

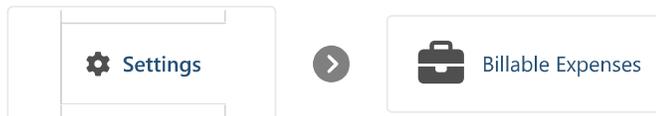
## Billable Expenses

Billable expenses are costs that a business incurs on behalf of its customers with the expectation of being reimbursed later. These expenses can include materials, external services, travel costs, and any other expenditures made specifically for a customer. By tracking billable expenses in Manager, you ensure that all recoverable costs are properly billed to the appropriate customers.

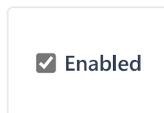
### Enabling Billable Expenses

To start using billable expenses in Manager, you need to enable the feature:

1. Navigate to the *Settings* tab.
2. Click on *Billable Expenses*.
3. Check the *Enabled* checkbox.



Once enabled, the Billable Expenses account will be added to your Chart of Accounts automatically. This account is used to track all expenses that are recoverable from customers.



### Monitoring Uninvoiced Billable Expenses

To keep track of billable expenses that have not yet been invoiced to customers:

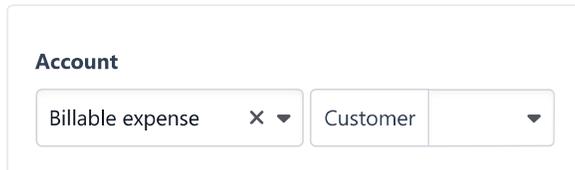
1. Go to the *Customers* tab.
2. Click on the *Edit columns* button in the top-right corner.
3. Activate the *Uninvoiced* column by checking its box.

This column will display the total amount of billable expenses associated with each customer that haven't been invoiced yet.

## Recording Billable Expenses

When you incur an expense that is recoverable from a customer, you can record it through various transaction forms such as Payments, Purchase Invoices, or Expense Claims. Here's how to do it:

1. Create a new transaction (e.g., a Payment or Purchase Invoice).
2. In the account selection field, choose *Billable Expenses* from the dropdown list.
3. Select the *Customer* to whom the expense is attributable.



The image shows a screenshot of a software interface. At the top, the word "Account" is displayed in bold. Below it, there are two input fields. The first field contains the text "Billable expense" followed by a small "X" icon and a downward-pointing arrow. The second field contains the text "Customer" followed by a downward-pointing arrow.

By allocating the expense to the Billable Expenses account and specifying the customer, Manager will track this amount as recoverable from that customer.

## Accounting Implications

The Billable Expenses account is an asset account on the Balance Sheet. Recording expenses here means they are recognized as amounts owed to you by your customers, not as expenses of your business. This ensures that:

- Your Profit and Loss Statement is not affected when you incur a billable expense. Since you expect to be reimbursed, it's not considered an expense of your business operations.
- Income and expenses are not inflated undesirably. Only when you invoice the customer and recognize the revenue will it impact your income statements.

By properly recording billable expenses, you maintain accurate financial statements and ensure all recoverable costs are billed to customers timely.