



Top tips for Xero users

In this month's issue of Tops tips we delve deeper into the world of machine learning and see what this will mean to you. We also take a look at iwoca, winner of Xero's Emerging Partner App of the Year.

Machine learning is a type of artificial intelligence that enables computers to find and act on hidden insights without the need for a human.

Over 5,000,000 bills are entered into Xero every day and more than half of businesses are using at least 10 different expense codes. This means that every time a bill is created you have to decide where to code it to, ensuring your posting remains consistent.

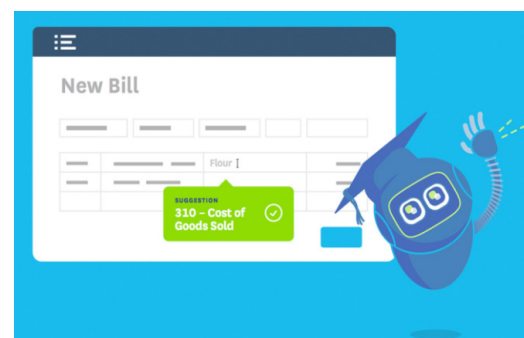
Cue Xero's machine learning project, which sets the course on their journey towards removing the need for you to have to select account codes.

For bills, Xero now creates a learning model derived from your own chart of accounts and bill history. In essence, you have a personal robot dedicated to predicting codes based on bills you have previously entered, codes already saved against your contacts or how your accountant has fixed similar bills. Once you have entered more than two bills, your robot pre-populates a suggestion for every bill line.

[Click here](#) to see the video of the robot in action.

The trick with machine learning is that the more information you enter, the more accurate Xero becomes. Consequently there may be a few hiccups while the robot gets accustomed to the bespoke ways you do business. If you don't enter many bills, or those you do are wildly different, it may take a little longer to get up to speed.

Top tip – it is possible to over-write any suggestions auto-populated by Xero.



Over time though, the account suggestions should help improve efficiency. Some of the benefits are:

- ▼ No need to remember or track down the code you used last time
- ▼ Xero learns as you go, remembering when you update a code or when you use a new one
- ▼ Consistent codes means more accurate reporting and so a better picture of how your business is performing

Top tip – Xero only starts suggesting accounts codes for bills once 150 approved bills have been entered. Before this, you will need to select the account code(s) for new bills.

App review

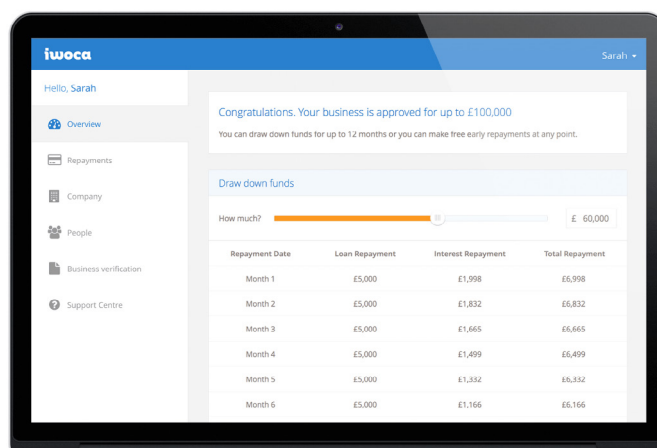
Winners of Xero's Emerging App Partner of the Year award at Xerocon 2017, iwoca helps small businesses grow by offering flexible, unsecured credit lines through a Xero-connected app. Their award-winning technology enables credit decisions within hours and automatically posts repayments back into Xero, saving time on reconciliation.

They give you access to £1,000 to £100,000 on demand and their technology allows them to make a decision based on your business performance, not just a credit score.

If your business is looking for credit this could be an alternative option to consider. As with all financing decisions, it is important to look at all the options, understand the terms of any agreement and decide what is best for your business.

The iwoca process:

- ▼ Get approved – credit limits are based on your business performance – they can typically lend up to one month's revenue, or up to £10,000 for a start-up business.
- ▼ Take the funds – draw down as much as you need, when you are ready. Most businesses use iwoca to manage cash flow gaps, buy stock or make investments.
- ▼ Repay or top up – keep the funds for 12 months or repay early to save interest. You can also top up and up your credit limit (subject to approval).



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