

New MyClearsky portal

Manual

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1. Add a new bank account

When you first set up your portal account, you will probably have linked it to a bank account. The portal treats this as your primary bank account, which means it puts that bank account's details on the invoices you generate so your customers can pay you online. Here we explain how to add another bank account, credit card account or PayPal account to the portal.

Select Banking from the menu

This brings up the summary of bank accounts. You can see that there's just one listed so far here under the graph, the account that you set up when you first started using the portal.

Choose account type

Select the Add New button to choose what kind of an account this is. You can choose from Bank Account, Credit Card or PayPal.

Enter account information

This takes you to the New Account screen where you need to enter all the relevant information. If you're adding a new PayPal account, make sure the email address you enter is the same one that you use to log in to PayPal.

Is this your primary account?

You can also tick this box here to make this account your primary account, rather than the account you set up when you first started using the portal.

That's handy if you have changed banks since starting to use the portal and have a new business bank account.

Your opening balance

Put in the balance of your bank account as at the start of the day on your portal start date. This will be the same as the balance at the end of the previous day. So if your Portal start date is 1st July 2020, you'd put in the balance from your bank statement as at the end of 30th June 2020.

If you opened this account after the portal start date, then put a zero in the Balance box. You must put a figure in or you'll get an error message.

International banking

Under More Options, you'll find a place to enter international banking information.

If you want the international information to print on your invoices, make sure the contact's country is set as outside the United Kingdom.

Once you've finished entering all the details, select Create New Account to save this account and start working with it, or Cancel to close without creating the new bank account.

2. Edit a bank account

How to make changes to a bank account you've already set up in the portal by following the steps on this page:

To choose the bank account you wish to edit:

Select 'Banking' and then choose the bank account you want to edit, and choose the 'Edit Details' button.

You are now able to change any of the details you set up, such as:

Account name

You can edit this if you want to use another name for your account. For example, you may have initially called it "NatWest account", and since opened a NatWest savings account too, so you need to change your first one to "NatWest current account" to avoid confusion.

Primary account

You can also tick this box here to make this account your primary account, rather than the account you set up when you first started using the portal.

That's handy if you have changed banks since starting to use the portal and have a new business bank account. The portal will then put this account's details on to any invoices that are still in draft and any that you create in the future, if you tick the 'Show these details on Invoices' box later.

Information for online banking

If you've just started using online banking for this account, then you will need to make sure the account number and sort code are entered here if you want to use automatic Bank Feeds. You'll notice that if this account is your primary account, you can tick the box to include these details on your invoices, to make it easier for customers to pay.

More Options: secondary sort code, IBAN and BIC

Select the More Options arrow if you need to put in a secondary sort code, an IBAN or BIC number.

Once you've finished editing, select 'Save Account Changes' to keep the changes you've made, or 'Cancel' to close this screen without saving them.

3. Explain bank transactions

Once you've uploaded bank transactions into the portal or enabled Bank Feeds, you'll then need to explain each transaction. Here's how to do it.

Identifying unexplained transactions

Unexplained bank transactions will be displayed in red in your business bank accounts in the portal accounts. Any bank account that you unticked the 'this is a personal account' checkbox for when you added the account to the portal is classed as a business bank account in the system.

How to explain a bank transaction

When you access any of your business bank accounts in the portal, you'll see all the transactions for the current month, including unexplained transactions. You will also see a list of unexplained bank transactions from previous months (if applicable), along with the total number of unexplained transactions in that bank account. It's a good idea to explain transactions in chronological order if you can.

Depending on how many unexplained transactions you have, either select a month from the list of unexplained transactions and choose an entry to explain, or select one of the unexplained transactions from the main view of bank transactions for the current month.

Once you've selected a transaction to explain, the portal will ask you to provide some information about it.

Choosing a payment type and category

Select the appropriate payment and category type for the transaction from the list of options in the 'type' and 'category' drop-down menus.

Selecting the appropriate rate of VAT (for VAT-registered businesses)

The list of categories in the drop-down menu indicates which categories are normally VAT-able. If you choose one of these categories and your business is registered for VAT, The portal will automatically calculate the VAT on the transaction for you if you choose 'Auto' from the VAT drop-down menu.

You can also choose a specific rate of VAT from the drop-down menu or enter a specific amount manually. To do this, choose 'Amount', and type the amount of VAT into the new box that appears.

If your business is not VAT-registered, the portal will automatically ignore the VAT setting (unless you register for VAT in the future), so you don't need to make any changes here.

Entering a description and adding an attachment

Enter a description of the transaction. It can be helpful to have this on record in case your accountant needs more notes or your books are inspected by HMRC. If you have any paperwork that relates to the transaction (e.g. a receipt), you can attach a scanned copy to the explanation by selecting 'Add attachment' and following the instructions.

Explaining multiple bank transactions

If you have more than one transaction that you need to explain in the same way, tick the checkboxes next to the relevant transactions and enter the explanation information. This will explain all the selected transactions in the same way. Remember to include an appropriate description for the selected transactions. If you leave the 'description' field blank then the transactions will be given the original descriptions that came through for them in the bank feed.

This feature works with all bank account types, including PayPal accounts, and is currently available for the following types of transactions:

) Money in > Sales

-) Money in > Refunds
-) Money out > Payments
-) Money out > Sales Refunds

Explaining similar bank transactions

Depending on how you explain the bank transaction, the portal may invite you to identify any similar unexplained transactions in the same way.

When you come to explain a similar transaction, you will see a notification that there are matching entries to choose from. Select 'More options' to view the details of the matching transaction.

To accept the suggested explanation for the new unexplained transaction, choose it and select 'Use selected entry'.

The portal won't prompt you to explain similar unexplained transactions for the following transaction types:

-) invoice receipt
-) bill payment
-) bill refund
-) credit note refund

Linking outgoing bank transactions to projects

The 'More options' page includes the option to link outgoing bank transactions to projects and to re-bill those transactions to clients if appropriate. To go straight to the 'More options' page, you can press the 'Alt' key at the same time as selecting a bank transaction.

4. Split a bank transaction between two categories

Here's how to break down a bank transaction that needs to go partly into one category and partly into another.

Suppose that you need to explain a bank transaction partly in one category and partly in another. (You may need to start by setting up one or more new categories.)

For example, you've bought some box files and a book of stamps all together in Staples.

The box files need to go in Stationery, and the stamps in Postage. It's particularly important to divide them up like this if you're registered for VAT, because stationery is standard-rated and postage is exempt.

So how to explain a transaction into two or more categories?

How much for each category? Remember VAT

Before you begin explaining the transaction, you need to work out how much goes into each category. Let's say that of this payment of £47, £31 is for stationery and £16 for postage.

Remember to account for VAT when you work out the payment. If both the categories you'll be using have VAT on them, then you need to apportion the VAT between them. If only one category has VAT then all the VAT on the receipt would go into that category.

Select the transaction, then choose 'More Options' to access the 'Edit a transaction' screen. Start explaining the transaction just like you would normally do. Choose the type, in this case Payment.

Change the amount

But when you get to the amount, overwrite it with the amount you want to go into the first category. In this case I would overwrite £47 with £31 because I'm going to put that into one category, stationery.

So change the amount from £47...

...to £31.

I'll choose stationery from the list and put in a description as before...

...then select Create New Explanation.

The portal adds new transaction to explain

You'll see that the system has now put in a new unexplained Money Out transaction for £16.

That's because it has realised that the last payment was reduced and that more payment is needed to make the accounts agree with the bank statement.

So I now need to explain that transaction as postage.

But if I needed to divide the transaction into more than two categories, I'd simply change the amount of this payment too, and so on until the transaction was fully explained, split into its component categories.

5. Company credit cards

How to deal with payments made on a company credit card? You would need to create a credit card account under the bank section.

Setting up the card

So long as the credit card belongs to your business, not to you personally, set it up as a bank account, choosing the option "Credit Card Account" from the drop-down menu.

Making payments using the card

When you use the credit card for business transactions, you can either upload the transactions into the portal and then explain them if the credit card allows online access and downloads, or you can enter the credit card payments manually.

Paying off the card balance from your bank account

And when you pay off the credit card balance from your main account, explain that as a bank transfer.

6. Add a new contact

Here's how to enter your contacts into the portal.

There are two ways to enter a new contact into the portal. Either import several contacts at once, or you can enter individual contacts one by one. This article explains how to enter individual contacts – to get started, select Add New Contact.

This brings up the New Contact screen.

Most of the information on this screen is optional. The boxes that have to be filled in are marked with red asterisks.

Names

In the Contact Details form, you can either enter your contact's own name *and* their organisation name, or one or the other.

You can also enter multiple addresses in the email address fields; just separate each address with a comma. Bear in mind that the system will send invoices and other communications to *all* of the email addresses you provide for each contact.

Invoicing Options for this contact

Under the address boxes is the Invoicing Options section which we'll look at in a bit more detail. These are relevant if the contact is a client rather than a supplier.

Payment terms

If you want to set payment terms that are specific for this contact, you can enter that here. This will then be used on all new invoices and recurring invoice profiles that you create for this contact. It won't change any existing invoices (including draft invoices) or any existing recurring invoice profiles.

Invoice emails

You can choose whether to automatically email invoices, invoice reminders and thank you notes to your contact. These defaults will be used on all new invoices and recurring invoice profiles that you create for this contact. It won't change any existing invoices (including draft invoices) or any existing recurring invoice profiles.

Invoice numbering sequence

You may want to tick this box to set a specific sequence for invoices you issue to this contact. For example, you might want to prefix the number with the client's or business's initials.

Display names on invoices

You have the option to display the contact's individual name as well as the organisation's name on the invoices. This is useful if you need to mark the invoice for a particular person's attention, for example the bookkeeper or purchase ledger clerk.

Charging VAT - or not

Depending on where you're delivering services to your clients, you may need to add VAT to the invoices you issue. In the 'Invoicing Options' area, you can choose to either:

-) charge VAT if the client is based in the United Kingdom VAT area (this area includes the Isle of Man)
-) always charge VAT
-) never charge VAT

You can also enter the client's VAT registration number.

Choice of language

And you do also have the option to issue invoices and estimates to your clients in several different languages. Choose your language by selecting the drop-down arrow here.

Once you've finished making changes, select Create New Contact to save your new contact, Create and Add Another if you want to save this new contact and add another one, or Cancel to exit from this screen without setting up the new contact.

7. Set up a contact as a customer or a supplier

This is a guide to setting up your contacts as either customers or suppliers in the portal.

How do I do this?

The short answer is you don't have to.

The portal automatically sets a contact as a customer when you record an invoice for that person or organization.

And similarly, it sets a contact as a supplier when you enter a bill from that person or organization.

8. Edit a contact's details

To edit a contact, go to Contacts and then choose Edit for the contact you want to edit details for.

Or, alternatively, with the contact open, select the Edit Details button.

Most of the information is optional. The boxes that have to be filled in are marked with red asterisks.

You can enter both a contact's own name and the organisation name, but you don't have to. You can enter just one or the other name.

Invoicing Options for a contact

Under the address boxes is the Invoicing Options section which we'll look at in a bit more detail. These are relevant if the contact is a client rather than a supplier.

Payment terms

If you want to set payment terms that are specific for this contact, you can enter them here. This will then be used on all new invoices and recurring invoice profiles that you create for this contact. It won't change any existing invoices (including draft invoices) or any existing recurring invoice profiles.

Invoice emails

You can choose whether to automatically email invoices, invoice reminders and thank you notes to your contact. These defaults will be used on all new invoices and recurring invoice profiles that you create for this contact. It won't change any existing invoices (including draft invoices) or any existing recurring invoice profiles.

Invoice numbering sequence

You may want to tick the top box to set a specific sequence for invoices you issue to this contact. For example, you might want to prefix the number with the client's or their business's initials.

Contact name

You have the option to display the contact's individual name as well as the organisation's name on the invoices. This is useful if you need to mark the invoice for a particular person's attention, for example the bookkeeper or purchase ledger clerk.

Charging VAT - or not

Sometimes you may have clients for whom you may or may not need to add VAT to the invoice, depending on where you are delivering services to the client. So you have the option to charge VAT only if the client is based in the UK, which is the default, or always charge VAT, or never charge VAT. And you can put in the client's VAT registration number.

Different language

And you do also have the option to issue invoices and estimates to your clients in several different languages. Choose your language by selecting the drop-down arrow.

Once you've finished making changes, select Save Changes to keep them or Cancel to exit from this contact's information without saving it.

Sent invoices not affected by contact changes

It's important to remember that if you make changes in this area, they won't affect invoices you've created for this contact and marked as sent.

9. What are bills?

In many ways bills are the opposite of invoices as they allow you to track the payments you make to your suppliers.

Bills cover anything you buy for the business but don't need to pay for straightaway. A good example would be work farmed out to a sub-contractor that doesn't get settled until 30 days after an invoice has been received from the supplier.

Adding a bill means you can keep track of who you owe, and when they're expecting payment.

When you create a bill you can enter both a *Bill Date* and a *Due Date*, assign it to a *Contact* and specify the Type (like you would with Expenses or Bank Entries).

Bills can also have attachments - handy for storing those scanned or PDF versions of the originals.

Of course, bills are comprehensively handled by our accounting engine, including all the various rates of VAT.

10. Create a new bill

Here's how to record in the portal a bill you've been sent by one of your suppliers.

Bills are what we call invoices that you receive from your suppliers, as opposed to those which you issue to your customers. Other packages might call this area 'Creditors', 'Suppliers' or 'Accounts Payable'. Bills are for goods and services that you will have to pay for - but perhaps not just yet. It depends if your supplier gives you any credit.

How to set up a new bill

Select Bills from the menu, and then Add New Bill.

Or, you can select New Bill from the Quick Links menu on the Overview screen.

Or, you can start from the Contacts page, select the contact and then from the Add New menu, choose Bill. This is the only way to create a bill if the contact has been hidden.

This brings up the Create a New Bill screen.

Contact and reference

Unless you're starting from the contact itself, choose, from the drop-down menu, which supplier gave you this bill. If you haven't yet set that supplier up as a contact, you need to do that. Select the "Add a New Contact" link to start setting up the new contact.

I can't see a contact I've previously set up.

If the contact is hidden, you won't see them on this list.

Put in a reference number for this bill. This will usually be the invoice number that your supplier puts on this bill. Or you might prefer to set up your own system and write your own number on each bill, and then enter that into the portal.

Dates

Enter the date of the bill. Your supplier will usually call this the "Invoice Date".

The portal works out the due date for you, but if this date is not correct you can overtype it or change it using the calendar next to the "Due On" box.

Amount and VAT

Put in the total amount of the bill including VAT. If you're recording a credit note that your supplier has given you, which we call a "bill credit note" to distinguish it from a credit note you issue to a customer, just enter the total amount of the bill credit note as a minus.

Set the VAT rate, depending on how much VAT was charged by your supplier. If you're going to put the bill into a category where the portal could automatically choose the right VAT, choose Auto VAT. For example, if you leave the VAT rate as Auto and then choose a category that's normally VATable, such as accommodation and meals, then the portal will work out standard VAT for you.

To manually enter the VAT amount, choose the Amount option from the VAT drop-down menu, and put the amount of VAT into the extra box that the portal puts up for you.

Category

Pick the correct category from the drop-down list. If you're not sure which category you should be choosing, please ask your accountant.

You can also set up new categories if you need to.

If you pick one of the asset categories, the portal will also ask you for the asset life. This means how long you expect the asset to be in use. Choose from the options that is suggested.

If the bill divides into more than one category, particularly if those categories have different VAT settings, for instance if you have a bill from the Post Office for both postage and stationery, then you'll need to divide the bill up into its components and post it as two or more different bills. But if the bill all belongs in one category but some items have a different rate of VAT on, use the Amount option for VAT as above.

Comments

Put a comment in the Comments box if you wish, for example some notes about what the bill was for. This is particularly important for bills in tax-sensitive categories such as legal and professional fees, purchases of capital assets or sundries.

Link to Project

If this bill was incurred while you were working on a particular project, you can link it to that project, and choose whether you're going to charge the client for it, and if so, how much.

I can't see the project I want.

The project may either be in a different currency or it may have a status other than Active.

Recurring

Sometimes you might have recurring bills, such as a bill for your business's rent or business rates. You can tell the portal here how frequently this bill recurs, and then the system will put it in for you in the future, without you needing to go through the routine of creating a new bill. You can edit a recurring bill if the charge, or reference, is slightly different each time, for example telephone bills.

Attachments

You might want to upload a scanned image of your bill. This is very use full so that we, as your accountants, will have visibility of your business expense receipts especially for categories of bill, such as purchases of capital assets, or legal and professional fees. If you're going to upload a bill, browse to it, and give it a description if you wish.

Save the bill

When you've finished, select Create and Finish to save this bill and go back to the Bills screen, Create and Add Another to save this bill and create another new one, or Cancel to exit the screen without saving this bill.

If you select Create and Finish, you can then see the bill on the list on the Bills screen.

11. Pay a single bill

Here's how to record payment that you've made to a supplier against a bill that you've added in the portal. There are three different ways to mark a bill as paid.

Explain an uploaded transaction

First head to the Banking tab, and select the relevant account and transaction. When you've found the right transaction, hit 'More Options' to fully expand it. Next, explain the payment as type Bill Payment. Please note, if you have no outstanding bills then you won't be able to see Bill Payment as an option in the Type list.

Then search by reference, amount or contact to help the portal find the bill you're paying. Choose the correct bill from the list when it appears. Finally, select 'Create New Explanation'.

Enter a manual payment

If you're not uploading your bank statements, you can enter the payment manually.

Firstly, find the bill on the list on the Bills screen, and then select it by clicking on the Bill reference.

Enter a payment against this bill by selecting the 'Add a manual payment' button.

This will bring up a screen where you can enter a manual payment to pay this bill from your primary bank account, with the compulsory fields filled in for you. When you're done, click 'Create and Finish'.

When should I not use the 'Add a manual payment' button?

If you have paid this bill from an account other than your primary bank account, don't use the Pay Bill button.

If you're uploading your bank statements, you can still use this button to enter the payment. When you come to do the upload and explain the transaction, so long as the transaction has the correct date and value, the portal will give you the option to "Use Existing Manual Entry" when you explain it, and avoid putting it in twice.

Manual payment - an alternative method

The alternative way to manually enter a payment is by going to the Banking screen and selecting the bank account from which you're paying this bill, then choosing More, and Add Transaction.

Choose type Bill Payment from the list, and enter the date and the amount of the payment, as well as whom you're paying.

Remember, if you have no outstanding bills then you won't be able to see Bill Payment as an option in the Type list. Save the payment by selecting Create and Finish once you have recorded it.

12. Pay more than one bill

Here's how to record a payment that you've made to a supplier against a series of bills that you've added in the portal.

Let's say you have made a payment of £750 to pay off two bills, one for £175 and the other for £575.

Manual bank entry

You need to enter the payment as two payments for the two bills. So you'd enter a payment of £175 and a second payment, on the same day, for £575.

That's easy enough if you're entering payments manually. But what if you're uploading bank statements?

Uploaded bank transaction

When you come to explain the payment of £750, use type 'Bill Payment', and choose the bill for £175 to pay off. You can search for this using the amount, the supplier's name, or the bill reference number.

Select 'Explain Transaction' to save this payment.

When you save this transaction, the portal automatically puts in another, a payment for £575, so that your bank statement matches.

Simply explain this as the payment for the second bill, the bill for £575.

That's all there is to it.

Simply amend the amount of the value when you explain the transaction, and the portal will put in the second payment for you.

You can do this again and again if you are paying off more than two bills together, until you have paid off all the bills you need to.

13. Record a bill credit note

Here's how to enter a credit note that you've received from a supplier into the portal.

Sometimes one of your suppliers may give you a credit note. In the portal we call these "bill credit notes" to distinguish them from credit notes you give your customers.

How do I record a bill credit note in the portal?

It's very simple. Bill credit notes are recorded just like bills except that you need to put the total price in as a minus.

Once you've done that, you may need to net the bill credit note off against a bill.

14. Create a new invoice

You can use the portal to create professional invoice to send to your clients. The notes will explain to you how to create a new invoice from scratch, as well as how to duplicate an existing invoice.

Open a blank invoice

Before you can add any items to your invoice, you need to set it up in the portal. Start by navigating to the Work menu and choosing 'Invoicing'.

Select 'Add new invoice' from the Invoices area.

You can also open a blank invoice by selecting 'New Invoice' from the Quick Links menu on the Overview screen.

Complete the new invoice

Entering the contact and project details

Contact

First, choose which client this invoice is for. If it's a new client, you'll need to enter them as a contact first, either by uploading their information or manually. You can also quickly add a new contact by selecting the 'Add a new contact' link next to the contact name box. Bear in mind that if the contact is hidden you won't be able to see them on this list.

Project

If you're producing this invoice as part of a project, choose which project it's for. If it's for a new project, you'll need to set that project up. Bear in mind that if you didn't create the invoice as part of a project, you won't see completed, cancelled or hidden projects in this list.

Include unbilled items

When you select a project to attach the invoice to, you will be given the option to add any unbilled items from the project to the invoice. You can choose to add unbilled timeslips, expenses and estimates.

Entering the invoice details

Reference number

The portal automatically gives the invoice a reference number. The default referencing system is global, which means that the same referencing system will be used for all your invoices. If you wish, you can set the portal to generate client-specific or project-specific reference numbers. You can specify this in the details of the appropriate Contact or Project. Whichever system you choose to use, the portal will automatically use the next number in sequence. When you create an invoice in the portal for the very first time, enter a reference number (this should be 001 if your business is brand new), and the portal will pick the next number in the sequence for your subsequent invoice.

Invoice date, payment terms and currency

Enter the invoice date and payment terms, and choose which currency you'd like to issue the invoice in. If you've set specific payment terms for your contact, these will be updated automatically.

Additional text

Type any additional text you wish to include on the invoice in this area. If you want to include the message on all of your invoices, select 'Set default additional text' and type your message in the pop-up window. This should be used for adding your Registered office address.

Invoice emails

If you want to automatically email the invoice to the client on the invoice due date, select 'Email this invoice automatically using my default template'. If want to set the portal to send automatic reminders if your client is late to pay, or send an automatic thank you email when the client pays, select these options. Please note that to enable these features; you will need to set the relevant automatic emails up in the Settings area of the portal. If you've set default options for this client, these will be updated automatically.

Completing the 'More options' section

Select the arrow next to 'More Options' to display this area and then choose the options that apply.

Invoice discount

If you wish to apply a discount to the entire invoice, enter the discount percentage here.

Client contact name

If you want to send the invoice to someone other than the person listed as the contact for that client (e.g. if the listed contact is the purchase ledger clerk and you want to send the invoice to the finance manager), you can enter the name of the person you wish to address the invoice to here.

Custom payment terms

If you want to set different payment terms to those of your usual invoices, enter your custom payment terms here.

PO reference

If you wish to add a PO reference to the invoice, enter it here.

Bank account

By default, the details of your primary bank account in the portal will be displayed on your invoices, so that customers can pay you via online banking if they wish to. However, if you would like the customer to pay an invoice into one of your other bank accounts in the portal, you can choose to display the details of that account on the invoice instead. To do this, simply select the appropriate account from the 'Bank account' drop-down menu.

Use letter headed paper

Check this box if you wish to omit your logo and company address details from the invoice.

Display project name

If the invoice relates to a project in the portal and you wish to include the project name on the invoice, select 'Display Project Name'.

Always show BIC and IBAN number

Select this option if you entered either a BIC or IBAN number when you set up the bank account that relates to the invoice, and you want to include either (or both) of these numbers on the invoice.

Finalise the invoice

Select 'Create New Invoice' to save your changes and create the new invoice. (If you wish to abandon the invoice, select 'Cancel'.) You'll see the newly created invoice on the screen and will be able to add new items to it and send it to your client when you're ready.

15. Creating a duplicate invoice

If you want to duplicate an existing invoice, navigate to 'Work' and choose 'Invoicing' to see the details of your existing invoices. Select the invoice you wish to duplicate, and then navigate to 'More' and select 'Duplicate invoice'.

You will be prompted to review the invoice details and edit them if you wish. When you're ready, select 'Create new invoice'. You will then be able to add items to the invoice and send it to your client.

16. Multi-currency invoicing

If you want to issue an invoice to one of your customers in a different currency from your usual one, here's how to do that. Let's say you're in the UK and you want to issue an invoice in Euros.

Start creating the invoice as normal. Underneath the Payment terms, you'll see a drop-down menu that lets you choose to issue this invoice in a different currency.

Choose the currency for this invoice from the drop-down menu. When you add items to this invoice, they'll be in the currency you chose.

You can't put different items on the same invoice if you want to charge your client for them in different currencies. Each invoice can only be in one currency.

The portal will charge VAT depending on how you've set up the contact to whom you're issuing this invoice.

You'd then finish and send the invoice as normal.

Exchange rate differences

You'll notice at the bottom of the invoice, a panel showing "unrealized" and "realized" gains.

This shows any gains or losses for that particular invoice if the exchange rate changes between the date the invoice was issued and the date it was paid. It also shows you how much you could expect to receive in your base currency if your customer paid you today.

The portal has exchange rates ready programmed in from the exchange rate site xe.com and works out these figures automatically.

A gain or loss will be "unrealized" until payment is received. When the invoice is fully or partly paid, all or some of the unrealized gains and losses will be crystallized and become "realized".

The portal will handle all that for you seamlessly.

17. Send an invoice to a contact

This explains how to send an invoice that you've created in the portal to a client.

Open the invoice by selecting it from the All invoices screen.

This opens the invoice.

How you can send it

You can choose to save the invoice as a .pdf for printing or for sending as an email attachment from your own email programme. Alternatively, you can send it by email directly from within the portal.

Or, you can set automatic rules so that the portal will send the invoice for you and also send reminder emails to your client and send a thank you email to your client when the invoice is fully paid.

Save as .pdf for printing

To save the invoice as a .pdf, select the Save as PDF button.

Choose where on your computer to save this file so that you can browse to it again when it's needed.

Once you've saved the .pdf and sent or given it to your client, remember to select the "Mark as Sent" button to mark the invoice as sent in the portal, so that it will appear in the accounting section and the overview screen, and will show as sent in the list of invoices.

Email from within the portal

To email this invoice directly from within the portal, manually, without using the automatic email settings, select Send by Email.

This brings up the "Email an Invoice" screen.

In the From box, you can choose from any of your users' email addresses. You may need to set up a new user, or create a new sender email address.

You can also choose, by ticking the little box under the From box, whether you want to email a copy of the invoice to this user's email address.

In the To box, if you've already entered an email address for this client on the Contacts screen, you'll see that here, but you can overtype it. If you haven't put in an email address for the client, then the To box will be blank and you'll need to enter a valid email address.

If you put "[contact_billing_email],[contact_email]" in the To field, the email will go out assuming that the contact has one or other of the email addresses entered, and if you use the tag [billing_or_contact_email] in the To field, then if you've put in a billing email address that will be used, but if there's no billing email, the portal will use the contact's main email address.

The Subject field is filled in automatically for you, giving your company's name and the invoice number. But you can overtype this field if you want the email to have a different subject.

The invoice will automatically be sent as a .pdf attachment to the email.

Attach other files

You may also want to attach other files to this email, such as your terms and conditions.

To do this, select the Attach Files link.

This brings up a list of the files you have uploaded into the portals Files area. Tick the box(es) next to the file(s) you want to send, then select Attach Selected.

You can also upload more files here if you need to.

Attach expense receipts

If this invoice is for a project, and you've attached receipts to the costs that you're billing on to your client, you can choose to attach those receipts to the invoice email too.

Select the "Attach Expense Receipt(s)" box next to the Attach Files link to do this – this will attach all your receipts (up-to a maximum of 10).

Body of the message

Into the Message box, type the text for the body of the email. We've put some sample text for you to start with. You can also use the tags on the right-hand side to help you build the text.

Below the Send Email button, you can see there's a preview of the invoice so that you can double-check it before you send it and even add more items to it.

Once you're happy with the invoice, select the Send Email button to send it out.

The portal tells you the invoice has been sent.

Its status has automatically been changed to Sent.

Check email history

Underneath the invoice you'll find a history of all the emails the portal has sent in relation to this invoice, and their status, for example Sent, Bounced, Delivered.

This helps you identify whether your client has received the invoice, or whether your client's email server has blocked it.

Don't worry, we'll also send you a notification if your email has bounced or been blocked so you can try sending it again.

I can't see it.

If you manually mark the invoice as sent then you won't see this table under the invoice.

18. Recurring invoice profiles

You may well need to send regularly recurring invoices to a customer, for example if you're taking monthly payment by direct debit and need to invoice the customer for each different payment. Here's how to set up a profile in the portal for a series of recurring invoices.

To start setting this up, select Work, and choose Recurring Invoices.

Select the Add Recurring Profile button.

You'll see that you've got a setup screen very like that for an ordinary invoice.

So in this section, we'll just take you through the areas that are specific to setting up a series of recurring invoices.

First, choose which client this series of recurring invoices is for, then choose your project if applicable.

Reference numbers

The portal then automatically gives the series a starting reference number. This is the reference number that will be given to the first invoice in the series. The subsequent invoices will be given reference numbers in sequence, depending on what other invoices have been issued in the interim. So for example, if the first invoice in the series is number 23, and you issue two more invoices before the second invoice in the series goes out, the second invoice in the series will be number 26. The default referencing system is global, which means that the same referencing system will be used for all your invoices. The other options are client-specific or project-specific, and you'd set those to each client or project in those areas.

How often will a new invoice be issued?

Enter the date of the first invoice in the series, and then set the intervals at which the invoices will go out in the series, by choosing from the Frequency drop-down menu.

Please be aware that monthly recurring invoices are generated on the same day every month, so if you choose a start date of 30th September, the invoice will recur on the 30th October.

How long will the series last?

If this series is going to stop after a given length of time, set its closing date in the box next to the Frequency drop-down menu.

Put in the rest of the information as you would for any other invoice. You can really speed up the sending of repeated invoices by choosing to automatically email these to your customers. You can set this up under the Invoice Emails options. If you've set default options for this client, these will be updated automatically.

You might need to set up an automatic new invoice email to send these invoices, but there is a link you can select here to do that quickly.

When you've finished creating the recurring profile, select Create Profile, or Cancel to close this screen without saving the profile.

If you select Create Profile, you'll see the outline profile ready for you to start working with, by adding invoice items to it.

Adding items to the profile

Do this just as you would for any other invoice, by selecting Add an Invoice Item. You can also edit the profile - for example, change how often you send these invoices - by selecting Edit at the top of the screen.

Activating the profile

When you've finished adding items and are sure the profile is set up correctly, select the Activate button. The portal will check that you're sure in a pop-up box, so select OK to this if you are sure.

This will start the profile working.

What happens on each date I've chosen?

On every date in the recurring sequence, the profile will generate a new invoice.

Editing and sending the invoices

Select this invoice to add more items to it. You'll only be able to do this if you haven't set the profile up to send invoices automatically.

Unless you've set up the New Invoice emails on this profile, the invoice then needs to be sent just like any other invoice, either manually by email from the portal or from your programme by saving the email as a .pdf. You can set the New Invoice emails at profile level, or, by selecting Edit when the invoice is open, you can set them just for this invoice.

Any changes that you make to this one invoice, such as editing its details or adding new items, will affect only this invoice, not the entire profile. If you want to add more items to the profile, you need to edit that specifically, starting from Invoices > Recurring. Bear in mind though, that these changes will only affect invoices created by the profile that have not already been sent or marked as sent.

Then on the next due date in the recurring sequence that you set for the profile, it will generate another invoice.

Can I create a recurring profile from an existing invoice?

You can indeed. Open the invoice in question, and then select the "More" button, and choose "Create recurring profile from this invoice". You'll be taken to the New Recurring Profile screen, which will already be filled in with the details of the invoice you chose. Review the details, and then select "Create new profile" followed by "Activate" on the subsequent screen to set up the recurring invoice.

How do I edit a recurring invoice profile?

Either navigate to the contact this recurring invoice profile is for, then select the "Recurring Invoices" tab and choose the one you want to edit from the list.

Or, navigate to "Work" and "Recurring invoices" and find the profile you want to edit from the list there.

Then select the "Edit" button, make the necessary changes to the recurring invoice profile and then select "Update profile". You'll then be taken back to your list of recurring invoice profiles. To confirm the changes to the recurring invoice profile, choose the relevant profile ID number from the list, then select "Make draft", followed by "Activate".

Following this process will ensure that the recurring invoice profile will be updated with the latest changes, and that your future invoices will display the correct information. If you only edit the details of the recurring invoice profile without marking it as draft and then activating it again, the changes won't be applied to your future invoices.

19. Write off an unpaid invoice

What to do if you have an invoice open and overdue in the portal that your customer isn't going to pay you for.

Perhaps they've gone out of business, or won't pay because of a dispute. This is called a **bad debt**. If the invoice isn't a bad debt, you should create a credit note instead.

Entering a bad debt

It's very easy to record a bad debt on the portal.

Find the invoice

Go to the Invoices screen (Work > Invoicing) and filter the view, then select the invoice there.

This will open the invoice.

Write Off Unpaid

Select the Write Off Unpaid button.

You won't see this until the invoice is overdue, i.e. past its due date for payment. If you need to write it off sooner than that, change the due date by selecting the Edit button at the top right of the invoice. Remember the invoice must be in draft before you can edit it, so select the Make Draft button if you need to do this.

The portal automatically writes the invoice off as of today's date. This might be correct if you've only just heard that the debt has gone bad. If you heard before today and are just catching up with your bookkeeping, select the "Change write-off date" link to change the date to when you heard the debt had gone bad.

If you write off the wrong invoice, you can bring this one back by selecting Reopen.

If you then go to the Contacts page, you'll see that the amount this contact owes you has been reduced or has gone to £nil. It's correct for it to be £nil if the invoice you have just written off as unpaid was for the only amount left outstanding for this contact. If they owed you for any other invoices for which they are going to pay you, you would still see the amounts of these left on the Contacts page.

You can then write off other invoices as unpaid, one by one. The "Write-off Unpaid" button will also work if a customer has paid you in part for an invoice and you're writing part of it off.

Caution - VAT

If you are invoice accounting, the write off will reduce the amount of VAT you have to pay to Customs on your next VAT return, which is called "claiming bad debt relief". Be warned though, you are only allowed to claim bad debt relief 6 months after the later of the date of the invoice that wasn't paid and the date when payment was due for that invoice. But the good news is that the portal will do this for you automatically, so that the bad debt relief is not claimed early.

20. Mark an invoice as paid

Here's how to record a payment from your customer that pays off just one invoice. (Please read point 21 below if you want to mark more than one invoice as paid with one payment.)

Option 1: If you're uploading bank transactions

If your bank transactions arrive in your bank account through either uploading a statement or via a bank feed, your invoice payment will appear in the portal as an unexplained transaction.

To allocate the payment to the appropriate invoice, first select the transaction in your bank account.

Explain it as an Invoice Receipt. The portal will try to choose the appropriate invoice based on the outstanding amount. If correct, you can just save the explanation. If the portal has selected the wrong invoice, remove the selected invoice by clicking the cross at the right of the Invoice field, and then type in a reference or amount to filter to the correct invoice.

When you're sure you have chosen the right invoice for the transaction, save the explanation and the invoice will now be marked as paid.

Option 2: Add a Manual Payment from the invoice

When you've sent the invoice, you'll see it has a button at the top to "Add a Manual Payment".

If the money was paid into the bank account displayed on this invoice, click the Add a Manual Payment button and enter the appropriate date and amount for the payment.

If the money was paid into a different account (for example, your business's savings account), please use Option 3 below.

Option 3: Add a Manual Payment in the bank account

If the bank account the payment was made into isn't the one displayed on the invoice, then you'll need to enter a manual invoice receipt in the appropriate bank account.

Within the appropriate bank account, select 'More' and 'Add Transaction'.

Use type Invoice Receipt. In the Invoice field, type in the invoice reference number, contact name, or total amount to help the portal search for the right invoice to allocate to this payment. Select the invoice from the list.

Save the manual transaction and the invoice will now be marked as paid.

21. Pay off multiple invoices with one payment

This section explains what to do when you receive a single payment from a customer that pays off more than one invoice.

Navigate to the bank transaction that shows the full amount that your customer paid you.

From the 'Invoice' drop-down, select the first invoice to be split out from the transaction.

Select 'Explain Transaction'

The portal will then create a transaction on a new line for the amount of that invoice. You can repeat this process until all the invoices for that payment have been split out.

It is fine to have multiple entries explaining a single transaction like this - the only important thing is that the transaction is fully explained.

22. Paid dividends

Here's how to record a dividend when it's actually been paid out of the company's bank account.

Under 'Banking', find the uploaded transaction, or create a new transaction manually.

Money Paid to User > Category : Dividend

Explain it with type Money Paid to User, category should be Dividend.

More than one shareholder

If your company has more than one shareholder, you're likely to be paying a dividend to more than one person at one time, and if you're uploading your bank transactions, your bank may have grouped this together on your bank statement. In the portal you can only record dividends paid to one user at a time, so you may need to alter the amount of the payment to one user's dividend.

Choose the user to whom this dividend was paid. Any shareholders who are receiving dividends need to be set up as shareholders, or employees, or directors in the Users area.

Under Category, choose Dividend.

Create the new transaction.

The Dividends screen

If you then go to Dividends on the My Money menu, you'll see that the portal has posted this dividend here.

Selecting this dividend will show you the voucher a board minutes.

Remember that if you altered the amount of the payment earlier because the company was paying more than one user's dividend at once, you'll now have an extra transaction to explain, so you'll need to go through this process again to explain the dividends paid to the second and any other shareholders.

The dividend voucher

Whenever you post a dividend, either as a payment from the bank account or as a journal, the portal will create a dividend voucher and board minutes. The company must, by law, have a meeting of the board of directors, check that there is sufficient profit in the company to allow for the dividend, and produce this paperwork, every time it declares a dividend, on a timely basis. This applies even if one person is the sole director and sole shareholder of a company.

Once the voucher and board minutes have been created, you need to print them out, fill in the gaps in the minutes which you'll see in just a moment, and have them signed by the chairman, and keep them safely.

Where do I find these in the portal?

To look at a dividend voucher in the portal, from the My Money menu, choose Dividends.

Select any of the transactions you see there.

The board minutes and voucher appear.

The minutes are at the top. There is, of course, information on these minutes that the portal could not know, such as the names of who was present at the board meeting when the dividend was declared. So you'll need to fill that in when you print the minutes out.

When you're ready to print and sign this paperwork, select Save as PDF.

Save the file to your computer. You can then print it using a PDF viewer such as Adobe Reader or Google Docs.

23. Create a new expense

Here's how to record your out-of-pocket expenses (your own money that you spend on business expenditure).

You will find Expenses in the My Money menu. You can also quickly start a new expense by choosing New Expense from the Quick Links menu on the Overview screen.

Choose a user

Once you're in the Expenses area, make sure you've selected the appropriate user (i.e. the person who spent the money) from the 'Show' drop-down menu.

Next, select 'Add New Expense'. If you're recording a mileage claim, you'll need to follow a separate set of instructions detailed in point 24.

Create a new expense

Payment or Refund

Choose whether this was a payment or a refund. It'll usually be a payment but sometimes you might need to record a refund, for example if the employee was personally paid back for something he or she has previously claimed on expenses, such as a train ticket which was not used because there were engineering works in progress.

Category

Choose a category for the expense.

If you're a UK based company registered for VAT, make sure it's in the right area for VAT. For example, if your employee bought some stamps at the post office, make sure that you categorise this as Postage so that no VAT is claimed on it.

Date

Enter the date of the expense.

Currency

Choose the currency that you used to pay for the expense.

Amount

Enter the amount of the expense, as on the employee's receipt. Put the figure in inclusive of any VAT. Remember, if you need to override the default Auto VAT setting, you can choose from a set percentage, or choose Amount from the menu if you need to manually enter VAT.

Description

Put a description of what this was for. You might also want to make a note of why the employee incurred it, particularly if it's a tax-sensitive expense such as business entertaining.

Link to project

You can [link this expense to a project](#)...

...and optionally re-bill it to that project's customer, at cost or with a mark-up.

Setting up a recurring claim

If this expense is going to happen again in the future, for the same employee and same amount as before, for example, a mobile phone voucher, use the Recur option to put it in again automatically.

Once you've finished entering the expense, select Create New Expense to save it, Create and Add Another to save this expense and start entering another one, or Cancel to close this screen without saving the expense.

The expense has been added to the list of costs incurred by this user which he or she can expect the business to pay back for.

I've made a mistake entering my expenses

You can edit expenses up to and until you file your VAT return.

I want to delete a recurring expense claim

Navigate to the "Expenses" area of your portal account and choose "Recurring" from the expense type drop-down menu to see a list of all your recurring expense claims. Select the recurring expense that you want to delete and then change the option displayed in the "Recurring?" area of the expense to "Does Not Recur". Select "Save Changes" to complete the process.

24. Recording new mileage

A guide to recording mileage travelled on business in your own car in the portal.

Find the screen

Choose 'Expenses' from the 'My Money' menu.

Choose the user

Once you're in the Expenses area, make sure you've selected the appropriate user (i.e. the person who spent the money) from the 'Show' drop-down menu.

New Mileage

Select 'Add New Mileage'. This brings up the Create New Mileage screen.

Date and distance

Enter the date you made the journey.

Put in how far you travelled, remembering that you may need to double the mileage for a return journey to record that you went out and back.

Reason for the journey

Put a description of why this journey was undertaken. Make sure it's clearly identifiable whether this journey is allowable or not for tax. For example, if it's ordinary home-to-work commuting then this is not allowable for tax, so make this clear in the description.

Type of vehicle

From the 'vehicle type' drop-down menu, choose the kind of vehicle you made this journey in: car (including van), motorcycle or bicycle.

As you change the vehicle type, the HMRC approved mileage rate changes according to the kind of vehicle that was used.

Reclaiming VAT on fuel

You need to be registered for VAT and have a VAT receipt for fuel enough to cover the mileage travelled on this journey if you want to reclaim VAT on the fuel. You can't reclaim VAT on the full cost of the mileage travelled, only on the fuel element. So if you do have a VAT receipt, choose that you want to claim for this mileage, and enter the fuel type of your vehicle and the capacity of its engine. The portal will work out the correct VAT reclaim for you.

Re-billing

You can re-bill this mileage to a customer if it was incurred while working on a particular project. Choose which project you want to re-bill it to, and set the rate at which you're going to charge it to the customer. If you haven't yet set up the project, finish entering the mileage and save it, then set up the project. You can always edit the mileage later and re-bill it, so long as it hasn't been paid for from the company in the meantime.

Setting up a recurring claim

If you know you will be taking this journey again, use the options under Recurring to enter the second and future journeys into the portal now.

Attachment

You may also want to upload an attachment, for example a scanned copy of a fuel receipt, particularly if you are claiming VAT on the fuel element.

Once you've finished entering the mileage, complete the process by selecting either:

-) "Create New Expense" to save the journey
-) "Create and Add Another" to save the journey and start entering another one
-) "Cancel" to close the screen without saving the journey

Once you've done this, you'll be able to see the mileage in the list of costs incurred by this user.

Recording mileage rates for a company car

The mileage rate programmed into the portal is for business travel in private cars only, but you could create additional mileage rates. An example of this would be a rate for a company car.

To do this, work out your mileage manually and enter it by using the "New Expense" button instead of using the "New Mileage" button.

You might also want to add a new category to track these expenses. In the example of a company car the category name could be "Company car mileage". You won't be able to name the category "Mileage", as the portal uses this automatically for business mileage in private cars.

25. Record an expense payment from the business to a user

Here's how to record a payment from the business to a user, reimbursing expenses that the user has paid for personally, or mileage that he or she has travelled in his or her own car. Here's how to record a payment:

Identify the amount to pay

Once you've entered the expenses and mileage into the portal, you can check how much that user is owed by going to Expenses and choosing that user from the left-hand menu.

Make sure that you've got an up-to-date view selected, for example 10 Most Recent, and check the running balance. Remember that you won't see the running balance if you choose the "All" view.

Once you know how much to pay the user, do so.

Then we come to recording that payment on the portal.

Enter a payment

Type

Upload or feed your business bank transactions into Banking, or enter them manually. But whichever method you choose, the payment type needs to be 'Money Paid to User'.

Payment to

Choose the correct user from the list.

Reason

For the reason for the payment, choose 'Expense Payment'.

Once you've finished entering the payment, select 'Create and Finish' or 'Create and Add Another' if you've put this transaction in manually, or 'Create New Explanation' if you've uploaded it. Or select 'Cancel' if you want to start again.

Amount owed falls

Back under Expenses, you can see that the payment to this user is showing on the screen and the running balance amount this user is owed has gone down.

26. What's the difference between an expense, a bill and a bank payment?

When you record your business costs in the portal, it's important to know which costs to post as expenses, which to post as bills and which to post as bank payments. Here we explain the difference between these categories.

Expenses

You should post a business cost as an expense (short for "out-of-pocket expense") if you or one of your colleagues paid for the cost yourselves, perhaps with a personal credit card or cash. Remember to allocate the expenses to the correct user in the portal.

It's important to record expenses accurately. Your business is entitled to tax relief on the expenses you post, as long as they are bona fide business costs. The business can also repay you for incurring those expenses and you won't have to pay any tax on the repayment. If the business overpays you for expenses, however, (i.e. it pays you back more than you've personally spent on its costs), you could owe extra tax.

Any costs that you paid for with the business's credit card should be posted as bank payments, rather than expenses.

Bills

The bills area in the portal is where you record costs that you've already incurred but haven't yet paid for. You should post a cost as a bill if your business is going to pay for it directly from its own bank account in the future. For example, if you use sub contractors and they give your business a bill that's payable in 30 days' time and you don't pay for it immediately, you should record it in the portal as a bill.

Bank payments

You should post a cost as a bank payment when the business pays for it directly and immediately, either with a cheque, BACS or a credit card. If you incorrectly post any of your out-of-pocket expenses as bank payments, your bank balance in the portal won't match the balance of your bank account. So be sure that the cost isn't an out-of-pocket expense before you post it as a bank payment.