

## Hotelogix Accounts with Xero – Quick Guide

Hotelogix Accounts is based by default on Accrual system. All monies received adds a Liability for the services to be rendered, which subsequently get settles through the invoices raised.

You may accept advance bookings with Credit Card Guarantees as well as advance deposits. You will appreciate that we allow both, bookings with Guarantees, as well as with Advance Deposits.

In case of a deposit, we add to the Current Liability account, which is of the nature 'Services to be rendered' that balances the Deposits received under Assets.

Moving forward, in order to account for the receipts from cash counters (independent of Bookings, Check-ins or Check-outs that may happen), all receipts are accounted for as Deposits that get balanced by a Liability Account such as 'Services to be rendered'.

Each payment goes to their respective Account Head of receipts (like Cash in hand, Checks, Credit Card etc), and these can be then be reconciled with the Bank Statement directly (Xero connects to your Bank Accounts & also PayPal to import the statements directly).

### Once an invoice gets settled, this is what happens:

**IMPORTANT: Only invoices that are settled (also settled & closed) fully will show up in the Accounts after the next Night Audit.**

All settled folios get closed automatically. Further, all closed folios get moved to accounts during Night Audit, which can then be synched with the Accounting Software.

- Room rent / Room sales get booked in Room Sales Account, or in a common Sales Account, as setup by you.
- Similarly, all Sales from the POS's is booked on a separate Sales Account; if required, booked separately for each POS respectively; or in one common Sales Account (possible either ways, since we account for taxes as a separate line item, & maintain them under separate account heads under Liabilities).
- The **taxes** are booked as Liabilities, which get settled against the Receipts, as and when due.
- All **Sales** get settled against the Liability Account, namely 'Services to be rendered' to balance out.

## In case of Travel Agent or Corporate Bookings

- Invoices closed (City Ledger) are sent to accounts, with payment-due dates. This date is calculated automatically as per the payment terms set in the Travel Agent or Corporate Customer's profile in Hotelogix. The Invoices become payable as per this due date, and gets tracked through **Aging Report**. Tracking is possible both in Hotelogix reports, as well as in the Accounting system (like Xero currently).
- Any **Commissions**, if payable towards the booking, gets booked as an expense payable, and is credited to the Travel Agent Account.
- Any **Deductions** (tax or surcharge) in commissions, is accounted for in the respective tax/surcharge account, and is balanced against the amount payable towards commission.

The good thing is that "**Charter of Accounts**" gets prepared within Hotelogix for all Receipts, Reservations, POS sales, respective taxes, commissions, discounts etc. This Charter may be adjusted to your specific requirements.

The Charter can be then be exported directly (as an excel sheet) to the accounting system Xero. So the setup in Xero is straight forward and quick. You could tryout Xero by creating a free account at [www.xero.com](http://www.xero.com). Will take a few minutes at most.

Your accounts payables / expenses against purchases made, or pay-rolls and more can be directly managed in Xero. Moreover there is Xero Network with a number other value adds that may be utilised seamlessly.

Quickbooks support will be added soon.