

Wave accounting for beginners: transactions, invoices, bills, reconciling and reports on one page

Where things live in Wave and the weekly routine that keeps small-business books clean, from the free Wave Accounting for Beginners course.

Where things live (free Starter plan)

Chart of accounts

Accounting > **Chart of Accounts**: Assets, Liabilities & Credit Cards, Income, Expenses and Equity tabs.

Transactions

Accounting > **Transactions**: add by hand or upload a bank CSV. Automatic bank import is **Pro**.

Invoices

Sales & Payments > **Invoices**.

Bills

Purchases > **Bills**.

Reports

Reports: Profit & Loss, Balance Sheet, Aged Receivables.

Record a transaction

1. **Add transaction**: date, description, **Withdrawal** (money out) or **Deposit** (money in), amount.
2. Pick a **Category** from the chart of accounts and **Save**. Never leave it as Uncategorized.

Invoice to payment

1. **Add a customer**, add the line, **Save and continue**: a Draft, not owed yet.
2. **Approve draft**, then **Send invoice** (emails it) or **Mark as sent** (records it only).
3. When paid: **Record a payment** on the invoice. Never add the same money again as a deposit.

Bill or expense?

Bill

You pay the supplier later. Enter it when it arrives, then **Record a payment**: it shows **Paid**, \$0.00 due.

Expense

Already paid, for example by card: a **Withdrawal** in Transactions.

Month end

- Switch on **Reconciliation** on Accounting > Transactions: statement end date and closing balance, then tick lines until the difference is zero.
- **Profit & Loss**: income minus expenses. **Report Type** switches Accrual and Cash Basis.
- **Balance Sheet**: what you own and owe on a date.
- **Aged Receivables**: who still owes you, by days overdue.

Remember: Categorize every transaction, record payments against their invoice or bill, and reconcile every bank account each month.

Practice it free: Wave: Chart of Accounts, Transactions and Reports at learn.ynteractive.com/modules/wave-first-steps. This sheet: learn.ynteractive.com/content/cheat-sheets/wave-accounting-basics. Maya's dog-walking business is a made-up business from the lesson. By Robert Breen, October 23, 2026.