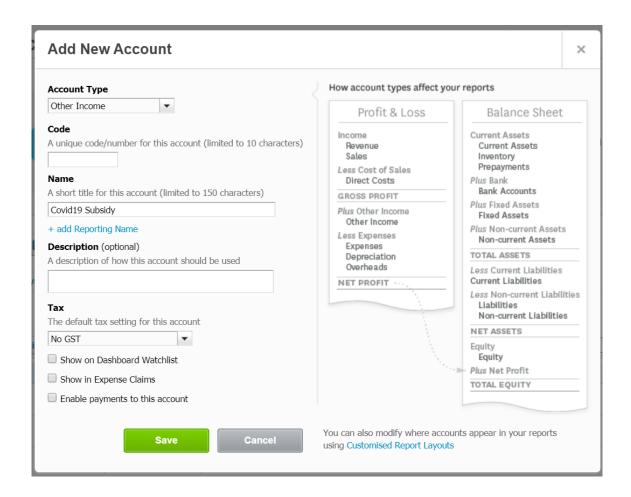
Reconciling Wages Subsidy Receipt in Xero

Many of you have now received your wages subsidy from the government. If you are using Xero, you will now have a receive money transaction that needs to be reconciled.

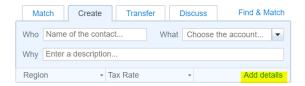
We recommend creating new account codes to accurately recognise the subsidy. An Other Income code should be setup. A Current Liability code should also be created if you have applied for the subsidy for any shareholders. For both account codes, the tax rate needs to be set as No GST.

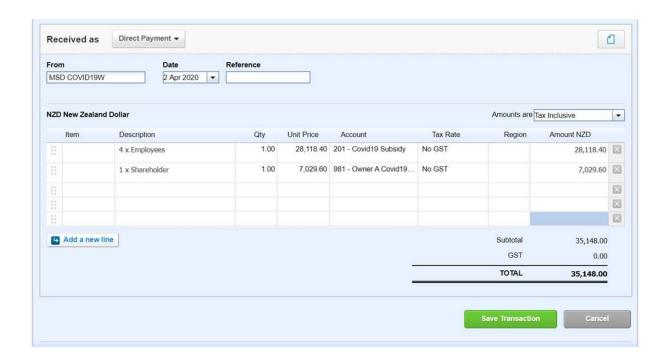


When the subsidy is received in your bank, it can then be reconciled to these newly created account codes. Funds applied to employees are coded to your newly created Other Income code and funds for shareholders to your newly created Current Liability code.

If you need to split the funds received across both account codes, select the 'add details' button on the reconcile screen.







If you have any questions, please contact us at covid19@ph.co.nz