



XERO GL INTEGRATION

Released in OnePractice V1.18

Xero integration is a big step for OneLaw – one we hope will make your work life easier. This manual will simplify the process for you – enjoy!

- The OneLaw team

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Introduction

OneLaw has developed integration between OnePractice and Xero. When integration is enabled your general ledger will automatically be kept updated with activity in OneLaw. The integration has been created to allow the flexibility to operate both on a GST payments (cash), or GST invoice (accruals) basis and there are coding options to suit firms of all sizes.

Xero has strict rules that need to be followed when exporting data to GL to ensure the integrity of their system, particularly in regards to GST. We have worked within these confines so that the full functionality of Xero, including automated GST returns, is available to our customers.

How does it work?

There is a small amount of configuration to set up the link between OnePractice and Xero. When this has been done it is a relatively simple exercise to map transactions types in OnePractice to the appropriate codes in Xero GL chart of accounts. When you run your daily batch update in OnePractice there is now an option to post the fee income, expense recoveries, and write off amounts to Xero in the form of an invoice or credit note. The revenue (fees and expenses recoveries) are posted to the codes you have set up, and the amount owing to the firm is recorded in your Xero OnePractice accounts receivable account. Float payments from your trust account to your business account are then receipted against these invoices when you complete your Xero bank reconciliation.

Revenue and expense recoveries

We have configured the integration so that you can determine in Xero chart of accounts where you want to post your revenue and expense items. Some firms may want to post all fees, expense recoveries and write offs to one revenue account. Other firms may want to have fees posted to a fee account, expense recoveries to appear below the relevant expense, and write offs to also show as an expense. By recording your office expense recoveries below the actual costs, you can highlight the need for better controls on your recoveries. We suggest you work with your accountant or advisor to determine the best way to record this information and get maximum value out of the data available for your business. We have also utilised tools in Xero under 'tracking' to allow reporting by office.

What balance do I agree to?

In OnePractice the firm records fees and office expenses against each client matter. As these balances are paid the firm gains funds into its float account. The firm transfers the funds available from the float account to the business account, usually leaving a balance. At any point in time, the firm is owed the debit balances in trust (the balances that clients owe) together with the float account balance. This total should then agree to the Xero OnePractice accounts receivable.

GST Basis – payments vs invoice

Your GST is controlled by your settings in Xero. If you are GST registered on a GST payments (cash) basis, your GST revenue is based on the amount of invoice payments received during the period. If your GST registration is on an invoice basis, your GST liability is based on the invoices posted during the period. We have included some notes in appendix B on how GST calculates in Xero. It is important that the GST is correctly recorded in OnePractice and items that have no GST, i.e. bank fees are correctly recorded as "No GST" and exempt fee income is recorded as "exempt".

Starting date and opening balance of Xero OnePractice accounts receivable

With any new system it is important to have a clear cut off between the old methods and the new. At the end of the Xero OnePractice configuration process you will be asked what batch number you want to start automatic posting. It is important to discuss this with your accountant prior to set up.

Your accountant or Xero advisor may also need to help amend the opening balance in the Xero accounts receivable – trust account debtors code 610. Previously you may have only provided the

AR's at balance date so there may be a small adjustment needed to agree the balances in OnePractice to the Xero accounts. This may be best reconciled after the initial configuration.

Are there any limitations?

If your firm operates multiple NZD trust accounts, the float for each will not be represented separately in Xero. They will show as a combined balance in your debtors.

If your firm operates any foreign currency trust accounts, these are not able to be integrated to Xero.

Overview of how it is configured and how it operates

Xero configuration process

Below is a brief summary of the configuration. More technical data is available in appendix A.

1. Create a Xero user account and organisation (or identify an existing one)
2. Create a Xero application certificate for securing the connection
3. Create a Xero private app
4. Configure OnePractice for Xero integration (start date)
5. Configure OnePractice trust ledgers, practice and financial settings and permissions
6. Configure OnePractice Xero mapping

Daily usage in OnePractice

Below is a brief summary of the daily process. Detailed instructions are in the body of the manual.

1. Bank reconciliation in OnePractice as normal
2. GL account mapping changes (must be made before transaction processing begins)
3. Daily transaction processing
4. Prepare batch
5. Resolve GL export issues if prompted to do so (e.g. a new expense type has been added to OnePractice and hasn't been mapped to a GL code in Xero)
6. Update batch as normal
7. Export batch to GL
8. Review and resolve issues reported during export
9. Batch report

Daily/weekly or monthly usage in Xero

Below is a brief summary of the daily/weekly or monthly process in Xero. Detailed instructions are in the body of the manual.

1. Log on to Xero
2. The invoices posted for each OnePractice batch will automatically appear in Xero
3. Complete your bank postings (receipting float transfer from the trust account against the invoices posted from OnePractice)
4. Agree the balances in OnePractice (total debit balances and float) to the Xero accounts receivable – trust account debtors balance

Getting started in OnePractice

Once the technical configuration (appendix 1) and Xero integration is enabled there are just a few settings to complete.

Practice settings

You need to turn on general ledger posting from each ledger (or the ledgers you want to post from). This is done in administration/manage ledgers. Click on the ledger name and select 'enable export of trust account batches to general ledger system.'

Ledger Name	Bank	Account Number	Active	Export to GL
BNZ Trust Account	BNZ	02 1800 0045600 00	Yes	Yes

Edit Ledger

Ledger Account

Ledger Type: Trust Account

Ledger Name: BNZ Trust Account

Ledger Code: ledgerCode This should match your accounting package ledger code

Bank: BNZ (02)

Account Number: 02 1800 0045600 00

Active:

General Ledger Integration

Enable export of trust account batches to General Ledger System

Year end

Ensure that Xero and OnePractice is set for the same financial year. In OnePractice you will find this under administration/practice settings/firms settings – i.e. financial year begins: April.

In Xero you will find it under settings/general settings/financial settings. It's also important to ensure your GST period and basis is correct. The tax default settings can be either exclusive or inclusive, and will not upset the automatic posting of invoices from OnePractice.

[General Settings](#) >

Financial Settings

Financial Year End

31 March [Change](#)

GST

GST Basis: Payments Basis | GST Period: 1 Monthly | GST Number: 50773396

Tax Defaults

For Sales: Tax exclusive Includes invoices, quotes, credit notes and receive money items

For Purchases: Tax exclusive Includes bills, purchase orders, credit notes, and spend money items

Permissions

Give permission to the user(s) who will be posting batches to the Xero general ledger. Add the following permission to the role. This is found under administration/roles. Select the role and add the permission.

Manage Chart of Accounts - Map OneLaw transactions to General Ledger Accounts

Tracking category setup

There is a tool in Xero called 'tracking.' If you have several offices you may want to set up tracking in Xero. In the first release of the Xero OnePractice app you can use tracking based on the offices set up in OnePractice. Even if you are not currently reporting based on your offices, it is worthwhile setting this up and reporting can be considered at a later date.

Fees and expenses are assigned to the office based on the location of the matter author.

OnePractice offices	Xero tracking add in office categories						
<p>The screenshot shows the 'Administration' tab in OnePractice with the 'Offices' sub-tab selected. A table lists the following offices:</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Head Office</th> </tr> </thead> <tbody> <tr> <td>HO</td> <td>Head Office</td> </tr> <tr> <td>Xero</td> <td>Xero Office</td> </tr> </tbody> </table>	Name	Head Office	HO	Head Office	Xero	Xero Office	<p>The screenshot shows the 'Tracking' settings in Xero. It includes a 'General Settings >' link, a 'Tracking' title, a 'What's this?' help icon, and an 'Add Tracking Category' button. Below is a form for 'Office' with a dropdown menu. Under 'Tracking category name', there is a list with 'Office' and a 'Rename' button. Under 'Category options', there are two entries: 'HO' and 'Xero', each with a 'Rename' button. At the bottom is an 'Add another option' button.</p>
Name	Head Office						
HO	Head Office						
Xero	Xero Office						

Ensure the office is correctly assigned for each author and that matters have the correct matter author.

The screenshot shows a 'Maintain Staff' window for Aaron Zickefoose. The fields are as follows:

- Full Name: Aaron Zickefoose
- Job Title: Legal Executive
- File as: Aaron Zickefoose
- Active:
- Initials: ABZ
- Office: HO - Head Office

At the bottom, there are tabs for 'User Account', 'Addresses', 'Time Rates', and 'Budget'.

Mapping codes to chart of account

You have several options on how much detail you want to post to Xero. This is controlled under OP/accounts/chart of accounts. Once Xero is enabled this screen you are linked to your Xero account. There is a message at the bottom of the screen to say if Xero is working okay or not.

The first step is to decide on the mapping method for fees, trust expenses, and write offs. You can change the selection later but it will only post the transaction to the codes that are entered after the changes to the mapping is made. The 'reload GL' accounts box populates the combo boxes.

The accounts receivable code should be the standard Xero accounts receivable code 610.

The GST code should be the standard Xero GST code 820.

Float account set to 610.

Account Mapping Method

Fees Single GL Code for all Fees GL Code per Fee Type GL Code per Sub Fee Type

Trust Expenses Single GL Code for all Expenses GL Code per Expense Type

Write-offs One GL Code for all Write-offs GL Code from written-off transaction GL Code from Write-off Reason Code

GL Accounts

Accounts Receivable	610 : Accounts Receivable (Current)
Commission	201 : Commission (Revenue)
Firm's Float	240 : Float Account (Current)
GST	820 : GST (CurrentLiability)
All Fees	200 : Sales (Revenue)
All Expenses	
Agency (AGY)	301 : Agency (Expense)
Costs Written Off (CWO)	302 : Costs W/O (Expense)
Company Name (CNM)	303 : Company Name (Expense)
Courier (COU)	304 : Courier (Expense)
CT (CT)	305 : CT (Expense)
Guaranteed Search (GSH)	306 : Guaranteed Search (Expense)
Registration Fee (REG)	307 : Regn Search (Expense)
Search Fee (SCH)	308 : Search Fee (Expense)
Valuation (VAL)	309 : Valuation (Expense)
ADLS Forms (ADF)	311 : ADLS (Expense)
Bank Fee (BFE)	312 : Bank fee (Expense)

GST Rates

Exempt	No GST
Standard (15%)	15% GST on Income
Standard (15%) on Expenses	15% GST on Expenses
Zero Rated	Zero Rated

Xero says it was working fine 2 minutes ago

Fees

Fees can be posted to a single revenue code in your GL or they can be posted based on the matter fee type (master or sub-code) if you want this type of analysis in your GL. If you want to report based on fees per office you would use tracking categories in Xero. When you select GL code per fee type you get a list of the various fee types and can code these individually. You can put the same code on several of the fee types if you wish to post these to a summary code in Xero. Remember to save your changes when they're complete.

GL Accounts	
All Fees	<input type="text"/>
Property	<input type="text"/>
Litigation	<input type="text"/>
Immigration	<input type="text"/>
Estates	<input type="text"/>
General	<input type="text"/>
Company	<input type="text"/>
Employment	<input type="text"/>
Tax	<input type="text"/>

Trust expenses

Trust expenses can be posted to one code in your GL or you can post each individual expense type to its own code. You can also put the same code on several expenses if you wish to summarise some of them. Posting trust expenses to separate codes in Xero will enable you to easily compare recoveries with the actual expense cost. An example of this may be LINZ fees. Your actual payment to LINZ may be, say, \$9,880 for the month, and the recoveries may be only \$8,790. This should be a trigger to investigate practice procedures to ensure you are recording all search and LINZ fee costs against client's matters. If you select to have a GL code per expense type you will get a list similar to the following:

Miscellaneous (MSC)	<input type="text"/>
Tolls (TOL)	<input type="text"/>
Fax (FAX)	<input type="text"/>
Photocopying (PHC)	<input type="text"/>
Office Expenses (OFF)	<input type="text"/>
Mileage (MIL)	<input type="text"/>

Disbursement write-offs

Write-offs of disbursement payments need to be coded to one code in Xero GL. There is currently no further breakdown of these in OnePractice. You can journal these later to other codes in Xero if you wish.

Write-offs (fees and expenses)

You have three options for coding write offs

1. One GL code for all write-offs – it will code write-off of expenses and fees to this code
2. GL code from written-off transaction – this means it will code the write-off to the GL code where the original transaction was coded too. For example, if it was a write-off of fees it will code the write-off to the fee code on the original transaction; if the original transaction was for mileage it will code the write-off against the mileage code you have set under trust expenses
3. GL code from write-off reason code. It will code write-off of expenses and fees to this code

Write-offs One GL Code for all Write-offs GL Code from written-off transaction GL Code from Write-off Reason Code

Chart of accounts (continued)

In many cases your chart of accounts will already be set up and it is just a case of clicking “reload GL codes” and picking the codes you currently use in your Xero. Since you no longer have to code items manually, it is worth reconsidering your options to get maximum value out of the information available in OnePractice. This is your opportunity to have management reports in Xero comparing income and expenses on a daily basis.

Sync OnePractice to Xero GL accounts

If there have been any changes to the Xero chart of accounts, reload as per below.

1. In OnePractice/accounts/chart of accounts, click "reload GL accounts"
2. Assert that combo boxes in the account mapping window now include options from your Xero chart of accounts
3. Assign GL accounts to all fields, optionally add new GL accounts (as per below)
4. Match up tax rates with GL tax types – these will generally be standard
5. Save

Add GL account in OnePractice

The Xero chart of accounts will usually be maintained inside Xero, but for flexibility we have added a facility to add a GL code to the chart of accounts within OnePractice. Note there are a few more options if codes are maintained within Xero.

1. In OP/accounts/chart of accounts click ‘add GL account’ at the bottom of the screen
2. Fill out form with new (non-existing) details, then click ‘save’
3. Assert that new account appears in one of the account mapping drop down lists

Add GL account in Xero

1. In Xero/settings/chart of accounts, add a new GL account (see appendix 2 for Xero help notes)
2. In OP, open GL account mapping screen, existing GL accounts are loaded from Xero
3. In OP, assert that new account does not exist
4. In OP, click ‘reload’
5. In OP, assert that a new account does exist

Journal in Xero

There may be occasions when you want to recode something that automatically posted from OnePractice. You can use journals in Xero to recode any of the automatic postings to different accounts.

Daily processing changes

Most of your daily posting screens are the same but you may want to take more care over the type of expenses you set up to be able to monitor recoveries.

Because Xero is tightly controlled around GST, we have had to make some slight changes to posting screens in OnePractice. These only affect those integrating with Xero. These changes include not being able to edit GST amount field when posting a fee, and there are additional fields in the float journal.

On the fee posting screen we have had to lock down the GST (\$) field. This will be automatically calculated based on the rate selected in the GST Rate field and cannot be overridden. This only affects those who choose to integrate with Xero. Example below:

The screenshot shows the 'Bill Maintenance' window for a client named 'Four & Five Partnership'. The 'Fee' section is expanded, showing a table with the following data:

Fee Narration (for invoice & trust A/C)	GST Rate	Fee (\$)	GST (\$)	Total (\$)
Our fee	Standard (15%)	\$2,000.00	\$300.00	\$2,300.00

The 'GST (\$)' field is highlighted in yellow, indicating it is locked and auto-calculated based on the selected GST rate.

The float journal has two new fields. Select the rate of GST if any and the GL code you wish to post the adjustment to.

The screenshot shows the 'Financial Journal' window. The 'Journal Summary' section contains the following information:

- Date: 11/03/2015
- Reference: jnl 25
- Reason: Write off small balance
- Amount: \$0.05
- GST Rate: Standard (15%)

The 'Journal From (Debit)' section shows:

- Ledger: Float Ledger
- GL Account: 313 : Misc (Expense)

The 'Journal To (Credit)' section shows:

- Ledger: Client / Matter
- Client: 0023 - Four & Five Partnership
- Matter: 1 - Partnership

A 'Financial Summary' table is also visible in the bottom right corner:

Report: 0023.1	
Trust	(9,222.05)
WIP	0.00
IBD	0.00
AR	9,222.05
Estimate	0.00
Headroom	0.00

The 'GST Rate' and 'GL Account' fields are highlighted in yellow.

Daily processing batch end

The major changes are to the batch end process. You have a new tab called general ledger export.

Things to note:

- You can batch end and come back and export to Xero later
- You can amend the GL coding of individual items in the batch prior to export

Batch end process

1. Batch end as normal
2. Export to GL
3. Success message
4. Or warning message to say there are items that don't have a GL code. If you get a message about coding you may have to go and set up a new GL code in the mapping screen or simply use the edit GL coding for the particular transaction
5. If you need to edit a code, select the general ledger export tab/edit GL code and select the correct code from the menu
6. Proceed to export to GL

OneLaw - Batch Listing 11

Batch Date: 10/03/2015 Processed Date: 24/05/2018 Operator: JMC Batch Number: 11

Float Account Summary:

Opening Float Balance:	\$4,139.30
Net Batch Gain:	\$0.00
Float Firm Transactions:	\$0.00
Closing Float Balance:	\$4,139.30

Firm Transactions:

Date	Type	Account	Reference	Narration	Funds In	Funds Out
No firm transactions						

Batch Contents:

Client Gains & Advances Transaction Type: **General Ledger Export**

Invoice Lines Xero says it was working fine 2 minutes ago

Account	Description	Tax Rate	Amount Excl	Tax Content	Amount Incl
200 - Sales	Fee	Standard (15%)	\$2,000.00	\$300.00	\$2,300.00
313 - Misc	Miscellaneous	Standard (15%) on Expens	\$17.39	\$2.61	\$20.00
Total			\$2,017.39	\$302.61	\$2,320.00

Credit Note Lines

Account	Description	Tax Rate	Amount Excl	Tax Content	Amount Incl
Total			\$0.00	\$0.00	\$0.00

Buttons: View Print **Edit GL Coding** **Export to GL** Close

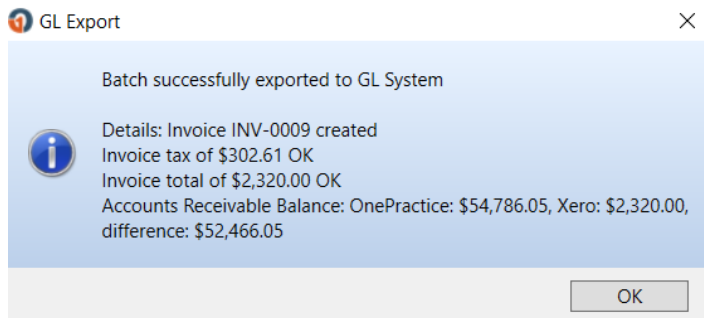
Edit GL coding

GL Export - Transaction Recoding

Date	Type	Reference	Narration	Tax Rate	Amount	Tax	GL Account	Issues
9/3/2015	Fee	I 001011	Our fee. Four & I	Standard (15%)	\$2,300.00	\$300.00	200 - Fees (Revenue)	
9/3/2015	Miscellaneo		Miscellaneous. Fr	Standard (15%)	\$20.00	\$2.61	313 - Misc (Expense)	

Batch end message

When the batch is successful you get a message, as shown below. It gives you the invoice and credit notes numbers created in Xero, the total of these and the tax (GST). It also shows the accounts receivable balance in OnePractice compared to Xero. This may differ if all the float receipts have not been posted in Xero.



Resulting invoice in Xero

The following is the resulting invoice as it appears in Xero. The batch process produces an invoice for any fees and expenses posted in the batch and a credit note for any write-offs.

Jo's Law | Jo Cleminson

Dashboard | Accounts | Payroll | Projects | Reports | Contacts | Settings

Sales > Invoices > **Invoice INV-0009**

Awaiting Payment | Preview | Email | Print PDF | Invoice Options

To	Date	Due Date	Invoice #	Reference	Total
Trust Account Debtors	10 Mar 2015	10 Apr 2015	INV-0009	OP-BATCH-11	2,320.00

Amounts are Tax Exclusive

Item Code	Description	Quantity	Unit Price	Disc %	Account	Tax Rate	Office	Amount NZD
	Fee	1.00	2,000.00		Fees	15% GST on Income	HO	2,000.00
	Miscellaneous	1.00	17.3913		Misc	15% GST on Expenses	HO	17.39
Subtotal								2,017.39
Total GST 15%								302.61
TOTAL								2,320.00

Receipt float transactions in Xero and agree balances

In the Xero bank reconciliation you will receipt any float payment against the invoices automatically posted to Xero. You receipt the payments to the oldest invoice. When all batches are exported and all float payments are receipted for the month, the amount of trust account debtors in Xero should agree to the total debit balances and float balance in OnePractice. You will find this balance in the OnePractice 'float and debit balance control' report, or use 'agree to the totals' at the bottom of the OP general ledger export report.

Batch list

You can check the batch list to see if all your batches have been exported to Xero.

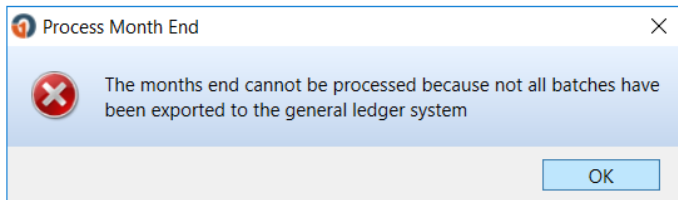
Batch List

Filter criteria: Mar 2015

Batch Date	Batch Number	Trust Account	GL Export	Operator	Net Batch Gain	Closing Float Balance
9/03/2015	10	BNZ Trust Account	Complete	Cleminson, Joani	\$0.00	\$4,139.30
8/03/2015	9	BNZ Trust Account	Complete	Cleminson, Joani	\$0.00	\$4,139.30
7/03/2015	8	BNZ Trust Account	Complete	Cleminson, Joani	\$1.80	\$4,139.30
6/03/2015	7	BNZ Trust Account	Complete	Cleminson, Joani	\$250.00	\$4,137.50
5/03/2015	6	BNZ Trust Account	Complete	Cleminson, Joani	\$0.00	\$4,137.50
4/03/2015	5	BNZ Trust Account	Complete	Cleminson, Joani	\$14,375.00	\$4,137.50
3/03/2015	4	BNZ Trust Account	Complete	Cleminson, Joani	\$12.50	\$237.50 Dr
2/03/2015	3	BNZ Trust Account	Complete	Cleminson, Joani	\$250.00 Dr	\$250.00 Dr
1/03/2015	2	BNZ Trust Account	Complete	Admin	\$0.00	\$0.00

Month end

The GL exports must be completed before month end. It will give you a warning message. Go back and export the batches to the GL and complete month end.



Appendix A – technical configuration notes

To connect to Xero you must create a Xero private app, which requires an application certificate. Each firm will need their own application certificate created, the process is described below, it's recommended this is performed by technical support staff.

<https://developer.xero.com/documentation/api-guides/create-publicprivate-key>

1. Go to <http://slproweb.com/products/Win32OpenSSL.html>
2. Download latest version, currently "Win64 OpenSSL v1.1.0g"
3. Run installer, destination = "C:\OpenSSL-Win64", copy DLLs to "/bin"
4. Execute the following steps in a PowerShell terminal

```

1. Create working directory
mkdir c:\scratch\xerocert
cd c:\scratch\xerocert

2. Set path to openssl.exe and set configuration environment
variable
$env:path = "$env:path;c:\openssl-win64\bin"
$env:OPENSSL_CONF = 'C:\OpenSSL-Win64\bin\cnf\openssl.cnf'

3. Create private key file
openssl genrsa -out privatekey.pem 1024

4. Create certificate, you will be prompted for more information
openssl req -new -x509 -key privatekey.pem -out publickey.cer -days
1825

4.1 When prompted enter information about the firm, e.g.:
NZ
Canterbury
Christchurch
Acme Ltd
Administration
acme.co.nz
info@acme.co.nz

5. Package private key and cert into pfx file, you will be prompted
for a password
openssl pkcs12 -export -out public_privatekey.pfx -inkey
privatekey.pem -in publickey.cer
  
```


6. When prompted enter a newly generated, unique, strong password (note when typing the password you will not see it being typed)

5. Move the resulting three files and the password to permanent, secure storage

Resulting output

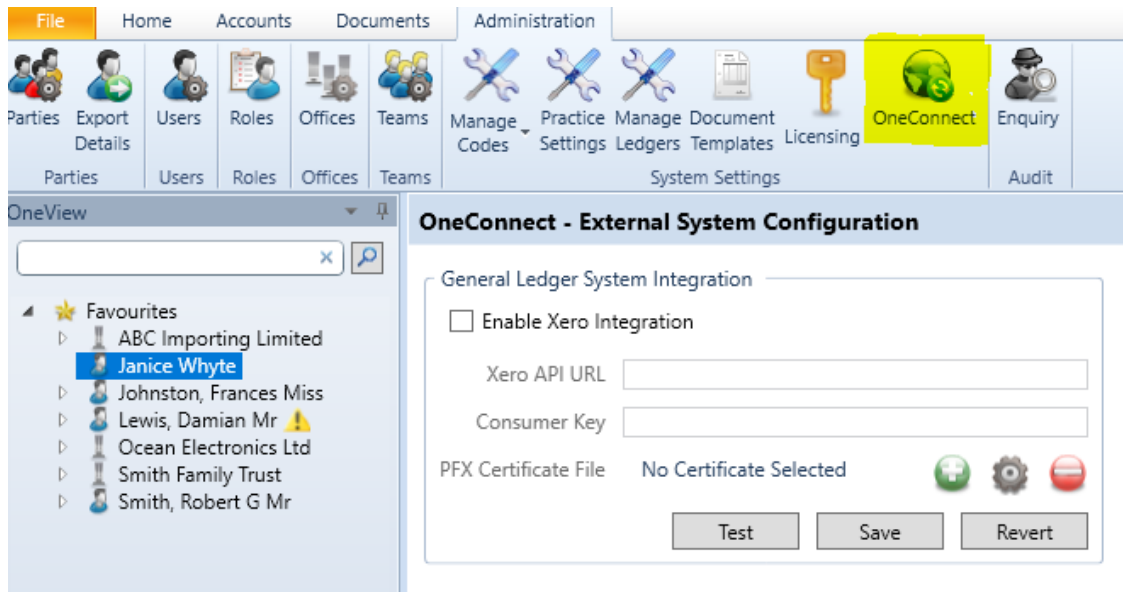
- privatekey.pem
- publickey.cer
- public_privatekey.pfx
- PFX file password

Create Xero Private App

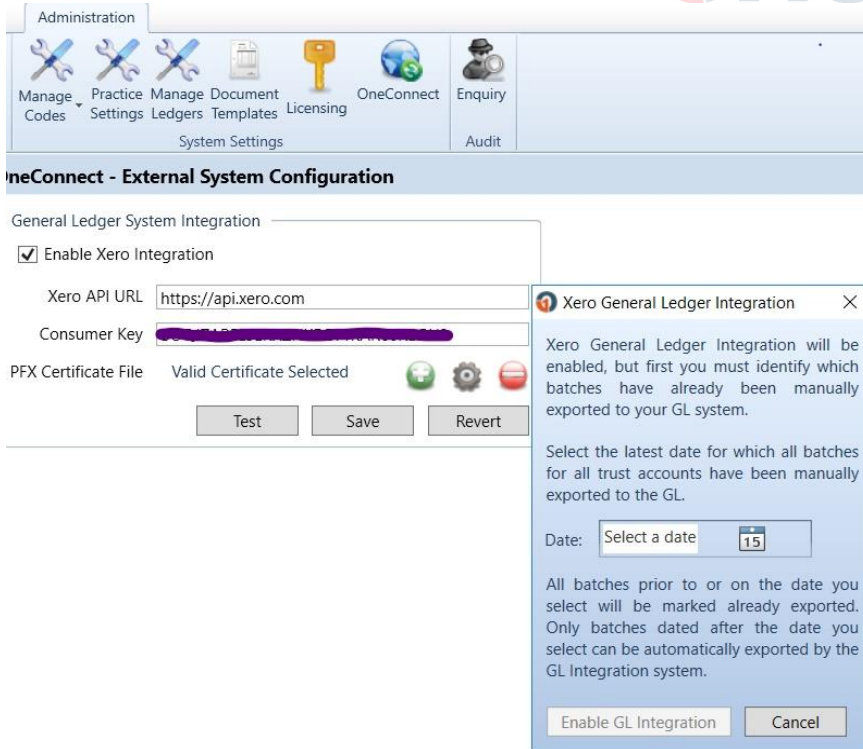
- Ask for Xero account details from client and Xero organisation name
- While logged in to Xero, go to <https://developer.xero.com/myapps>
- Add new app: "Private app"
- App name: OnePractice
- Organization: Select client organisation
- Select "upload certificate file"
- Drag and drop "publickey.cer" file into "Public Key" box
- Accept terms
- Create app
- In the 'app credentials' section locate the consumer key and copy this for use in OnePractice setup

Setup Xero integration within OnePractice – final steps

1. Under OnePractice/administration/OneConnect/GL integration:



2. Select 'enable integration'
3. Xero API URL = <https://api.xero.com>
4. Key = paste in consumer key copied from Xero private app screen
5. Path to PFX = add "public_privatekey.pfx" file
6. PFX password = password assigned while creating application certificate
7. The next step is **extremely important**. Once you enter, upon saving a box will appear with 'Xero general ledger integration' (see below).
 - Select the latest date for which all batches for all trust accounts have been manually exported to the Xero general ledger. For example, if you wanted to start automation from the new financial year (1 April) you would enter 31 March xxxx.
 - All batches prior to or on the date you select will be marked already exported. Only batches dated after the date you select can be automatically exported by the GL integration system.



Note: The certificate created has an expiry date. Diary this date to ensure it is renewed before expiry.

Appendix B – helpful information on Xero

Anyone can setup an account on Xero by going to the web page www.xero.com but we recommend you work with your accountant or Xero advisor to get you up and running quickly. You can find advisors in your area on the Xero website home page, under ‘find an advisor.’

Xero help

Xero has lots of help available at Xero central. Save this link on your desktop to the help directory <https://central.xero.com/s/>. It is worth watching some of the videos and familiarising yourself before you start.

Chart of accounts

Legal practices use slightly different terminology to other business. It is worth spending a little time working out the layout and codes you want to use in your chart of accounts, and what information is important for managing your practice. A little planning and consideration can help you get the most of the data being transferred from OnePractice. For example, depending on the size and type of your practice, consider how much detail you want transferred regarding the following fees, trust expenses and write-offs. Refer to the section on mapping codes to see the options available.

Adding an account in Xero chart of accounts

Go to settings/chart of accounts/add new account

Add New Account x

Account Type
Overhead

Code
A unique code/number for this account (limited to 10 characters)
405
"405" is available

Name
A short title for this account (limited to 150 characters)
Bank Fee Recoveries

Description (optional)
A description of how this account should be used
Recoveries from the Trust Account

Tax
The default tax setting for this account
No GST

Show on Dashboard Watchlist

Show in Expense Claims

Enable payments to this account

How account types affect your reports

Profit & Loss

Income

Revenue

Sales

Less Cost of Sales

Direct Costs

GROSS PROFIT

Plus Other Income

Other Income

Less Expenses

Expenses

Depreciation

Overheads

NET PROFIT

Balance Sheet

Current Assets

Current Assets

Inventory

Prepayments

Plus Bank

Bank Accounts

Plus Fixed Assets

Fixed Assets

Plus Non-current Assets

Non-current Assets

TOTAL ASSETS

Less Current Liabilities

Current Liabilities

Less Non-current Liabilities

Liabilities

Non-current Liabilities

NET ASSETS

Equity

Equity

Plus Net Profit

TOTAL EQUITY

Save Cancel

You can also modify where accounts appear in your reports using [Customised Report Layouts](#)

Set up tracking categories

OVERVIEW

- Set up tracking categories to see how different areas of your business are performing (such as departments, cost centres, or locations).
- This way, your reports help you make proactive business decisions.

About tracking categories and options

- Xero uses tracking categories and options instead of department codes or cost centres. This keeps your chart of accounts manageable.
- You can have two active tracking categories.
- You can have up to 100 tracking options for each tracking category.
- A tracking category needs at least one tracking option to assign tracking to a transaction.

Set up a tracking category with tracking options

You can set up a tracking category with tracking options however you want, so we'll use an example to show you how it works.

Let's say you're a business with seven work locations. You can track sales at each location by setting up a tracking category with tracking options for each location.

- 1 In the **Settings** menu, select **General Settings**.
- 2 Under **Reports**, select **Tracking**.
- 3 Click **+ Add Tracking Category**.
- 4 Under **Tracking category name**, enter the name of the tracking category. Enter your tracking option names under **Category options**.
- 5 Click **Save**.

Once a tracking category has been set up, you can add new tracking options when creating transactions. To do this, click into the tracking field, then click on the arrow and select **+Add new tracking option**.

How GST works in Xero

You must ensure you set up with the correct basis for your GST. Please refer to your accountant.

Attached is a section from Xero help information on how GST is calculated in Xero for payment basis and invoice basis.

How Xero calculates GST on the payments basis

Xero's payments basis GST Return includes the following transactions if they have a GST component in the GST period:

- Invoice payments received
- Bills paid
- Expense claims paid
- Manual journals on the journal date where the checkbox **Show journal on cash basis reports** is selected.
- Spend money transactions
- Receive money transactions

How Xero calculates GST on the invoice basis

Xero's invoice basis GST Return includes the following transactions if they have a GST component in the GST period:

- Invoices on the invoice date
- Bills on the bill date
- Expense claims on the reporting date (regardless of whether they've been paid)
- Manual journals on the journal date
- Spend money transactions
- Receive money transactions

GST and different account types

Xero has rules for what rate of GST can be posted on different account types. The app allows you to post all items to a revenue account or to post to a mixture of revenue and expense type accounts. This required different GST mapping depending on the destination as per table on the next page.

This type of OnePractice Transaction	With this GST Rate	Exports to Zero with this Tax Type	CAN be posted into Account Types	CANNOT be posted into Account Types	Exported As	Reversals Exported As
Fees	Standard	15% GST on Income	Revenue, Assets, Equity, Liabilities	Expenses	Invoice	Credit Note
Fee Write-offs	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Invoice	Credit Note
Fee Write-offs	Standard	15% GST on Expenses (1)	Expenses, Revenue (1), Assets, Equity, Liabilities N/A	Assets, Equity, Expenses	Invoice	Credit Note
Fee Write-offs	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Credit Note	Invoice
Trust Expenses	Standard	15% GST on Expenses (1)	Expenses, Revenue (1), Assets, Equity, Liabilities N/A	Assets, Equity, Expenses	Invoice	Credit Note
Trust Expenses	Exempt	No GST	Revenue, Expenses, Assets, Equity, Liabilities N/A	N/A	Invoice	Credit Note
Trust Expenses	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Invoice	Credit Note
Trust Expense Write-offs	Standard	15% GST on Income (2)	Revenue, Expenses, Assets, Equity, Liabilities N/A	Assets, Equity, Expenses	Credit Note	Invoice
Trust Expense Write-offs	Exempt	No GST	Revenue, Expenses, Assets, Equity, Liabilities N/A	N/A	Credit Note	Invoice
Trust Expense Write-offs	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Credit Note	Invoice
Disbursement Write-offs	Standard	15% GST on Expenses (1)	Expenses, Revenue (1), Assets, Equity, Liabilities N/A	Assets, Equity, Expenses	Credit Note	Invoice
Disbursement Write-offs	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Credit Note	Invoice
Disbursement Write-offs	Exempt	No GST	Revenue, Expenses, Assets, Equity, Liabilities N/A	N/A	Invoice	Invoice
Commission	Exempt	No GST	Revenue, Expenses, Assets, Equity, Liabilities N/A	N/A	Invoice	Credit Note
Float to Matter Journal (ad-hoc write-off)	Standard	15% GST on Expenses (1)	Expenses, Revenue (1), Assets, Equity, Liabilities N/A	Assets, Equity, Expenses	Credit Note	Invoice
Float to Matter Journal (ad-hoc write-off)	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Credit Note	Invoice
Float to Matter Journal (ad-hoc write-off)	Exempt	No GST	Revenue, Expenses, Assets, Equity, Liabilities N/A	N/A	Credit Note	Invoice
Matter to Float Journal (add-hoc revenue)	Standard	15% GST on Income	Revenue, Assets, Equity, Liabilities	Expenses	Invoice	Credit Note
Matter to Float Journal (add-hoc revenue)	Zero-Rated	Zero-Rated	Revenue, Liabilities	Assets, Equity, Expenses	Invoice	Credit Note
Matter to Float Journal (add-hoc revenue)	Exempt	No GST	Revenue, Expenses, Assets, Equity, Liabilities	N/A	Invoice	Credit Note

(1) Revenue accounts normally not supported for this transaction and GST type, but a special case has been made to accommodate clients that map all transactions to revenue accounts; when exporting these transactions to Revenue accounts the Xero Tax Type "GST on Income" will be used to ensure compatibility

(2) Trust Expense Write-offs with Standard GST are normally exported with Tax Type "15% GST on Income" and therefore could not be exported to Expense Account Types, but a special case has been made to allow clients to map these transactions to Expense GL Accounts; when exporting these transactions to Expense accounts the Xero Tax Type "GST on Expenses" will be used to ensure compatibility