Create an Expense

How to **Record a New Expense Entry** in Muhasib ERP?

Overview

Expenses represent operational and administrative costs incurred by an organization, such as utility bills, rent, maintenance charges, office supplies, subscriptions, and other business expenditures.

Muhasib ERP allows organizations to record expenses independently from their payments. This enables accurate tracking of liabilities, outstanding expenses, and payment history while maintaining complete financial records.

> **ℹ Example**
> An electricity bill is received on **January 4** but paid on **January 9**. In Muhasib ERP, you can record the expense on January 4 and record its payment later on January 9. This approach provides accurate expense tracking and reporting.

Before You Begin

Ensure the following requirements are met before creating an expense.

Requirement	**Description**
Permissions	You have access to the Expenses & Vouchers module.
Expense Types	Required Expense Types (Expense Heads) have already been configured.
User Access	You are logged in with sufficient permissions to create expense entries.

Tip
Create Expense Types before recording expenses to ensure proper categorization, reporting accuracy, and financial analysis.

Create a New Expense

Step 1: Open the Expenses Module

Navigate to:

Expenses & Vouchers → New Expense

The Expense Entry window will open.

Step 2: Complete the Expense Details

Field	Description
Short Description	Enter a brief description of the expense. Example: Electricity Bill – January
Amount	Enter the total expense amount.
Expense Type	Select the appropriate Expense Head from the dropdown list.
Long Description	Enter additional details related to the expense.
Manual Date Entry	Enable this option to create expense entries for a specific or backdated date.

ℹ Note
Frequently used descriptions can be saved for faster data entry in future transactions.

Important
If the required Expense Type is not available, create it before saving the expense entry.

⚠ Warning
Incorrect selection of Expense Type may affect financial reporting and analysis accuracy.

Step 3: Save the Expense

Click **Save**. A confirmation message will appear:

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Record has been added successfully.
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Step 4: Close the Window

After saving the expense, close the Expense Entry window.

> **Next Action**
> You can now proceed to record a payment for this expense using the Manage Payments option.

Result

Expense Created Successfully

- Expense is recorded in the system.
- It becomes available in reports and dashboards.
- Payment can be recorded later.
- Financial tracking is improved.

Frequently Asked Questions

Can I create an expense without recording a payment?

Yes. Expense entries and payments are handled separately.

Can I create backdated expenses?

Yes. Use the Manual Date Entry option.

Why is Expense Type required?

It helps categorize expenses for reporting and analysis.

Can I edit an expense after saving?

It depends on system permissions and workflow settings.

Where can I view recorded expenses?

From the Expenses & Vouchers module and related reports.

Related Articles

- Create Expense Type
- Record Expense Payment
- View Expense Reports
- Manage Payment Types
- Create Voucher

Next Step

Proceed to **Record Expense Payment** to complete the expense lifecycle.

Product: Muhasib ERP

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