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[Xero](#) has announced two new features being rolled out in the following weeks that help small business owners improve cash flow and get paid faster: Billable Expenses and Invoice Reminders. According to Xero's research, small businesses using Xero got paid 30 days faster in 2014 than they were in 2011, resulting in a significant improvement in cash flow and productivity.

According to the [Small Business Association](#), about half of all new small businesses survive five years and only about 33 percent survive ten years or more, therefore having a solid plan in place to manage cash flow is essential to ensuring that fledgling businesses survive and even thrive.

“Cash availability is key to any small business’ success or failure. With the debtor day

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customers a constant stream of new features to drive efficiency across their business. Billable Expenses and Invoice Reminders will give customers new ways of ensuring their cash flow is maintained, while getting time back from the drag of administration to get on with running their own business.

Outstanding invoices are a burden for any business – big or small. In addition to not being able to put this money to work for the business, conversations surrounding outstanding invoices can be uncomfortable. Business owners can automatically send clients a customizable reminder asking them to pay their outstanding invoices. Xero’s new Invoice Reminders will launch in the next few months.

Commonly referred to as billable expenses, on-charges or reimbursables, these are costs incurred on behalf of a customer when supplying services or products. Recovering these expenses from a customer, as quickly as possible, is key. Incorrectly tracking and billing back to clients equates to taking a loss to revenue and profits.

- Rather than stashing receipts in shoeboxes, or using spreadsheets to track costs, Xero’s Billable Expenses allows users to mark a bill line item as a ‘billable expense’ and assign the item to a contact so that it can be applied to future sales invoices.
- This feature provides the ability to easily track costs associated with a particular contact and recoup costs. This is critical for protecting profit margins and maintaining healthy cash flow.
- From now, small businesses can use Billable Expenses to recoup costs and protect profit margins by recording expenses in bills and other transactions that need to be on-charged to a customer.
- Over the next few weeks, Billable Expenses will continue to evolve, allowing bank account transactions to be tagged as Billable Expenses, while Xero’s library of reports will be updated to allow for reporting of Billable Expenses.
- In the next few months, Xero will make Invoice Reminders widely available.

Cash flow management separates a good small-business owner from a great one.

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cashflow has never been stronger and I can focus on my customers around the globe.”

Cash is a valuable resource. Ensuring that a business has enough to meet its needs, is vital to a company's survival. Many functions of a business rely heavily on cash to operate, including paying staff and buying supplies. Most businesses start with a small amount of cash and as revenues grow, funds are sufficient to cover bills. Problems may begin when entrepreneurs offer credit to customers, take on a loan, or hire an employee, and revenues don't cover the business' operating expenses.

Accounting • Firm Management • Small Business

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