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investing in advisory services has become a large source of revenue for firms.

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Almost two-thirds of U.S. accounting and bookkeeping firms reported advisory revenues per client of \$5,600 from advisory services, such as budgeting and forecasting, virtual CFO services, business app support, startup mentoring, capital raising and business performance benchmarking. That's according to the latest annual national benchmarking study by [Xero](#), a global small business platform.

In the study, 61% of firms had per-client revenues of \$5,500 per year, showing that

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benchmarking (#3) startup mentoring (#4), and business app support (#5).

“As accountants and bookkeepers move to the cloud and embrace new, more efficient workflows in Xero, they don't just add more capacity and services, they are advising businesses on a whole range of mission critical areas from startup coaching to virtual CFO services and business app support,” said Keri Gohman, President of Xero Americas. “At Xero, it's our mission to equip all accountants and bookkeepers in the U.S. with the ability to provide the coaching, support and insights businesses need.”

Added Gohman, “Small businesses succeed when they work closely with advisors. In fact, small businesses on Xero who are connected to an advisor grow their **net profit 23% faster** than those who are not. Yet, we've found that only 32% of all small business owners have an accountant, and almost half of small businesses lack an advisor of any kind.”

Gohman continued, “While only **50% of small businesses** survive the first five years, the number significantly increases to 85% for Xero customers. When we compare their success rate against the nation's average, it becomes crystal clear how important advisory is for the growth and longevity of small businesses.”

Xero Grows U.S. Product Portfolio with Xero Expenses and Xero Projects

To give small businesses and their advisors more insights and control over business performance, Xero also announced today Xero Expenses and Xero Projects for the U.S market. Key features of Xero Expenses and Xero Projects are as follows:

- **Xero Expenses:** Xero Expenses gives accounting and bookkeeping advisors powerful visibility into how money is spent in their clients' small businesses. Advisors can help small businesses make better spending decisions, using powerful analytics and integrated accounting in a centralized platform. The Expenses API

will enable banks to link transactional and purchasing services to the millions of

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then, you can easily integrate with Xero invoicing and Xero Expenses, Xero Projects is simple to use and offers mobile functionality for businesses that work on-the-go.

“By giving advisors an easy way to help their small business clients track key operating metrics including budgets, expenses and time, accountants and bookkeepers are in a better position to empower their clients to smartly manage their business’ growth and profitability,” said Herman Man, Vice President of Product and Partnerships at Xero Americas. “This is just the beginning in our journey as we will continue driving machine learning deeper within our products, giving our accountants and bookkeepers richer insights and greater efficiency.”

Furthering its effort to redefine accounting and bookkeeping practices, Xero also announced today a new Xero HQ app partner, Plooto—an easy-to-use payment platform for small-to-medium sized business owners. Plooto automates accounting records, enabling users to more easily schedule bills and invoices directly within Xero HQ.

Plooto is now available on Xero HQ. [Click here](#) to learn more about Xero HQ.

The first phase of the U.S. Benchmarking study tabulates the responses of 238 accountants and bookkeepers comprised of Xero partners. The final U.S. Benchmarking Report will be issued early 2018.

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