BUSINESS RESOURCE

Moving to Xero - A Simple Guide

A step-by-step migration plan to help you move your bookkeeping into Xero without losing control of the opening position.

A practical Harrian Bookkeeping guide for small businesses across the UK.

How to use this guide
Work through the steps in order. Tick off or note anything that needs attention, and keep the guide with your bookkeeping records for reference.

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Before you start the migration

1

Choose a conversion date

Pick a clear date when the old system stops being your live bookkeeping record and Xero becomes the new one. A month-end, quarter-end or year-end can be easier to verify than changing mid-period.

2

Back up the old records

Keep a complete copy or export of the previous system before changing anything. You may need it later to answer questions or check historical transactions.

3

Clean the opening position

Reconcile bank accounts and review unpaid sales invoices, unpaid supplier bills, loans and other key balances. Migrating unresolved errors simply moves the problem into the new system.

4

Decide how much history to move

Not every business needs every historical transaction migrated. Decide whether you need opening balances only, outstanding items, detailed history or a fuller conversion.

Set up Xero carefully

1

Create the organisation correctly

Check the organisation name, financial year details, base currency and other core settings before entering transactions.

2

Review the chart of accounts

Use Xero's chart of accounts as a starting point or import a suitable chart where appropriate. Avoid creating unnecessary duplicate accounts.

3

Enter conversion balances

Bring across the balances that represent the business at the conversion date. Bank balances, customer and supplier balances and other accounts need to fit together, not be entered in isolation.

4

Add customers and suppliers

Import or create active contacts that you expect to use. Historical contacts that are no longer relevant do not always need to be recreated.

5

Connect bank feeds at the right time

Connect bank feeds after the opening position is understood. Check the first imported date carefully so you do not create gaps or duplicate transactions.

Verify before relying on Xero reports

1

Compare opening balances

Compare Xero's opening position against the final reports or reconciled balances from the old system. Differences should be explained before routine bookkeeping continues.

2

Check unpaid invoices and bills

Confirm that amounts owed by customers and amounts owed to suppliers agree with the old system at the conversion date.

3

Reconcile the first bank transactions

Work through the first imported statement lines carefully. A clean first reconciliation is a good test that the starting date and opening balance were set correctly.

4

Keep the old system available

Do not delete historical records simply because Xero is live. Preserve the old data for reference and for any legal or accounting record-retention requirements.

Migration is not just a software exercise. The key objective is to prove that the new Xero file starts from the same financial position as the old records.

Important

Xero screens and menu names can change. This guide is a practical migration overview, not a substitute for reviewing the specific data and accounting requirements of your business.

Official references

Xero Central - Import a chart of accounts: https://central.xero.com/s/article/Import-a-chart-of-accounts-UK

Xero Central - Enter opening bank account balances: https://central.xero.com/s/article/Add-your-opening-bank-balances-in-Xero

Need help keeping your bookkeeping organised?

Harrian Bookkeeping provides reliable bookkeeping support for small businesses across the UK. Email **hello@harrianbookkeeping.com** or call **07831 524703**.

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