

# Kaipara District Council improves accuracy and unlocks capacity with Xtracta

By leveraging Xtracta's AI-driven automation, Kaipara District Council has streamlined financial processes, reduced manual workload, and enhanced operational efficiency. The case exemplifies the transformative impact of intelligent document processing in local government settings—freeing finance teams to focus on higher-value tasks while ensuring accuracy and compliance.

The Kaipara District Council faced a significant operational challenge in managing its financial functions, particularly in the manual processing of invoices. The Council's finance team, consisting of eight staff members, is responsible for accounts payable, payroll, monthly variance reporting, audits, and risk management.

Processing invoices manually added a significant burden, particularly during peak periods leading up to the year-end financial audit. Each month, the Council handled between 700 and 900 invoices, with a spike in June as suppliers rushed to finalise payments before the year-end cutoff. The manual entry process involved finance staff transcribing invoice details into the invoicing module of the Council's Magiq ERP system—a time-consuming task that diverted resources from more strategic financial responsibilities.

Recognising the inefficiencies, Finance Manager Jessie Alison prioritised finding a solution to automate invoice processing. "To me, it was a way to unlock capacity," she explains. "The team could not do other things that important to the Council." Beyond reducing manual workload, Alison saw automation as an opportunity to allow staff members to engage in more value-added financial activities. The Council needed a tool that could seamlessly integrate with Magiq while handling high-volume transactions with reliability.

## Leveraging Xtracta's AI-powered automation

Kaipara District Council selected Xtracta, AI-powered Optical Character Recognition (OCR) software designed to extract data from documents with minimal human intervention. Xtracta leverages machine learning to recognise and process diverse invoice formats, automating data entry tasks that would otherwise require manual input. Its ability to integrate directly with Magiq was a key factor in the Council's decision.

The implementation process was swift and efficient. "It only took a day of workshoping with Xtracta and the Magiq teams," Alison recalls. The Council worked closely with both vendors to ensure a seamless integration.

The Council's new invoice processing workflow follows a structured system:

1. Suppliers send invoices to a designated inbox.
2. Invoices are forwarded to Xtracta's system, where key data is extracted.
3. The processed invoices return to Magiq, populated with extracted details and attached PDF copies.
4. Finance staff conduct a final verification before processing payment.

To further optimise efficiency, Kaipara District Council configured Xtracta to categorise invoices. The software flags invoices without purchase orders or those from high-risk suppliers for manual review. Additionally, the system was trained to recognise specific invoice formats, minimising errors and improving overall accuracy.



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Jessie Alison  
Finance Manager

## Increased productivity, accuracy, and strategic focus

The adoption of Xtracta has transformed Kaipara District Council's finance operations, delivering significant time savings and improved accuracy. Automating invoice processing has reduced manual workload by an estimated 50 per cent, allowing staff members to focus on more strategic financial tasks. "We love it. We wanted it, we needed it, we got it. We're happy with it," Alison affirms.

Beyond efficiency gains, Xtracta has enhanced the reliability of the Council's financial processes. The software's intuitive design ensures ease of use, even for staff members who have not undergone formal training. "You can just log in and go—it's intuitive, it's natural," explains Alison. "It's not an onerous software. It's easy for anyone to use."

The integration with Magiq has also proven successful, creating a seamless workflow that minimises processing delays and ensures invoices are reviewed, categorised, and approved systematically.

## Future - proofed for eInvoicing

With the growth of eInvoicing in New Zealand, backed by strong central government support, Xtracta's solution also sets Kaipara District Council up for the future with seamless support for eInvoicing.

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Furthermore, Xtracta's vendor support has been consistently responsive. During implementation, the company worked closely with both Kaipara District Council and Magiq to resolve challenges, including such as minor integration issues. Their proactive approach ensured the solution was fully operational within weeks, rather than months.



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