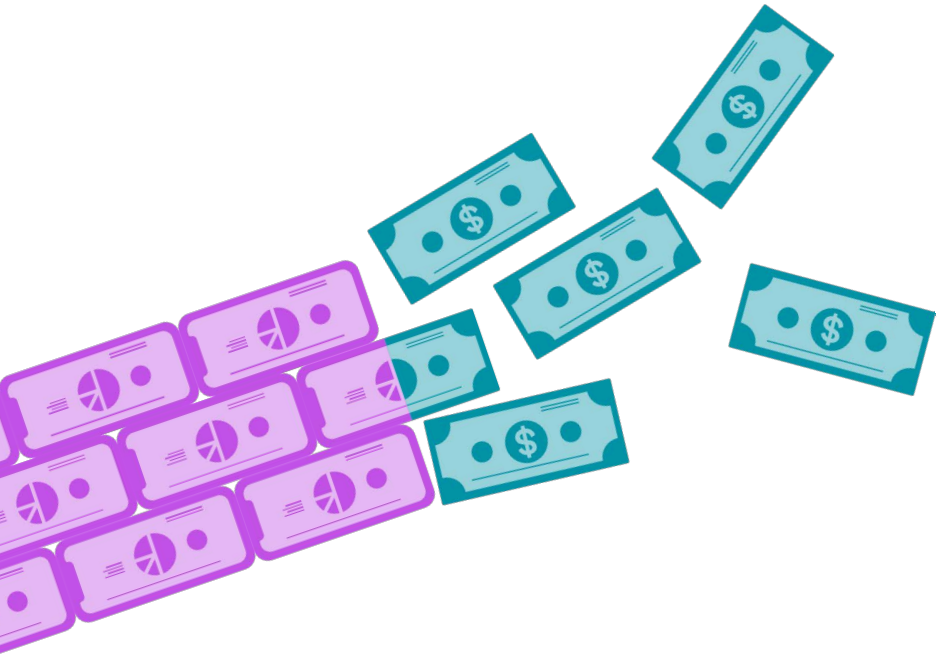
Payrix



Payrix + Xero

Automated invoice payments and reconciliation

Setup guide

USA

Updated September 28, 2021

xero ADD-ON

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Introduction

Payrix + Xero is a fast and simple way to collect payments for both repeating and single invoices.

Xero + Payrix can bring so many benefits to your business, such as:

- It will reduce the time you spend on payment collection and administration, as well as improving your cash flow.
- It's simple to automate repeating payments – ideal for subscriptions and regular fees.
- Having a 'pay now' button on your invoices gives your customers a faster and more convenient way to pay.
- Your customers will get the widest choice of payment options available – credit and debit card, and ACH payments.
- Invoice payments are processed securely – Payrix is certified at the highest compliance level for the Payment Card Industry Data Security Standard (PCI DSS).
- Bank reconciliation is automated – matching bank account and Xero transactions has never been quicker or easier.

Six easy steps to integration

It's easy to set up Payrix + Xero. Using this guide you'll be able to do it in under 10 minutes. You'll be following these six main steps:

- Step 1: Login to both Payrix and Xero
- Step 2: Set up bank and clearing accounts in Xero
- Step 3: Authorize Payrix access to Xero
- Step 4: Connect Payrix to your Xero accounts
- Step 5: Create a bank rule in Xero
- Step 6: Configure your Xero invoices

INTRODUCTION

Xero's new design and navigation

In December 2018 Xero updated its website design and navigation. Payrix's setup process remains the same, but Xero's navigation has changed slightly within some of our steps.

This setup guide incorporates these changes. It's up-to-date with the latest information you'll need to complete your integration of Payrix and Xero.

Requirements to get started

To start integrating Payrix with Xero, you will need:

- An active Payrix account, and access to our Payment Console.
- An active Xero account, and access to Xero.com.

Important note on importing contacts

In most instances you will not need to import your Xero contacts into Payment Console.

Importing Xero contacts is automatically done for you when a customer agrees to future payments on their first auto debit invoice.

A manual import can be done when faced with these scenarios:

- You already have a debit agreement for your customer(s) – you can import their details from Xero, and then add payment account information BEFORE sending an auto debit invoice.
- You would like your customer(s) to complete a debit agreement BEFORE sending an auto debit invoice.

For audit purposes it is not possible to delete any contacts that are imported. If you need to import your contacts manually, you should contact our Client Support team before attempting this – they can advise on the best approach for your business.

Step 1: Login to both Payrix and Xero

Setting up integration for Payrix and Xero will require you to log in to both systems.

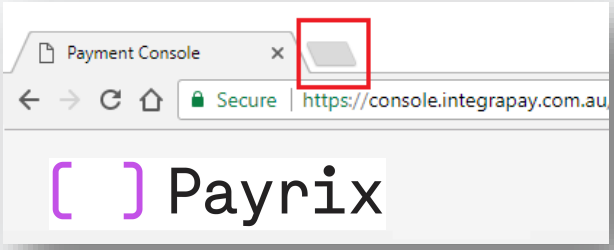
The easiest way to follow the steps in this document is to have the applications open in two browser tabs – one for Xero, the other for Payrix Payment Console.

1.1. Login to Payrix

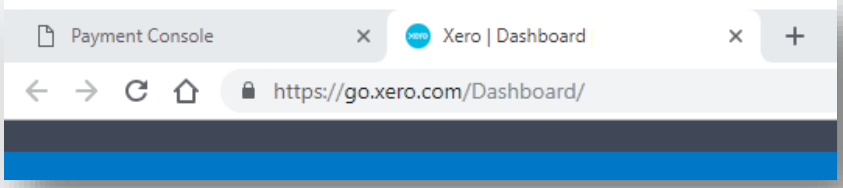
- Open your web browser.
- Login to Payment Console: https://console.Payrix.com.au

1.2. Login to Xero

- Open a new browser tab – and keep the other browser tab open.



- Login to Xero: https://login.xero.com
- You will now have both Payrix and Xero open in two browser tabs.



Step 2: Set up bank and clearing accounts in Xero

This step outlines how to set up the two accounts that you'll need for invoice payments and reconciliation.

- **Bank account** – your bank account should be the same as your settlement account that Payrix deposits cleared funds into. This account is kept up-to-date with bank feeds or statement imports.
- **Payrix Clearing Account** – this is a 'current asset' account which is used in our automatic reconciliation process, matching payments with your invoices.

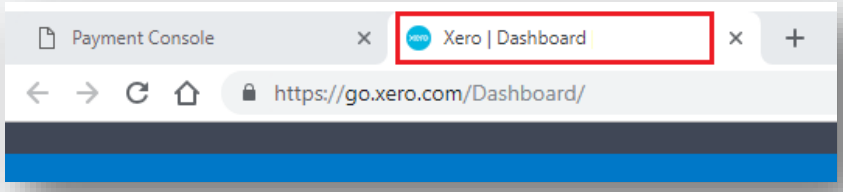
Later in this guide you will connect Payment Console to these two accounts as part of setting up the automatic reconciliation process.

2.1. Check your bank account settings

When you created your Xero account, you will have already entered your bank account details.

Follow the steps below to make sure your bank account is listed correctly in Xero.

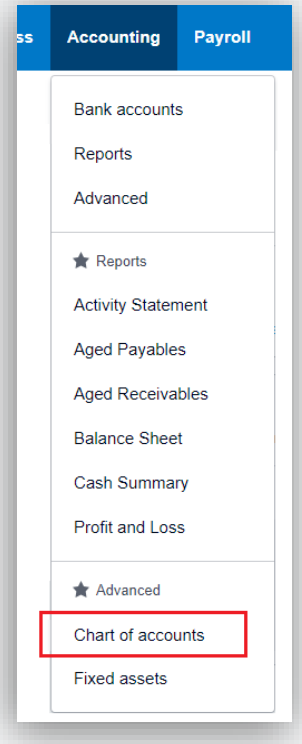
- Go to your Xero browser tab.



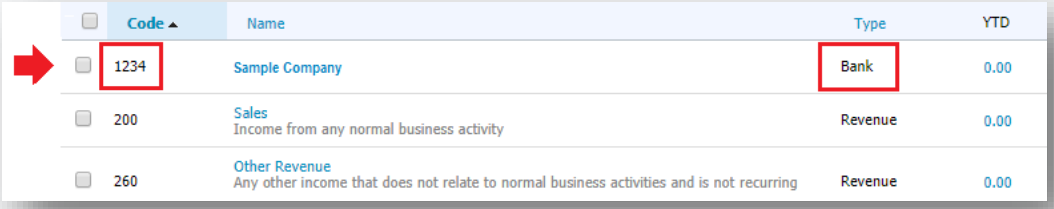
- On the navigation bar, click on **Accounting**

STEP 2 : SETUP BANK AND CLEARING ACCOUNTS IN XERO

- On the drop-down menu, click on **Chart of accounts**



- On the list of accounts, you will see your bank account listed.
- For the row showing your bank account, you must check that two settings are correct:
  - It must have a unique **Code**, i.e. not duplicated in your Chart of Accounts.
  - Its **Type** must be set as 'Bank'.

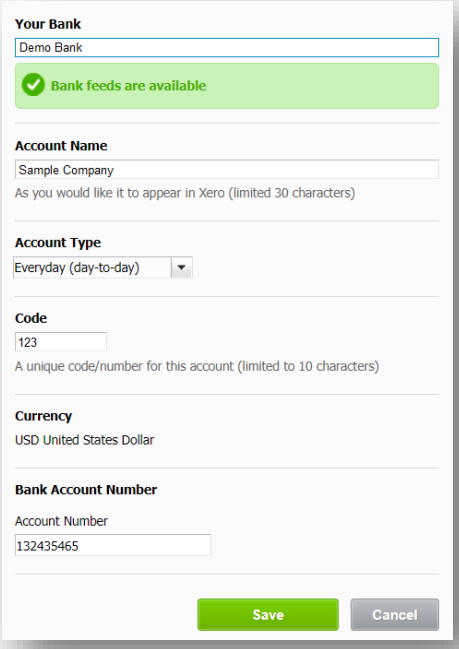


Code	Name	Type	YTD
1234	Sample Company	Bank	0.00
200	Sales Income from any normal business activity	Revenue	0.00
260	Other Revenue Any other income that does not relate to normal business activities and is not recurring	Revenue	0.00

If your bank account isn't listed, you must set this up in Xero before returning to this step. For guidance you can visit the Xero Help Centre: https://help.xero.com

STEP 2 : SETUP BANK AND CLEARING ACCOUNTS IN XERO

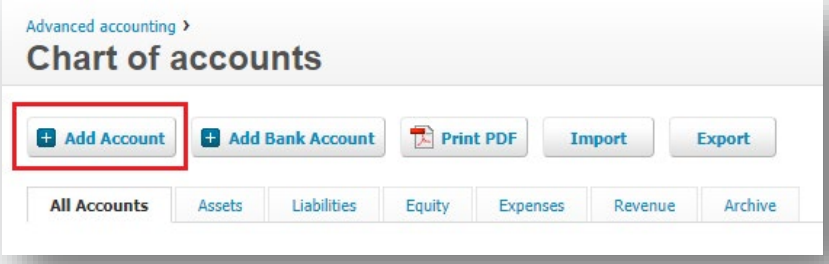
- Click your bank account row
- Your bank account details will be displayed – make sure that these details are correct.



- Close the pop-up window when you've done this – click **Save** if you made changes, or **Cancel** if you didn't make changes.

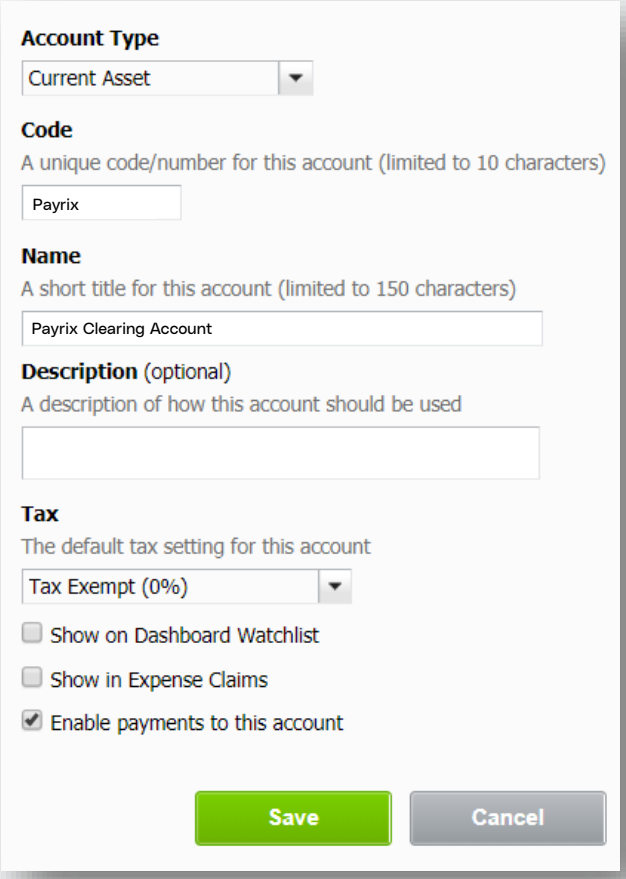
2.2. Create a clearing account

- Stay on your **Chart of Accounts** page
- Click the **Add Account** button.



STEP 2 : SETUP BANK AND CLEARING ACCOUNTS IN XERO

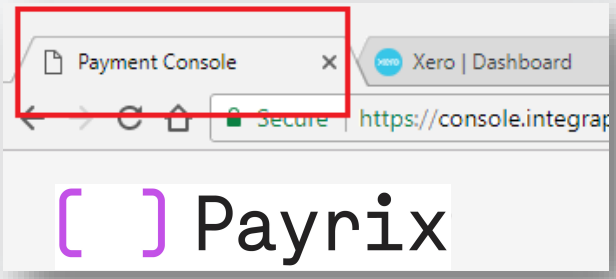
- The **Add New Account** pop-up will appear.
- Enter these details into the following fields:
  - **Account Type**: Select **Current Asset** from the drop-down.
  - **Code**: Type 'Payrix'.
  - **Name**: Type 'Payrix Clearing Account'.
  - **Description**: Type a description if required (this is optional).
  - **Tax**: Select **Tax Exempt (0%)** from the drop-down.
  - **Enable payments to this account** – it is important that you tick this last box
  - Click **Save**.



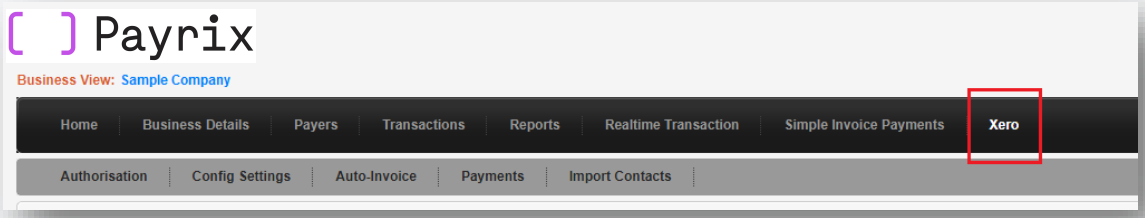
Step 3: Authorize Payrix access to Xero

This is a crucial step in your integration – authorizing Payrix to access your Xero account.

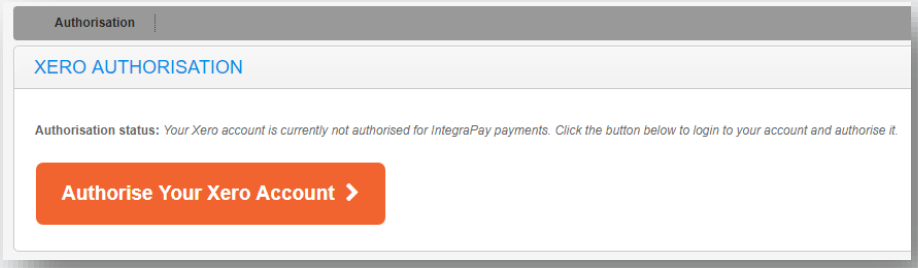
- Return to your Payment Console browser tab.



- On the main menu, click **Xero.**

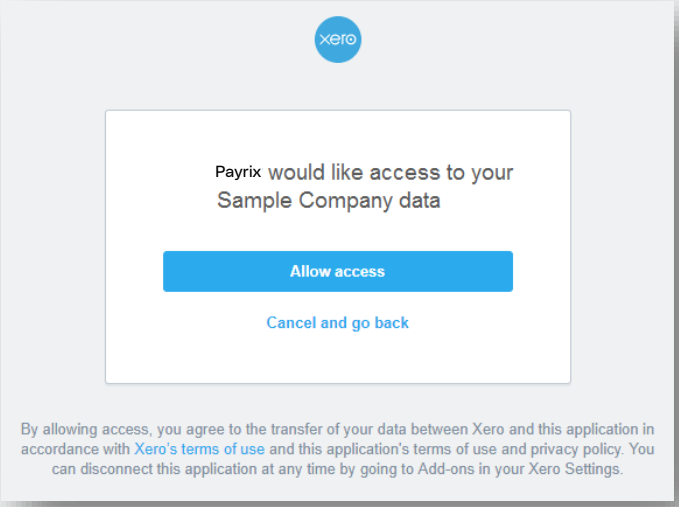


- Click the large button **Authorise Your Xero Account.**

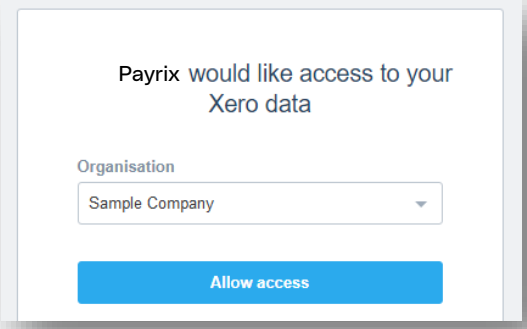


STEP 3 : AUTHORIZE PAYRIX ACCESS TO XERO

- The page will then divert to the Xero site, and you will see a box asking you to authorize access.



- If you have more than one Xero account, this page will include a drop-down menu listing them – select the account you would like to authorize.



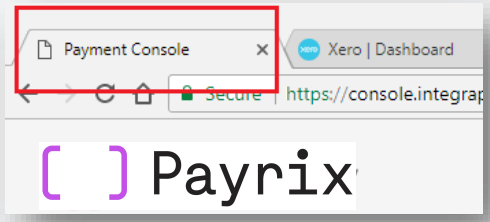
- Click **Allow access.**
- The page will then return to Payment Console.

Step 4: Connect Payrix to your Xero accounts

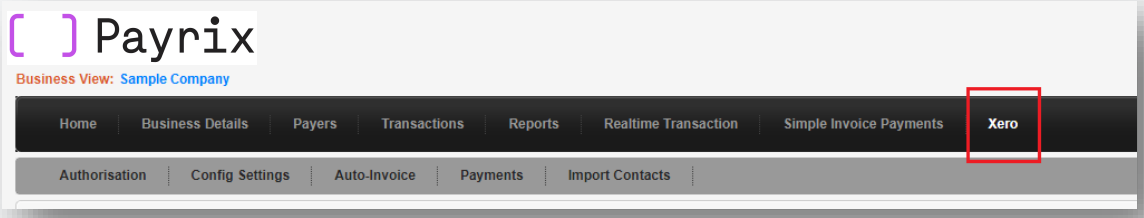
This step outlines how to connect Payment Console to the two accounts in your Xero chart of accounts covered earlier – your clearing account and bank account.

4.1. Select your clearing account

- Return to your Payment Console browser tab.



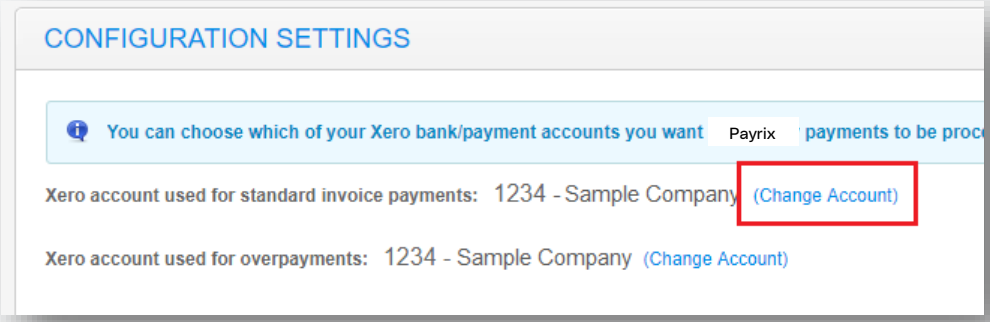
- Click **Xero** from the main menu.



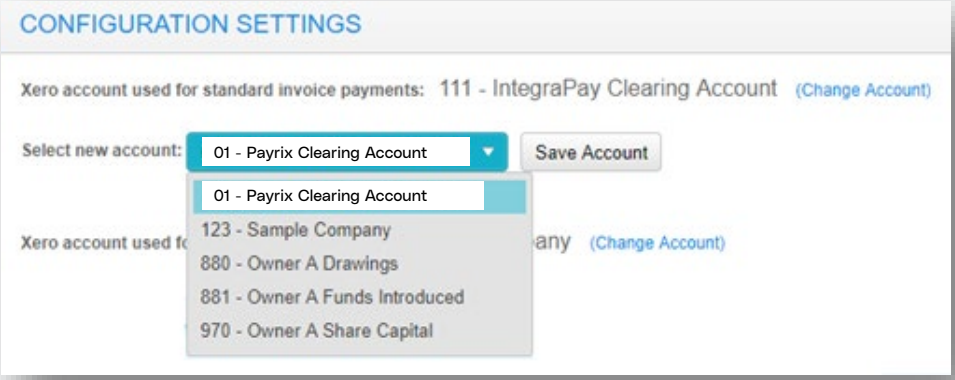
- Scroll down to the **Configuration Settings** section of that page.

STEP 4 : CONNECT PAYRIX TO YOUR XERO ACCOUNT

- For the first option, **Xero account used for standard invoice payments**, select **Change Account.**



- From the drop-down, choose **Payrix–Clearing Account.**
- Click **Save Account.**



4.2. Select your bank account

The second option is your bank account that Payrix will apply overpayments to.

Follow these steps to make sure you've nominated the correct bank account for overpayments to.

- Return to the Configuration Settings part of the page.
- The second option, **Xero account used for overpayments**, will default to the bank account listed in your Xero chart of accounts.

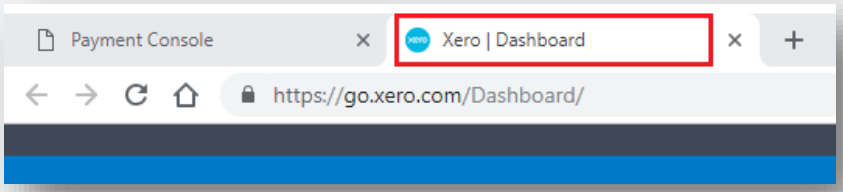
- If the correct bank is listed then you don't need to do anything.
- If you need to change this account, select **Change Account**.
    - From the drop-down, choose your preferred account.
    - Click **Save Account**.

Step 5: Create a bank rule in Xero

Now that you've connected your bank and clearing accounts in both systems, you will need to set up a Bank Rule – this makes automatic reconciliation possible.

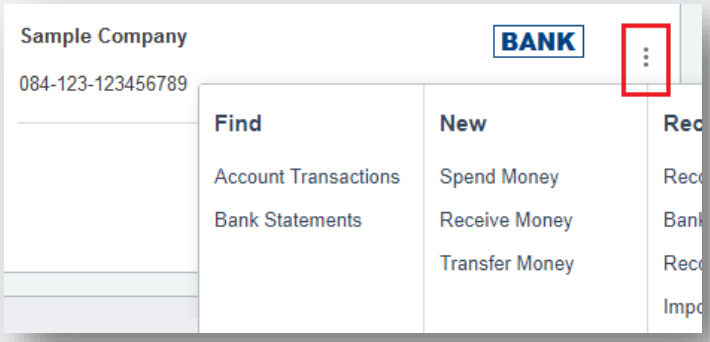
Follow these steps to set up your Bank Rule:

- Return to your Xero browser tab.



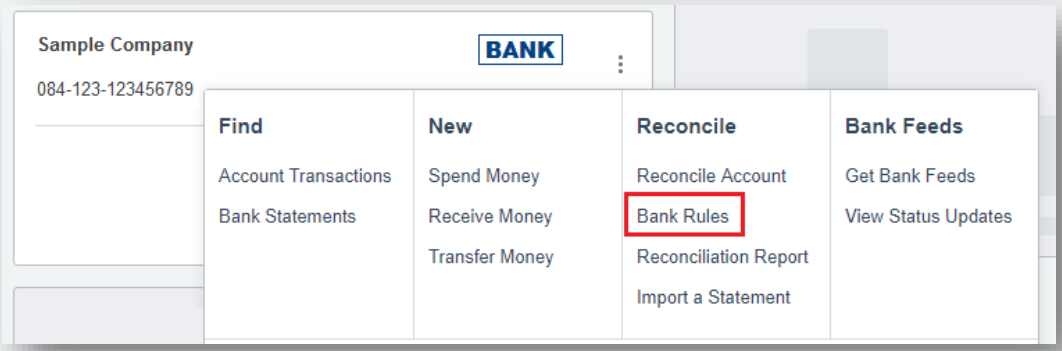
- On the navigation bar, click on **Dashboard**.

- One of the items displayed will be a box for your bank account
- Click on the **options icon** (3 x vertical dots) beside your bank's logo.



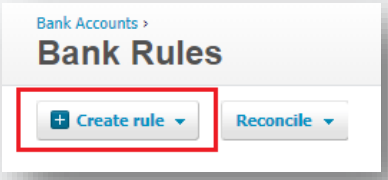
STEP 5 : CREATE A BANK RULE IN XERO

- Click on **Bank Rules.**



  – An alternative route is via **Accounting** > **Bank Accounts** > **Bank Rules.**

- The **Bank Rules** page will be displayed.
- Click on **Create Rule**

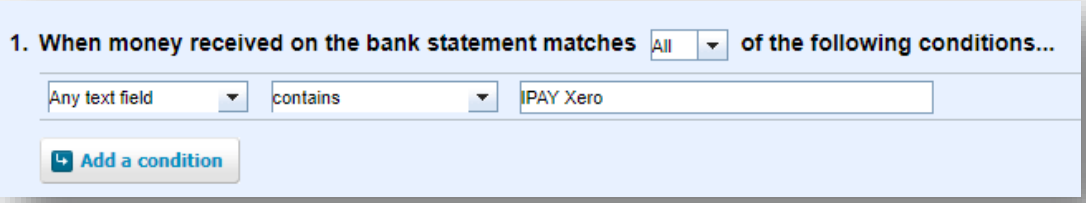


- On the drop-down menu, select **Receive Money Rule.**

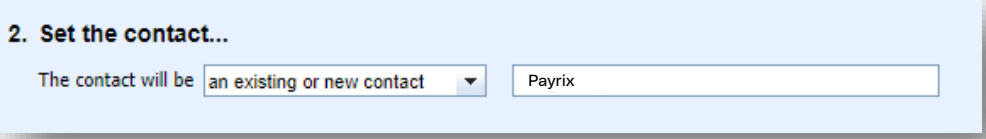
- The **Receive Money Rule** dialog box will appear – work down the screen to select/type each 'condition' for your bank rule.

STEP 5 : CREATE A BANK RULE IN XERO

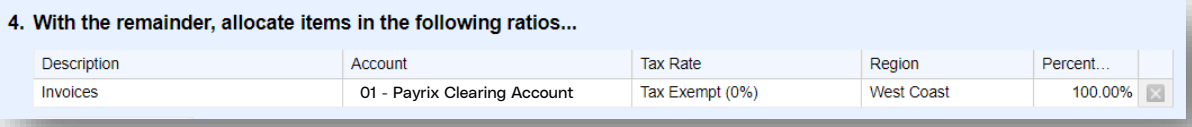
- Condition 1:
  - First line: select **All** from the drop-down.
  - Second line: from the 2 x drop-down menus select **Any text field** and **Contains** – and then type 'IPAY Xero' in the last field.



- Condition 2:
  - Select **an existing or new contact.**
  - In the right-hand field, type 'Payrix'.

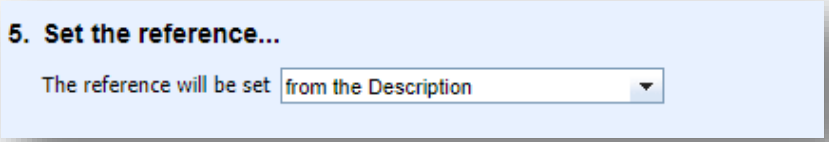


- Condition 4:
  - **Description:** type 'Invoices'.
  - Account: select **Payrix – Clearing Account** from the drop-down.
  - **Tax rate:** select **Tax Exempt (0%)** from the drop-down.
  - Select a **Region**
  - **Percent:** type '100'.

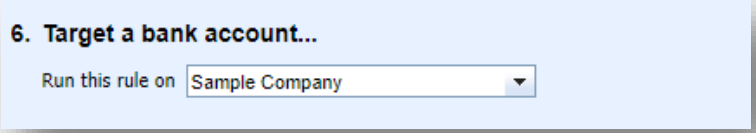


STEP 5 : CREATE A BANK RULE IN XERO

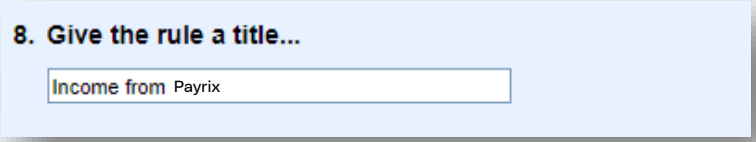
- Condition 5:
  - Select **from the description** from the drop-down.



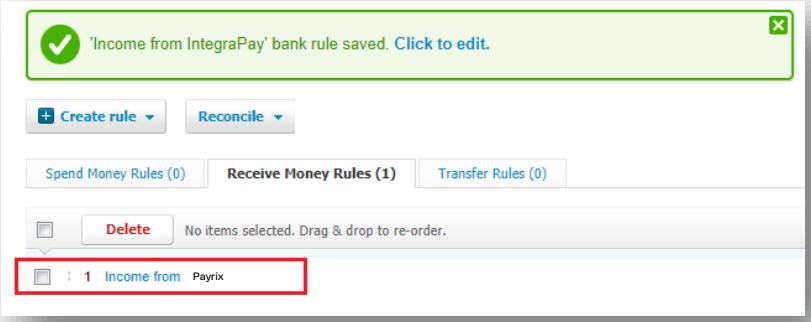
- Condition 6:
  - Select the bank account you are nominating for Payrix settlements.



- Condition 8:
  - Type 'Income from Payrix' in the text field.



- Click **Save** – your new bank rule will then be listed on the page.



Step 6: Configure your Xero invoices

Follow this step to create your Xero templates for both single and repeating invoices.

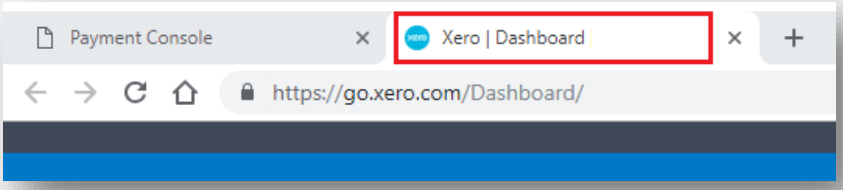
To enable Payrix payments from Xero invoices, you will need to create and link Xero invoices to your Payrix account.

This is done in Xero using a feature called **branding themes**. Below we show you how to create two branding themes:

- **Payrix Pay Now** – for single (or one-off) invoices, where a customer makes a payment with no agreement for future payments.
- **Payrix Auto Debit** – for repeating (or recurring) invoices, where the first invoice includes an agreement covering future invoices in a repeating cycle.

6.1. Create an Payrix Pay Now branding theme

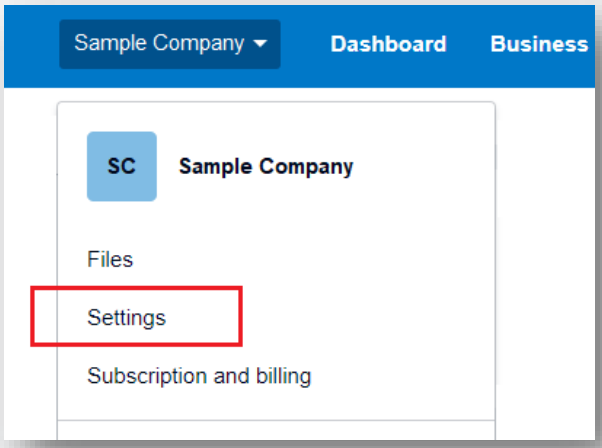
- Return to your Xero browser tab.



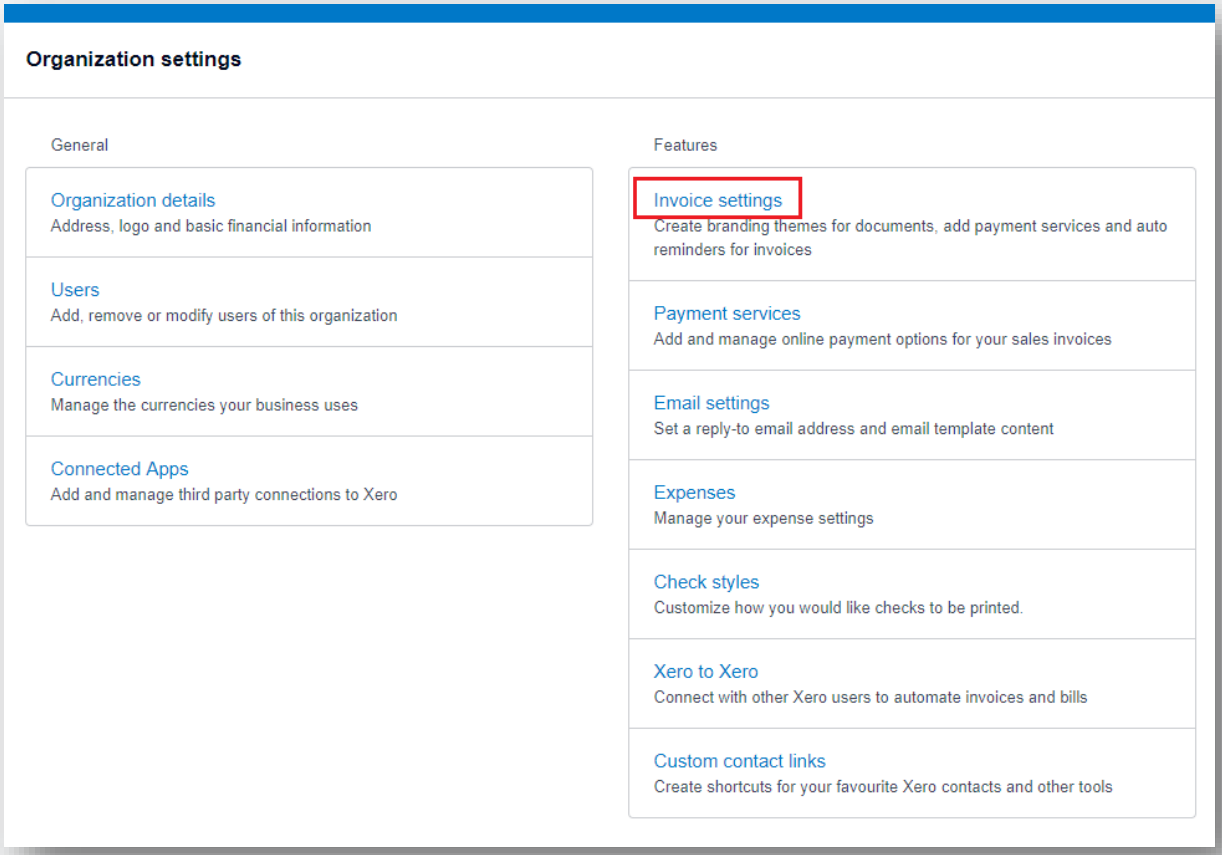
- On the navigation bar, click on the button with **your organization name**

STEP 6 : CONFIGURE YOUR XERO INVOICES

- On the drop-down menu, click **Settings.**

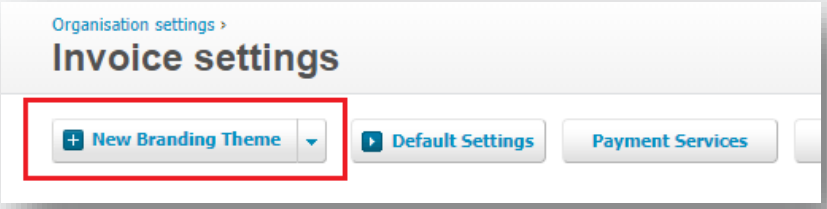


- A list of organization settings will be displayed – click on **Invoice Settings.**

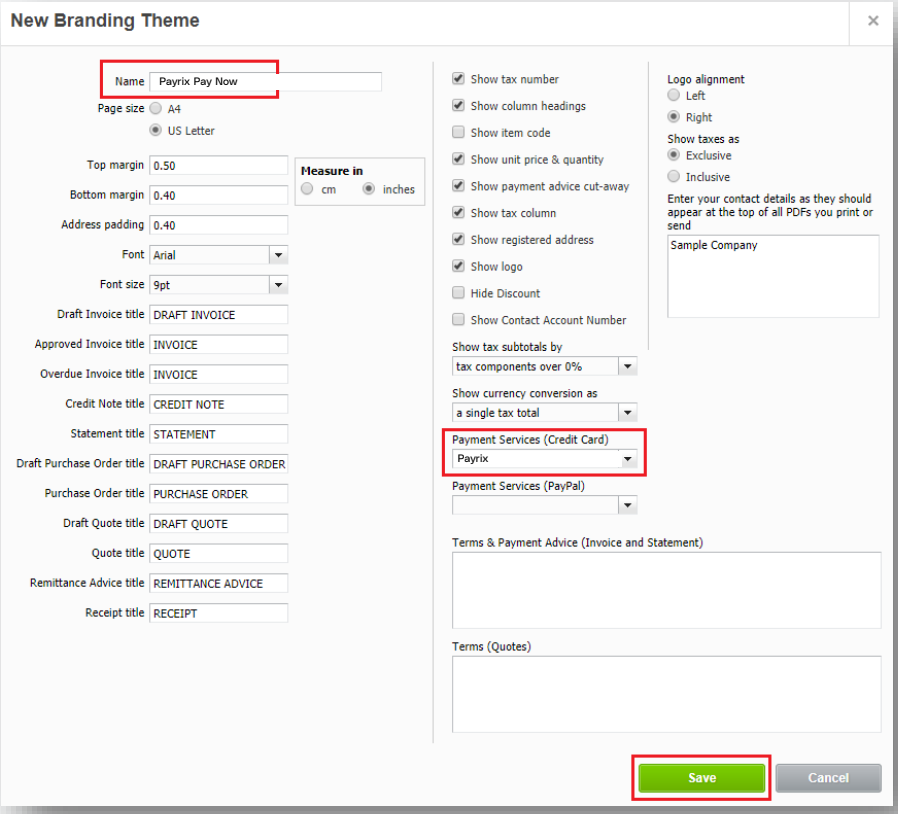


STEP 6 : CONFIGURE YOUR XERO INVOICES

- Click on **New Branding Theme.**



- In the **Name** field, type 'Payrix Pay Now'.
- In the **Payment Services (Credit Card)** drop-down, select **Payrix.**
- Click **Save.**



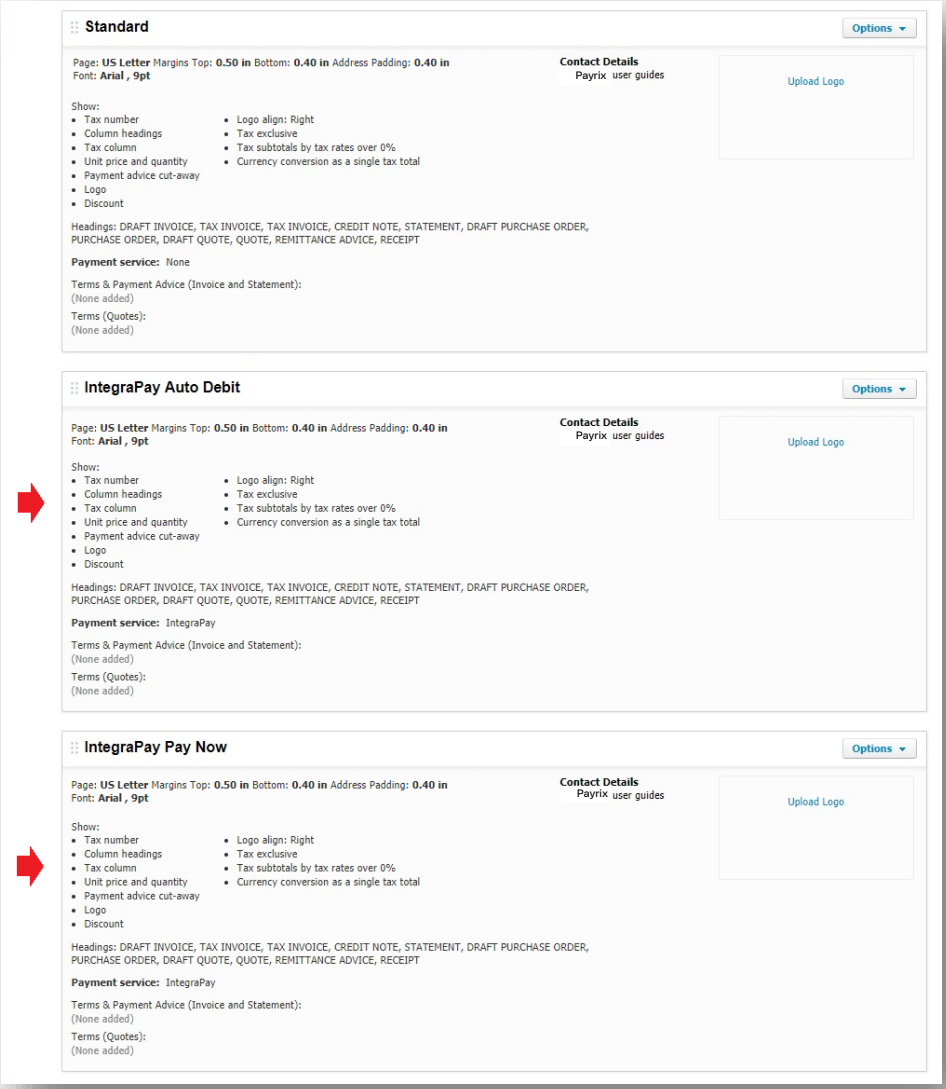
- Details of your new branding theme will then be displayed, along with Xero's default Standard branding theme.

STEP 6 : CONFIGURE YOUR XERO INVOICES

6.2. Create an Payrix Auto Debit branding theme

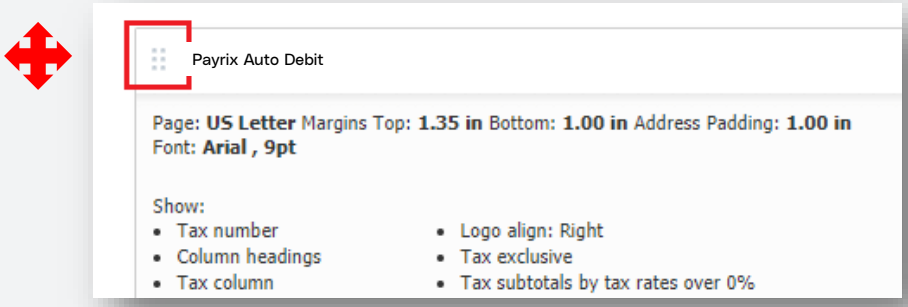
Repeat the same steps as above, as follows:

- Click on **New Branding Theme.**
- In the **Name** field, type 'Payrix Auto Debit'.
- In the **Payment Services (Credit Card)** drop-down, select **Payrix.**
- Click **Save.**
- Details of your Auto Debit branding theme, along with the Pay Now theme you created previously and Xero's default Standard branding theme.



STEP 6 : CONFIGURE YOUR XERO INVOICES

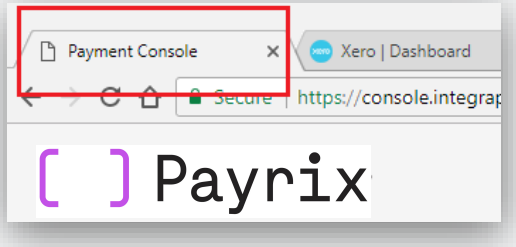
- To make your invoicing even easier, you can re-order your branding themes according to which one you will use the most
    - The first branding theme on this page will become the default option for invoices, and you can always use the drop-down menu to select one of your other branding themes.
    - Click the **six dots icon** next to the title of the branding theme you want to move up or down.



- At this stage you can also add your business logo to these branding themes
    - Click on **Upload Logo** for both branding themes.
    - We recommend you use the same logo you are using in Payment Console to give a consistent customer experience.

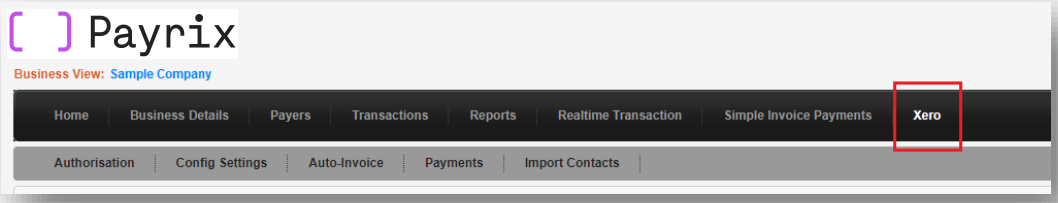
6.3. Enable the Payrix Auto Debit branding theme

- Return to your Payment Console browser tab.

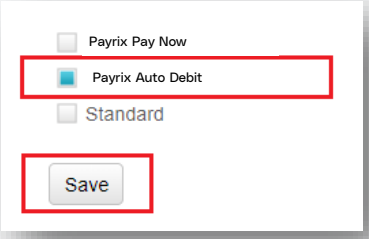


STEP 6 : CONFIGURE YOUR XERO INVOICES

- On the main menu, click on **Xero** – even if you're already on the Xero page, this will refresh your web browser to display your new branding theme.



- Scroll down the page to the **Auto-Invoice Collection** section – you'll see your two Xero branding themes listed.
- Select **Payrix Auto Debit**.
- Click **Save**.



Congratulations, you have completed the setup process for Xero + Payrix. You are now ready to create and send invoices.

Help and support

When you have completed your setup, you can refer to our main user guide, which includes guidance on sending invoices; bank reconciliation; updating customer payment details; and resolving common transaction issues.

User guide: Payrix + Xero [PDF 2.5MB]

If you require further assistance with setting up Payrix and Xero, please contact Payrix Client Support:

Phone: 844-517-5981

Email: admin@payrix.com