the GST reconciliation reports:
    - Output Tax (GST collected)
    - Input Tax (GST paid)
    - Net GST payable or refundable
4. If there are differences, investigate and correct them before filing.

4. Check GST Codes in Transactions

- In the GST Return, click the Transactions tab.
- Confirm each transaction has the correct GST code:
    - Sales invoices → GST on sales
    - Bills/purchases → GST on purchases
    - Zero-rated/exempt → correct zero-rated/exempt code
- If a transaction is coded incorrectly:

1. Click the line to open the source record.
2. Edit the GST code.
3. Save — the GST Return totals update automatically.

5. Final Review

Before filing, confirm:

- All bank accounts are reconciled.
- GST Reconciliation totals match your GST Return draft.
- All transactions are coded correctly and in the correct period.

6. Approve and Submit

- Once everything matches and is correct, click Approve at the bottom of the GST Return screen.
- The return is now marked as approved for filing.
- You can still correct individual transactions, but any changes after approval require re-approving.
- The approved return can be viewed at Accounting → GST Return → History.

Step Two - File the GST Return with IRD

Xero allows two main methods to file with Inland Revenue:

Option A: File directly via Xero (if enabled for your IRD account)

1. In the GST Return screen, click **File GST Return** (sometimes shown as **Submit to IRD**).
2. Xero will ask you to confirm your IRD login and **GST credentials**.
3. Follow the prompts to submit the GST Return directly to IRD.
4. Once submitted, Xero will mark the return as **Filed**, and the date will appear in the GST Return history.

Option B: Manual filing via myIR

1. Click **Download PDF** on the GST Return screen.
2. Log in to **myIR (**https://www.ird.govt.nz**)**.
3. Enter the GST Return numbers manually from the Xero PDF.
4. Submit via myIR.
5. In Xero, mark the return as **Filed** manually in **GST Return → History → Mark as Filed**.

Confirm Filing

- After filing, check **Accounting → GST Return → History**.
- Ensure the status shows **Filed** and the date matches submission.

Step Three – Pay the GST due in the banking app (if not a refund)

- If there is money owed to the IRD for GST this must be paid to the IRD by the due date of the return.
- GST needs to be set up for payment directly in the banking app and approved by authorisers.
- Each bank is different but usually there is a payments section for paying tax.

Fixed Assets Register

All assets over the value of $5,000 excluding GST need to be recorded on the Fixed Asset register and depreciated.

The list of assets for the Parish can be found by going to: **Accounting – Fixed Assets – Registered.**

The following is links to the Xero guides on how to add and sell and asset:

- **Add Fixed Assets**
- **Sell or Dispose of Asset**

Key Fixed Asset Reports in Xero:

- **Fixed Asset Reconciliation:** Compares your asset register with the balance sheet, crucial for ensuring the value of registered assets matches the general ledger.
- Depreciation Schedule: Reviews asset value loss, tracking opening cost, additions, disposals, and closing values for specific periods.

Steps to Run Fixed Asset Reports:

1. Navigate to the Reporting menu and select All Reports.
2. Search for the desired report (e.g., "Fixed Asset Reconciliation").
3. Set the date range and customize columns (e.g., closing cost, depreciation).
4. Click Update to view.

Key Considerations:

- Ensure depreciation is run before running reports to reflect accurate values.
- The system allows tracking, disposing, and creating assets from purchase invoices.
- Users need Advisor, Standard + Reports, or Read-Only roles to access.

Depreciation

Overview

- It is recommended that depreciation be run monthly to reduce the book value of fixed assets.
- This will depreciate the asset and add the depreciation to the profit and loss.
- This will also be a check to ensure all assets that have been purchased or disposed off have been updated on the fixed asset register.

How it works

- You need the advisor user role to run or roll back depreciation.
- Depreciation can only be run or rolled back up to one financial year at a time. If there are no assets to be depreciated in a period, in the Run Depreciation screen, click **Confirm** to advance the current depreciation date.
- Depreciation is only run on registered assets, not draft, disposed or sold assets.
- You can't run depreciation if there's an all users lock date in the depreciation period.

Run depreciation

1. In the **Accounting** menu, select **Fixed assets**.
2. Click **Run depreciation**.
3. Select the date you want to run depreciation to.
4. Review the depreciation preview, then click **Confirm**.

Roll back depreciation (required if you want to sell an asset that has had depreciation already deducted from it in that financial year**)**

1. In the **Accounting** menu, select **Fixed assets**.
2. Click **Run depreciation**.
3. Click **Rollback depreciation**.
4. Select the date to roll back to.
5. Click **Rollback**.

If you need to find a depreciation rates, they are set by the IRD and can be found here:

https://www.ird.govt.nz/income-tax/income-tax-for-businesses-and-organisations/types-of-business-expenses/depreciation/claiming-depreciation/work-out-your-assets-rate-and-depreciation-value

Grants and Income in Advance (Selwyn Grant)

Where a grant is received to fund expenses over a future period, or until specific conditions have been been met, the grant should initially be recorded as a **liability**. The grant income is then recognised progressively as the related expenditure is incurred or the grant conditions are fulfilled.

Step 1: Record the Grant Receipt

When the grant funds are received:

- Code the bank receipt to **9130 Accruals**.
- Apply the appropriate **Department tracking category** if required (for example, Selwyn).

This records the grant as a liability until it is earned.

Step 2: Calculate the Monthly Allocation

If the grant relates to a specific period, calculate the amount that should be recognised as income each month.

Example:

- Grant received: $12,000
- Grant period: 12 months
- Monthly allocation: $1,000

Step 3: Create a Repeating Journal in Xero

To automatically recognise the grant income each month:

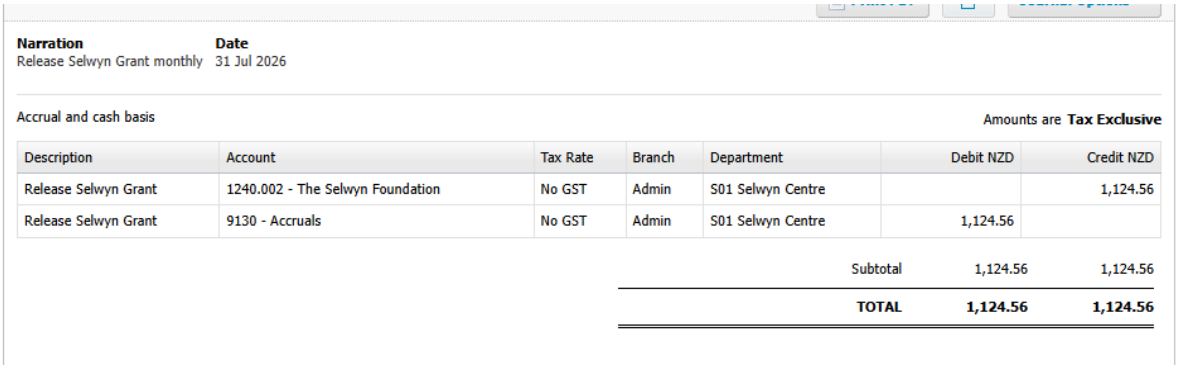
1. Go to **Accounting > Manual Journals > New Repeating Journal**.
2. Enter the journal details and set the frequency (for example, Monthly).
3. For each monthly allocation:
    a. **Debit:** 9130 Accruals
    b. **Credit:** The relevant grant income account (for example, **1240.002 The Selwyn Foundation**)
4. Set the start date and end date (or number of occurrences) to match the grant period.
5. Click **Save**.

Example Monthly Journal

- Debit **9130 Accruals** $1,000
- Credit **1240.002 The Selwyn Foundation** $1,000

The repeating journal will automatically transfer the appropriate portion of the grant from the liability account to income each month. This ensures grant income is recognised in the same period as the related expenses and reduces the balance held in **9130 Accruals** over the life of the grant.

Example: A $12,000 Selwyn Foundation grant received for a 12-month programme would be coded to **9130 Accruals** when received. A monthly repeating journal of **$1,000** would then be posted from **9130 Accruals** to **1240.002 The Selwyn Foundation** each month until the full grant has been recognised as income.



Narration Release Selwyn Grant monthly
Date 31 Jul 2026

Accrual and cash basis

Amounts are **Tax Exclusive**

Description	Account	Tax Rate	Branch	Department	Debit NZD	Credit NZD
Release Selwyn Grant	1240.002 - The Selwyn Foundation	No GST	Admin	S01 Selwyn Centre		1,124.56
Release Selwyn Grant	9130 - Accruals	No GST	Admin	S01 Selwyn Centre	1,124.56	
				Subtotal	1,124.56	1,124.56
				TOTAL	**1,124.56**	**1,124.56**

If there are no conditions on the grant that need to be reporting on or fulfilled, then the money can be coded directly as income and does not need to be journalled to accurals.

Grants from Diocesan Development Fund.

DDF pays supplier on your behalf

If you have approved funding from the Dio Development Fund and the Diocesan office pays a supplier invoice on your behalf from this fund, it must be recorded that you have received an intercompany grant. This needs to be done as a manual journal.

This will always be a no GST applicable transactions, so use the excluding GST amount and code it has no GST. The Diocese of Auckland will claim the GST under their own GST return.

Go to **Accounting – Manual Journals**

Select New journal

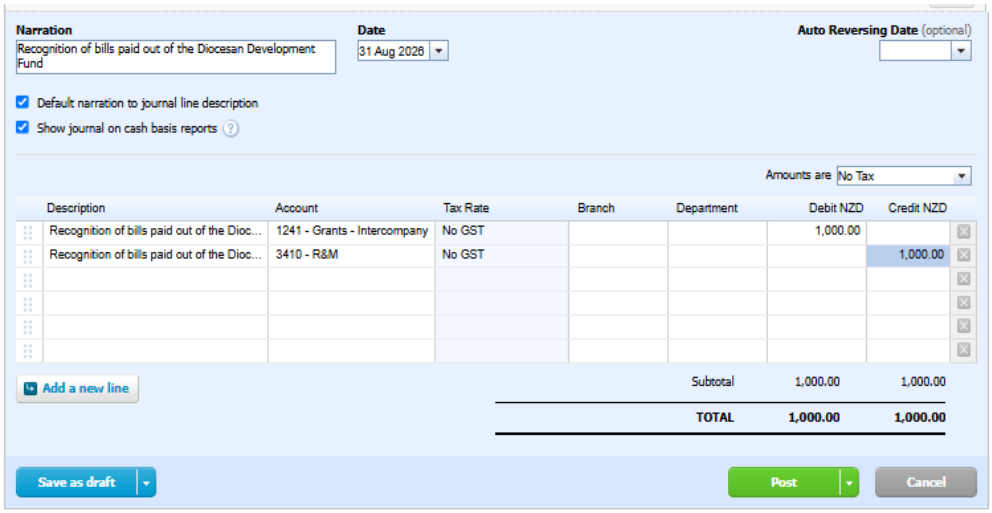
Date it the month that the fund was granted.

Use department and branch as appropriate.

If the expenditure was for an expense, such as repairs and maintenance.

Debit the amount of expense to appropriate asset or expense line, such as 3410-R&M.

Credit 1241- Grants – Intercompany

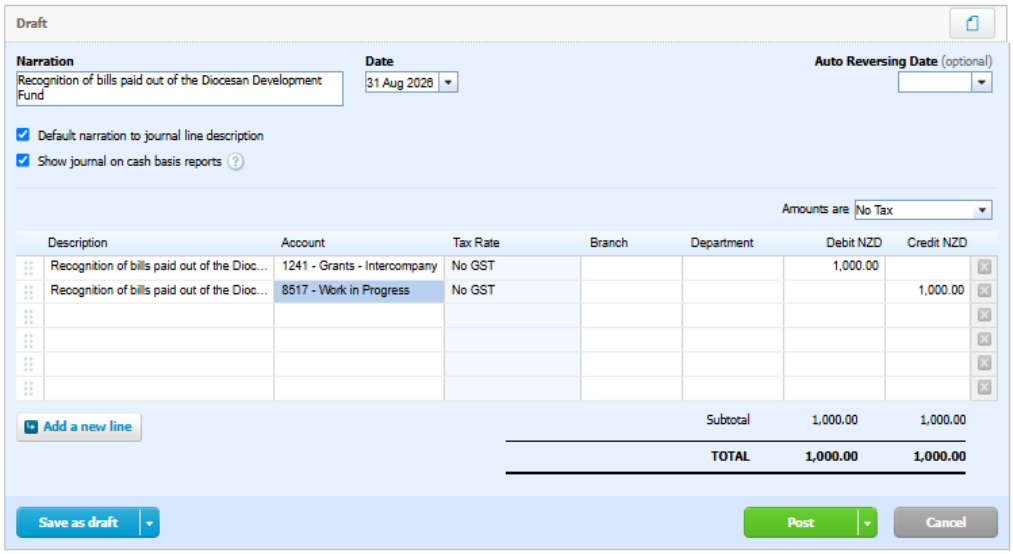


Published August 2026

If the expenditure was for a capital expense, such as improving the value of an asset

Debit the amount of building asset account or the work in progress account.

Credit 1241- Grants - Intercompany



DDF deposits money into your bank account

The deposit needs to be coded to 1241-Grants – Intercompany when reconciling the bank.

Reporting in Xero

Overview of Reporting

In Xero, reporting is managed through the **Reporting menu**, where you can access various reports categorized under different tabs. Here's a breakdown of the reporting features.

The Xero reporting capabilities are extensive so it is best to refer directly to the Xero guides on reporting – Xero Reporting.

Accessing Reports

- Navigate to **All reports** in the Reporting menu to view all available reports for your organization.
- Use the **Find a report** search bar to quickly locate specific reports by typing their names.

Saving and Publishing Reports

- Reports can be saved as drafts or published for broader access.
- When publishing, you can apply various style options, such as including a cover page or changing title colours.

Exporting Reports

Reports can be exported to PDF or spreadsheet formats for sharing.

Month end reporting

All bank accounts need to be reconciled, and all invoices and bills entered for that month before the reports can be produced.

The Vestry will need to decide what reports they would like to review at the end of each month.

The most common reports with links to Xero instructions on how to run them are below:

1. Profit and Loss (overall and by department)
2. Balance Sheet
3. Aged Receivable Detail
4. Aged Payables Detail
5. Depreciation Schedule
6. General Ledger Detail

Trust Management is working with Xero to see if the management report template that Trust Management was using can be provided to the Parish Treasurer to run in Xero. This is proving difficult at this stage, so below are instructions on how to customise the reports.

Customising the Profit and Loss to group account codes together

If you would like to change the layout of the report so that codes are grouped into certain groups, such as Donations, Beyond the Parish, as they were in the TML reports then the reports need to be customised and saved as templates.

Grouping Account Codes on a Custom Profit & Loss in Xero

1. **Go to Reports**
   In Xero, select **Accounting → Reports**.
2. **Open the Profit and Loss report**
   Click **Profit and Loss**.
3. **Switch to a Custom Layout**
   - Click **Edit layout** (or **Edit report layout** depending on the version).
   - This allows you to customise how accounts appear in the report.
4. **Create a Group**
   - Click **Add group** where you want the new section.
   - Give the group a name (for example, *Parish Administration Costs* or *Property Expenses*).
5. **Move Account Codes into the Group**
   - Find the account codes in the list.
   - Drag and drop them into the new group (or use the move options).
   - Multiple related accounts can be placed in the same group so they appear together on the report.
6. **Save the Custom Layout**
   - Click **Save layout** or **Save as custom report**.
   - Give the report a name so it can be reused each month.

Adding Columns to a Custom Profit & Loss in Xero

1. **Go to Reports**
   Go to **Accounting → Reports** and open **Profit and Loss**.
2. **Edit the Report Layout**
   Click **Edit layout** (or **Edit report**) to customise the report.
3. **Add or Change Columns**
   In the **Columns** section, choose which columns you want to display. Common options include:
   - **Actuals** – the current period's actual income and expenses.
   - **Budget** – compares the results against the budget set in Xero.
   - **Last Year** – shows the same period from the previous year.
   - **Variance** – the difference between actuals and budget.
4. **Adjust the Date Ranges if Needed**
   Set the report period (for example, the current month or year-to-date) so the comparison columns show the correct information.
5. **Save the Custom Report**
   Click **Save as** or **Save layout** so the same column setup (Actuals, Budget, Last Year, etc.) can be used each time the report is run.

Budgets

For a parish using Xero, budgets are used to plan expected income and expenses for the year and then compare them with what actually happens.

- **Overall parish budget:**
  The parish sets a total budget for the year; this needs to be by month (either divided total for year over the 12 months or put estimates in each month they are likely to occur).
- **Department or ministry budgets:**
  If the parish has different departments, these can be tracked using Tracking Categories in Xero. Each department can have its own budget, allowing the parish to see how much each area plans to spend and how much it actually spends.
- **Budget vs Actual reporting:**
  Xero provides Budget vs Actual reports, showing:
  - the overall parish financial position, and
  - the performance of each department.

Example:
A parish may have:

- One **overall parish budget** for total income and expenses.
- Separate budgets for **Youth, and Op Shop** to monitor spending for each ministry.

This helps the parish manage donations responsibly, plan activities, and monitor spending during the year.

In Xero, each budget must be entered separately depending on how you want to track it. That means if you want to track the departments actual expenditure against budgets, they need a separate budget entered in Xero. There also needs to be an overall budget entered of total income and expenditure. Xero does not add the department budgets together to create a consolidated budget.

Enter the Overall Parish Budget Manually

The Overall Budget is the default budget worksheet provided for your organisation. You can only have one Overall Budget.

1. In the **Reporting** menu, select **All reports**.
2. Find and open the **Budget Manager**. You can use the search field in the top right corner.
3. Select:

- **Select Budget** – select the budget that you want to update (Overall Budget)
- **Start** – The month you want your budget to start from.
- (Optional) **Actuals** – The number of actuals you'd like to show for comparison.
- **Period** – The number of months in your budget.

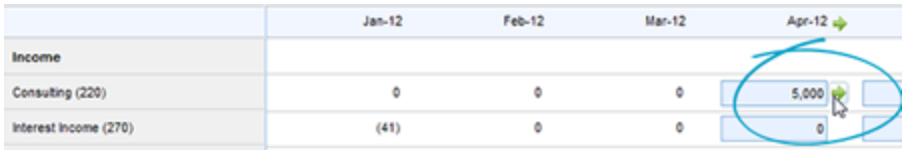
4. Click **Update** to filter the budget by your selections.
5. Enter budgeted amounts into each account field, then click the green arrows to automatically fill out future months using a formula.
6. Click **Save** at any time to keep your changes.

Note that decimals will be rounded up to the nearest dollar if 50 cents or over, or down to the nearest dollar if under 50 cents.

Use a formula to enter budgeted amounts

You can use a formula to fill out future budgeted amounts automatically.

1. Click into the box you want to base a formula on, then click the green arrow to start.



2. Select:
    - **Apply fixed amount to each month**, to fill other boxes with the same amount.
    - **Adjust by amount each month**, to increase by that amount each month.
    - **Adjust by percentage each month**, to increase by a certain percent each month.
3. Click **Apply** to update the worksheet.

To apply a formula to all accounts, click the green arrow next to a month name in the header, then select a formula. The formula will apply to the entire worksheet. You can also clear all months from that point on.

Set up a new budget for a department

You can use the Budget Manager worksheet to set up a budget for each of your tracking categories. You can also follow these steps to create new budgets without tracking.

1. In the **Reporting** menu, select **All reports**.

2. Find and open the **Budget Manager**. You can use the search field in the top right corner.
3. Under **Select Budget**, select **Add new budget**.
4. Give the new budget a name, then select a tracking category. For no tracking, select **Do Not Filter.**
5. Click **Save**.
6. Select:
    - **Start** – The month you want your budget to start from.
    - (Optional) **Actuals** – The number of actuals you'd like to show for comparison.
    - **Period** – The number of months in your budget.
7. Click **Update** to filter the budget.
8. Enter budgeted amounts into each account field, then click the green arrows to automatically fill out future months using a formula.
9. Click **Save** at any time to keep your changes.

Import a Budget into Xero

You can import a budget into Xero if it is on the Xero template.

If you have the advisor or standard + reports user role, you can download a budget template from Xero. Add your data to the template, then import it into Xero to create a new budget or update an existing one.

Note that imported budget data replaces any existing budget data with the same account or date.

1. In the **Reporting** menu, select **All reports**.
2. Under **Financial performance**, click **Budget Manager**.
3. Under **Select Budget**, select a budget to import.
4. Select:
    - **Start** – the month you want your budget to start from.
    - (Optional) **Actuals** – the number of actuals you'd like to show for comparison.
    - **Period** – the number of months in your budget.
5. Click **Update** to filter the budget by your selections.
6. Click **Import**.
7. Click **Download template** and select your preferred file format.

8. Using a spreadsheet program, add your data to the downloaded file. If you've already created a budget, copy your data into the downloaded file using the template's existing column format.
9. Once you've entered your data, save the file to your computer as a CSV, Microsoft Excel or ODS file.
10. To import your budget file into Xero, click **Browse** on the **Import a Budget** screen, then select the file to import.
11. Click **Import**, then click **Confirm** to finish importing the file.

Criteria for importing a budget

Your budget file must meet the following criteria for Xero to import it correctly:

- The file must be in CSV, Microsoft Excel or ODS format. If you're using Google Sheets, you can download it as a CSV or Microsoft Excel file.
- If you're using a Microsoft Excel or ODS file, make sure the first worksheet contains your budget data. Xero only reads the first worksheet in your file.
- The Account field is mandatory and must be in the first column of the sheet. You must use the account name followed by the account number in parentheses. For example, 'Interest Income (230)'.
- Dates must be in the first row and in one of the following formats. Note that budgets are set for whole months – if your date format contains a day value, Xero will ignore it:
    - MM-YYYY. For example, 07-2016.
    - MMM-YYYY. For example, Jul-2016.
    - DD-MM-YYYY. For example, 21-07-2016.
    - MM-DD-YYYY. For example, 07-21-2016.
- Zero values must be entered as 0.00 or 0. Xero ignores blank cells.

Your data doesn't need to be in date or numerical order, and you can import files with incomplete data – for example, if you only have a subset of accounts or dates.

Tracking codes – Departments and Branches

- Each parish can **create, rename, or delete** Departments and Branches at any time.
- Tracking codes are for Parish's own reporting purposes and can be used as they see is helpful.
- Be aware: changing or deleting a tracking code **affects historic reporting** for transactions already tagged.

How Xero Tracking Codes Work

Tracking Categories

- Set up categories like **Department** (Parish 1, Parish 2, Shop) and **Branch** (Children's Church, Weddings, Missions).

Transactions

- Tag each transaction (invoice, bill, bank payment) with **one option from each category**.
- Example: Donation for Children's Church in Parish 1 → Department = Parish 1, Branch = Children's Church

Reporting

- **Single category reports:** Totals by Department **or** Branch
- **Combined category reports:** Totals by Department **and** Branch (e.g., Children's Church in Parish 1 vs. Parish 2)

Difference between Departments and Branches

Departments (First-Level Codes)

- Represent main areas or locations: Parish 1, Parish 2, Op Shop
- Use for reporting **income and expenses by location**

Branches (Second-Level Codes)

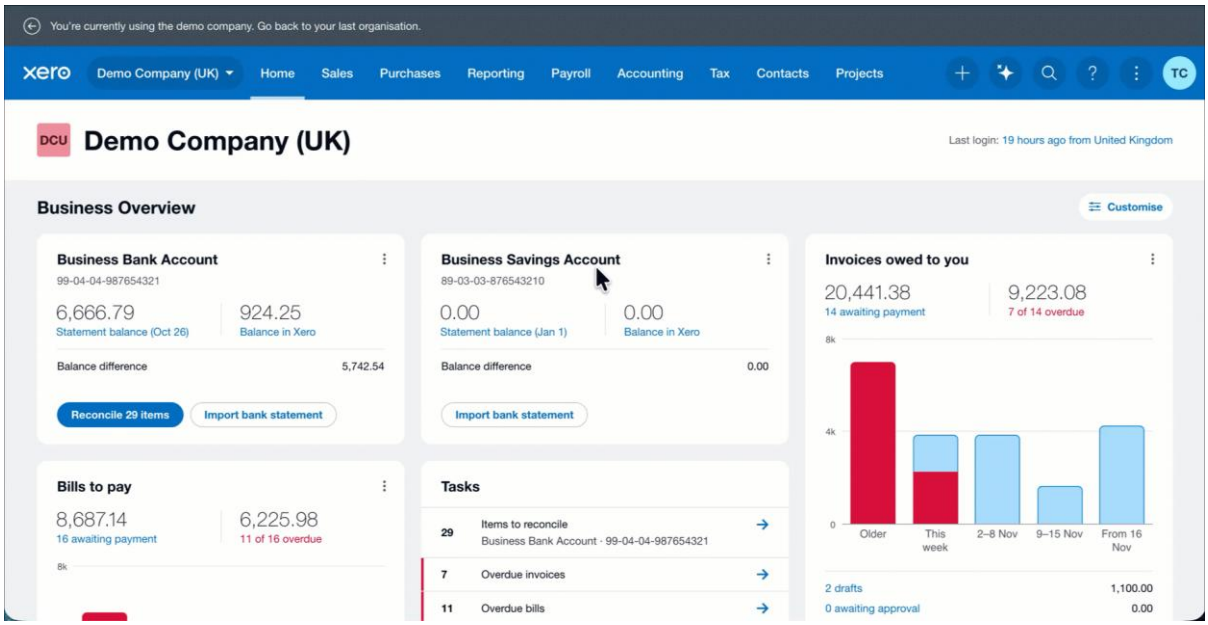
- Represent specific ministries or activities: Children's Church, Weddings, Missions, Shop items (Books, Candles, Donations)
- Use for tracking activity **at a detailed level**

Important Clarifications

- **No automatic hierarchy:** Departments and Branches are independent tags. Xero won't automatically sum Branches under a Department; you filter reports to see totals logically.
- **Chart of Accounts stays separate:** Tracking codes don't replace accounts; they provide another layer for reporting.

Setting Up Tracking Codes in Xero

1. Go to **Accounting > Accounting Settings**
2. Click **Tracking Categories**
3. Click **Add Tracking Category**
4. Enter a name (e.g., Location or Department)
5. Under **Category Options**, enter each Department or Branch
6. Click **Save**



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End of Month Checklist

Here is a useful guide to check at the end of each month.

1. **Reconcile bank accounts**
    - Reconcile all bank transactions in Xero.
2. **Compare bank balances**
    - Check the **Xero bank balance matches the actual bank statement balance** in your online banking statement.
    - Check Petty Cash balance on the balance sheet matches petty cash in tin.
3. **Ensure all expenses and bills have been authorised and entered for payment.**
    - Record bill and receipts for the month.
    - All outstanding bills paid
4. **Sales invoices**
    - Check all income due was received, follow up late payments.
    - Check all invoices have been sent
5. **Check PAYE and GST**
    - Check that PAYE and employee deductions have been set up in bank to be paid to IRD (if required by your payroll system)
    - Check when GST return is due/has been filed if due
6. **Post month-end journals**
   Examples:
    - depreciation
    - accruals or prepayments
    - PIE/GTB funds statement revaluations/distributions
7. **Review reports**
   Run and review:
    - Profit & Loss – check coding is correct and adjust if required.
    - Balance Sheet
    - Prepare required reports for Vestry
8. **File supporting documents**
    - Ensure receipts and invoices are attached or filed. Attach receipts or invoices to transactions in **Xero** where possible.

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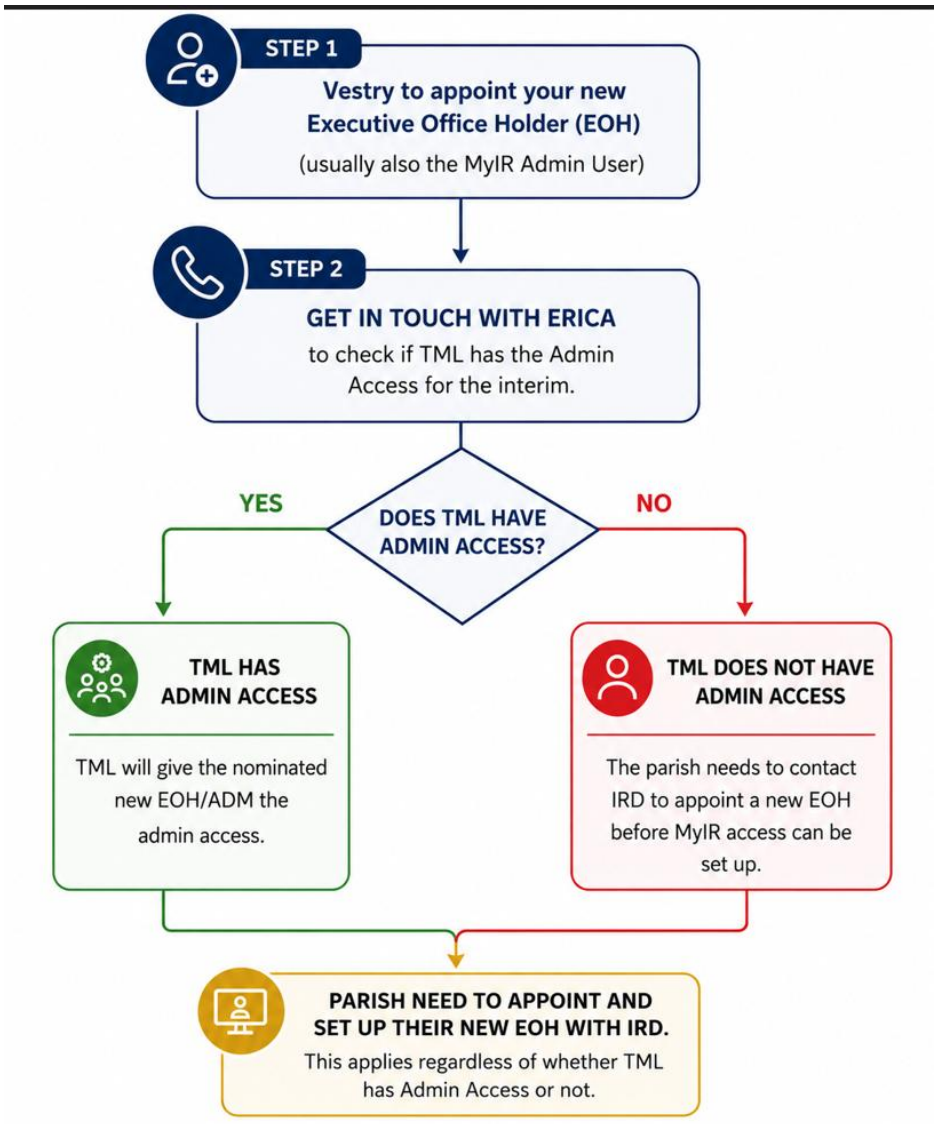
IRD access for myIR for filing GST and PAYE/Parish must set up Admin Access directly with IRD

If Vestry has not appointed or does not know who in the parish is a current Executive Office Holder/Owner with admin rights than this process will need to be done to ensure going forward the parish can authorise access to users.

Just having access is not enough, the Vestry must appoint the Executive Office Holders and know who the owners of the account are (which is not Trust Management employees).



Contacting Parish Support

Please note parishsupport@ does not have access to any IRD accounts, so they cannot check directly if Trust Management has admin ability to set up new users but can manage the process internally. To request to check if Trust Management has admin access to set up

users, please email your requests to parishsupport@trustmanagement.co.nz and allow 10 days for the request to be processed internally.

If you want to set up the new user with admin rights then the executive office holder form needs to be emailed to the IRD directly.

Appoint Executive Holder

Follow the process that is outlined by the IRD here to appoint an executive holder to act:

https://www.ird.govt.nz/managing-my-tax/getting-someone-to-act-on-my-behalf/executive-office-holders/appoint-an-executive-office-holder-to-act-on-my-behalf

This will require to be signed by someone who has been delegated authority to appoint an executive holder.

If you have no record of the owner to sign the form, documentation supporting an appropriate person who is in a position of authority must be attached so they can sign the form as an owner. This could include vestry minutes appointing people as treasurer or the Vicar and a link to your website with names of people.