Welcome to

Perfecting Payroll using MYOB

presented by Pam Chilman, MYOB Certified Consultant

Poetry in Numbers

your *education and automation* team

June 2023

Presenter - Pam Chilman

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Background

- Trainer, Consultant and Business owner over 29 years
- Work with business and NFPs to obtain efficiencies
- Deliver face to face courses: MYOB, Xero, QBO & Reckon
- Deliver Webinars on a range of topics
- Set up a range of bookkeeping solutions
- Specialise in finding efficiencies

Qualifications

- Certificate IV – Training and Assessment
- Fellow of Institute of Public Accountants & ICB
- Registered BAS Agent
- MYOB Certified Consultant
- Member of MYOB Partner Advisor Group
- Xero Accredited Partner and Trainer
- Reckon Accredited Partner
- QuickBooks Online Pro-Advisor
- Calxa Accredited Partner

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Agenda

- Payroll preparation tasks prior to end of a payroll year
- The Finalisation process required ensuring STP2 activated
- Features in MYOB to save time when processing payrolls
- Tools to assist when engaging with employees
- Timesaving features in MYOB to streamline payroll workflows

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Disclaimer

This content aims to provide a general understanding of the software's features and functionalities, but it does not constitute professional financial advice. Please note that software updates or changes may occur, and certain functionalities mentioned may vary or evolve over time.

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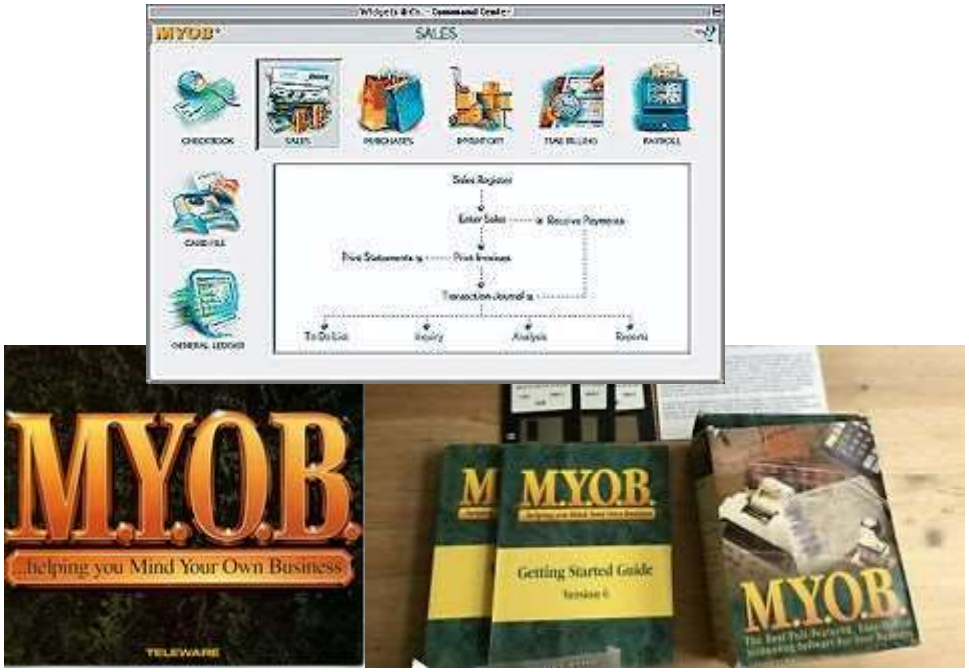
myob the product

Product evolution…



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myob the product

Product evolution…

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Product evolution…

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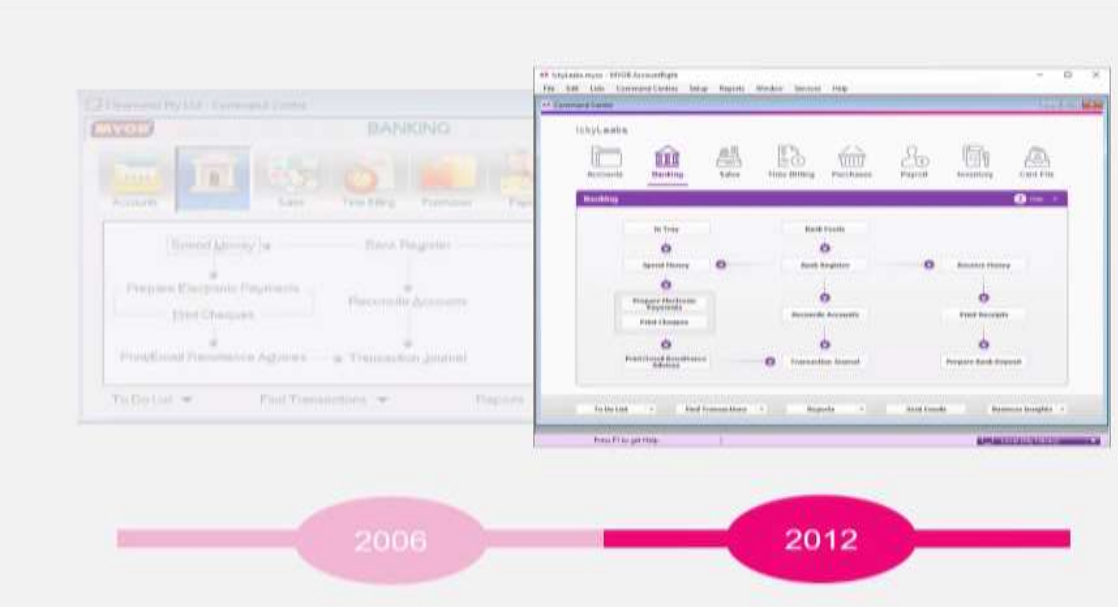
The MYOB evolution…



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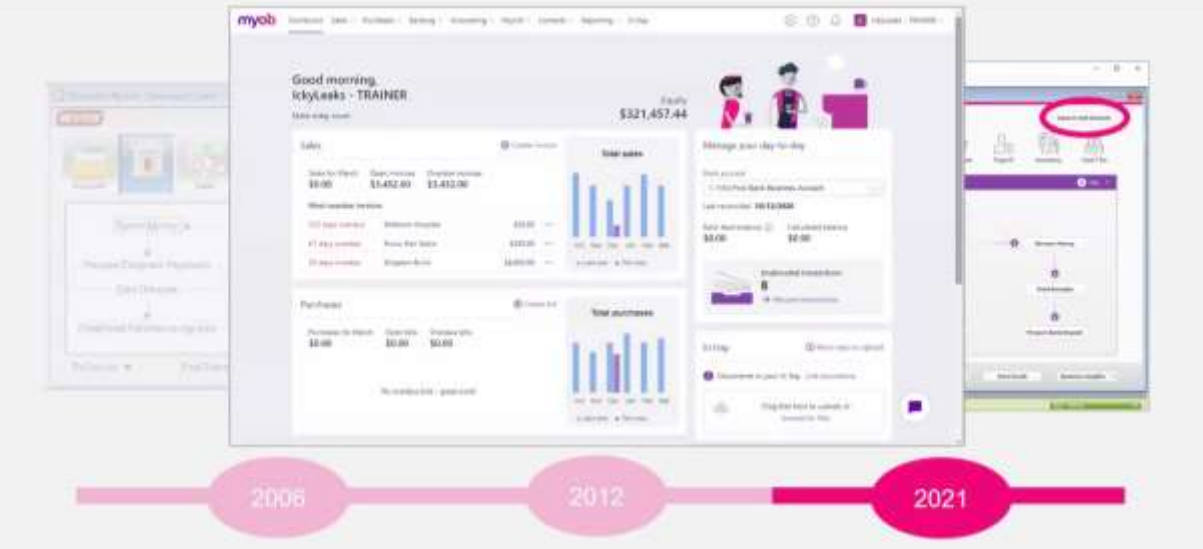
myob the product

Online product evolution…



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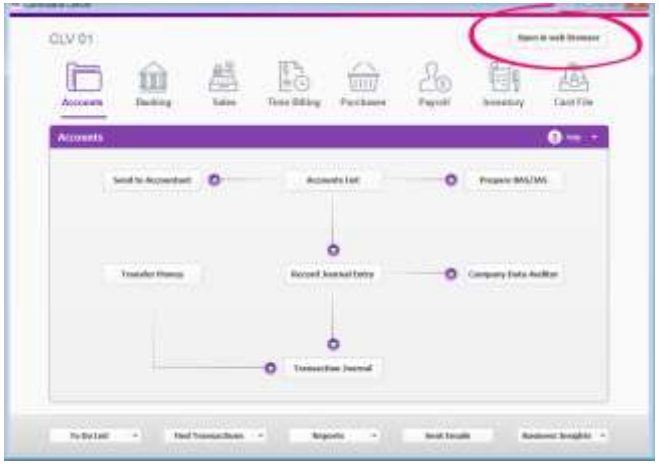
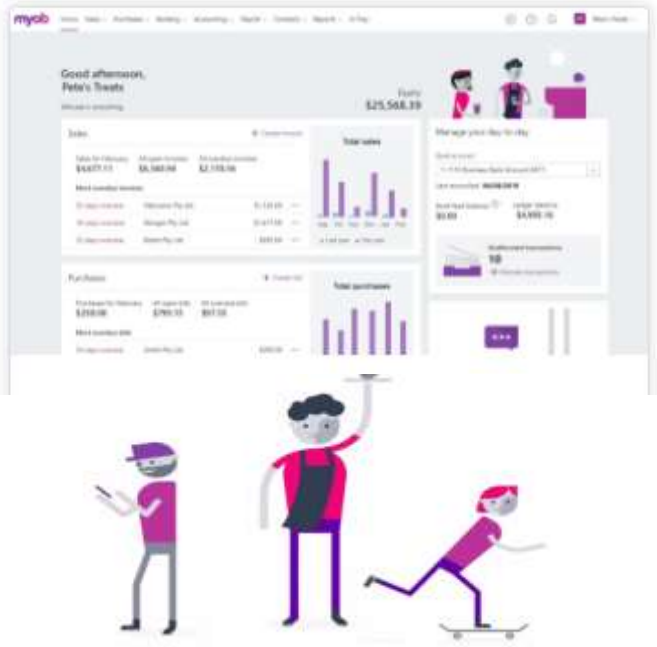
Which version do you mostly use?

- AccountRight desktop
- AccountRight online
- MYOB in the Browser
- Switch between both
- Unsure





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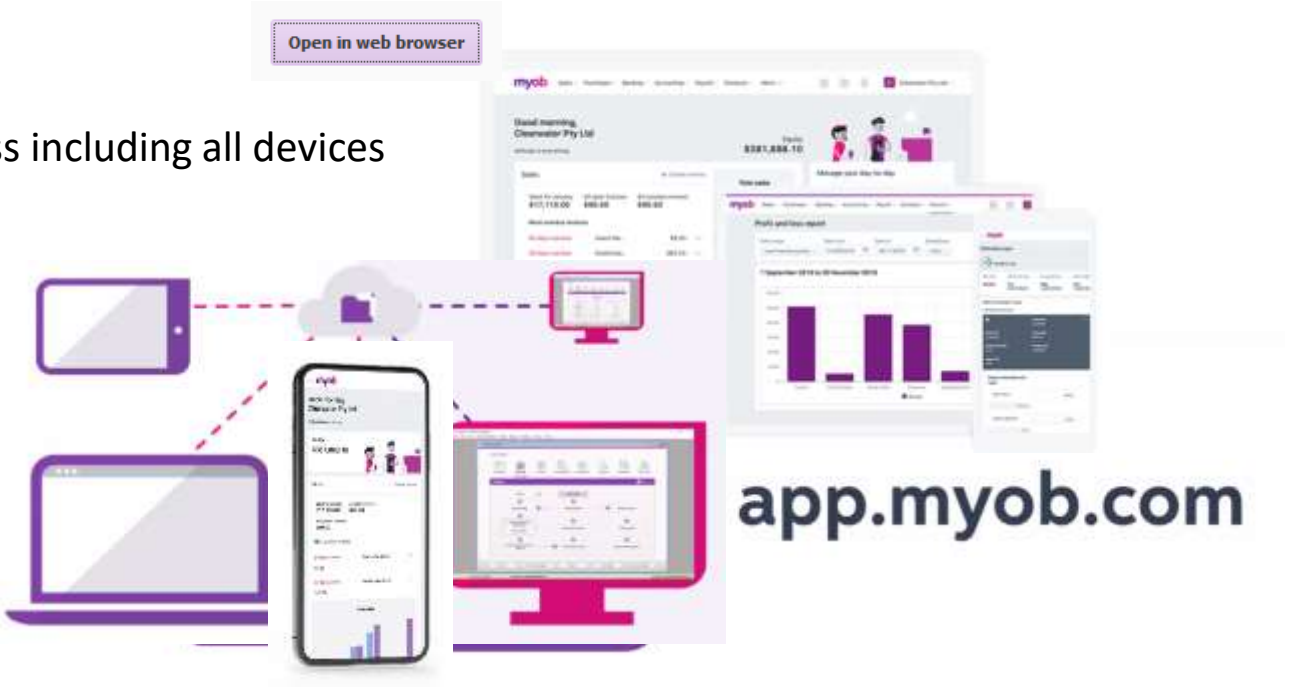
MYOB Browser

- More flexibility for access including all devices



Why does my file need to be online?

You'll complete the move to STP Phase 2 online (via a web browser) so you can integrate with the ATO's online services. This is only possible if your company file is online.

If your company file is offline (saved on your computer or a network server), you'll need to put your company file online to move to STP Phase 2. Having your file online is included with your subscription, so there's no extra cost.

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Payroll preparation & Finalisation for 2023

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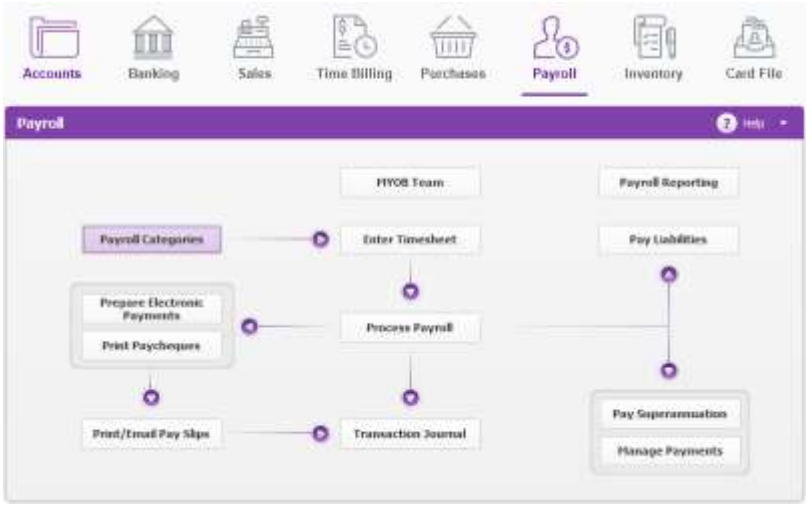
Payroll preparation

Preparation:

- Consider last pay run date
- Current details for all staff, incl. terminated
- Your Company details
- FBT information on hand
- ETP's or payroll adjustments



BAS/Tax Agents must also get ANNUAL Client Authority in place for EOY finalisation process

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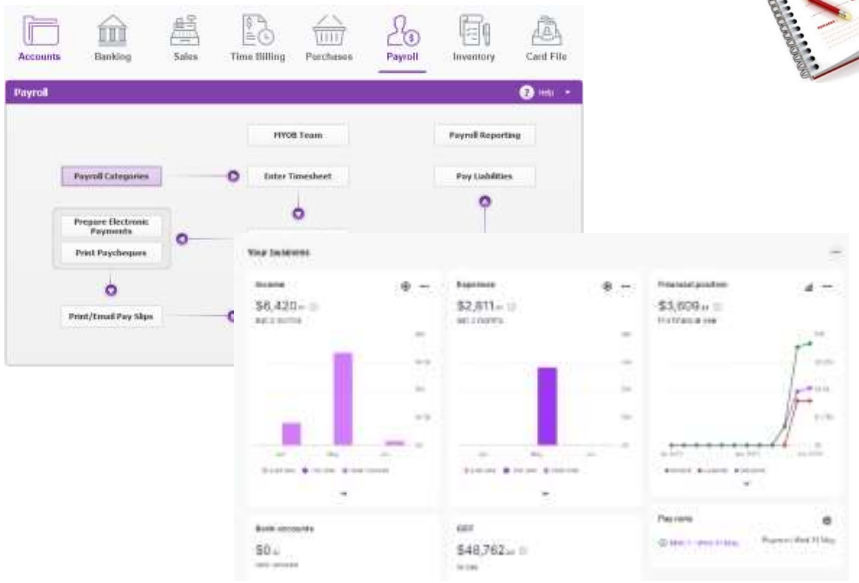
Payroll preparation



Preparation:

- Tax file numbers
- Dates of terminated staff
- Bank reconciliations kept up to date

Tax File Numbers	For use under special circumstances
333 333 333	Payee is under 18 years of age and earns $350 or less a week
444 444 444	Payee is a Commonwealth government pensioner
111 111 111	Payee is applying for a TFN and 28 days has not passed
000 000 000	If the taxpayer chooses not to quote a TFN, has not claimed an exemption from quoting a TFN or doesn't fit into the above categories
999 888 777 (or similar)	When cards are for old employees (active or inactive) with missing TFNs. Only use if you are certain the payee did not receive any form of payment from you in the year just ended

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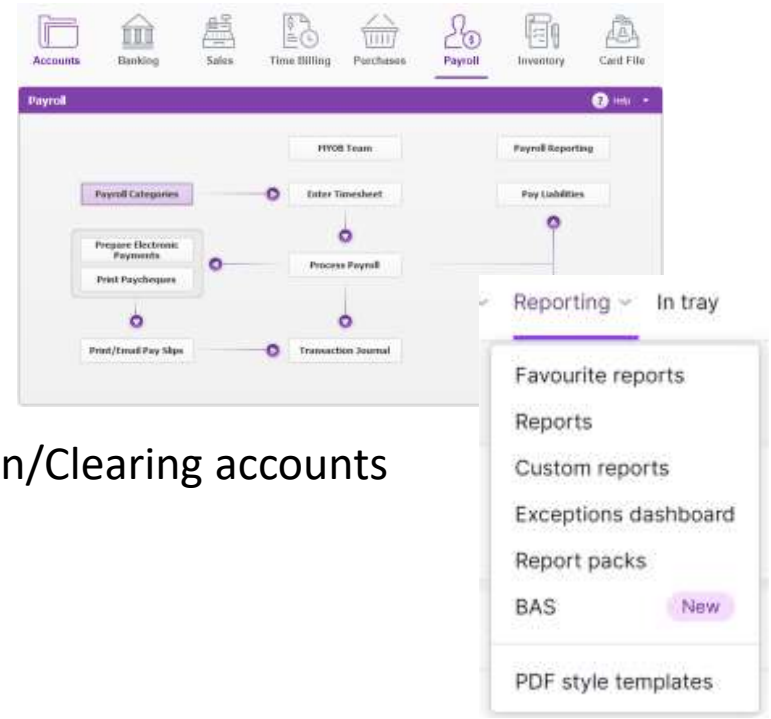
Payroll Year End preparation

Balance *Payroll* reports to *Financial* reports

Payroll reports:
Payroll *Register* Summary - Year-to-Date
Payroll *Activity* Summary - Year-to-Date
Payroll Summary



Financial Reports:
Profit and Loss
Balance Sheet
General Ledger Detail - PAYG / Superannuation/Clearing accounts

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Payroll Year End preparation

- **Balancing:** *Payroll* reports to *Financial* reports

  Confirm Activity Summary = Register Summary.

Reconcile Payroll reports - Salaries & Super expenses (P&L) * *watch splitting wages across multiple accounts*

Reconcile Payroll reports to Liabilities in Balance Sheet

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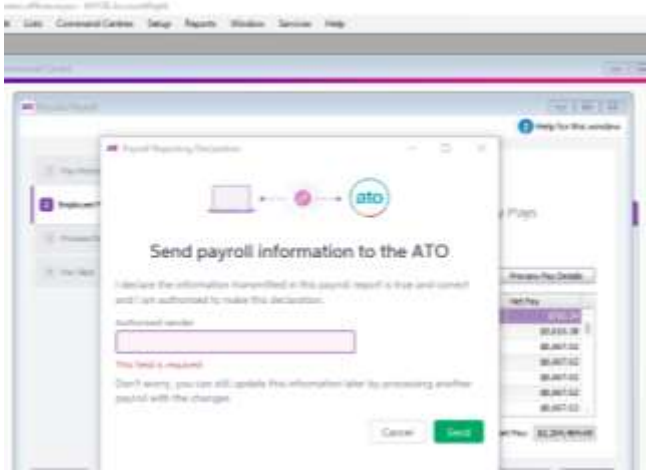
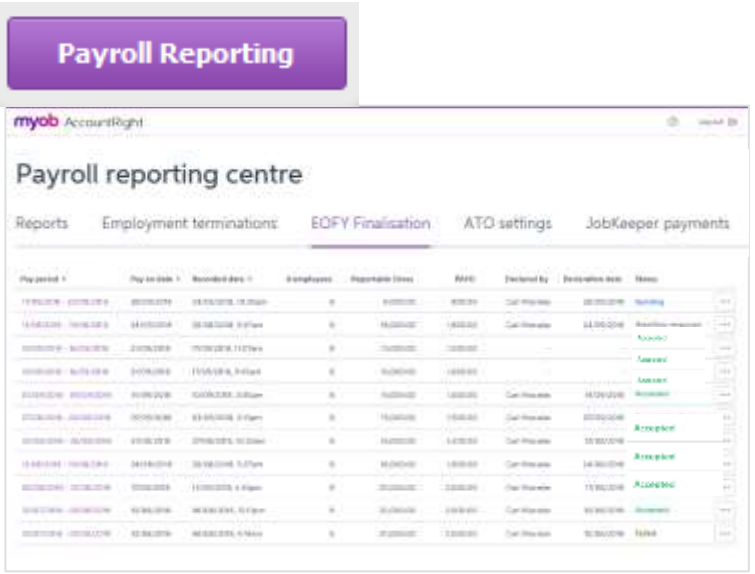
Payroll Year End with STP

Payroll Reporting Centre

- Shows each Pay Event report to ATO





- Totals are based on ‘Pay Event’ reports

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Payment Summaries

- Format fields Create *Empdupe* file
- Submit file:
  - Electronically/upload
- Link to ATO Portal
- Current methods to send file:
  - ATO Business Portal
  - BAS or Tax Agent Portal
  - SBR providers eg GovReports, and ….

Australian Government
Australian Taxation Office

Activity statement
Payment options
Mail
Online forms
Online tools and calculators
Access manager
File transfer
Lodge file
File status

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MYOB

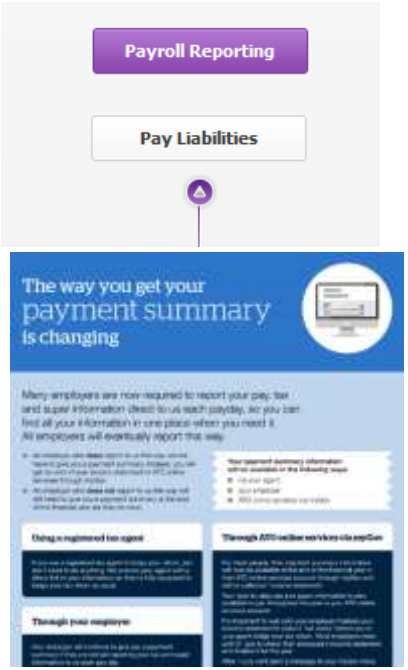
Payroll Year End with STP

Employees already asking?

- *'when can I get my Payment Summary?'*

- Remind no *'Payment Summaries'*

- Communicate timing with employees:
  - Discuss with staff in team meeting
  - Email on last pay slip
  - ATO resources if Employees unsure



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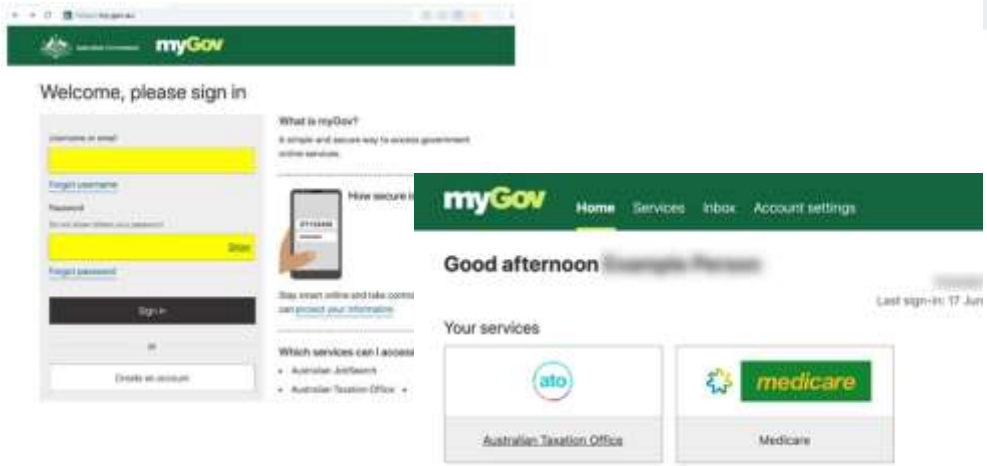
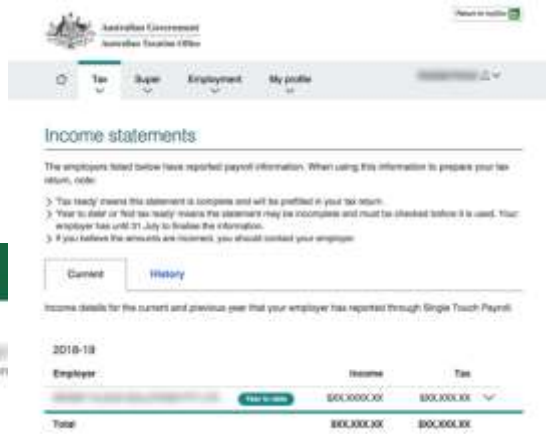
Payroll Year End with STP

- **Employees can see YTD totals in their MyGov accounts**

- Tax Agents can also see this information





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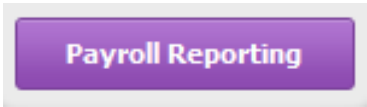
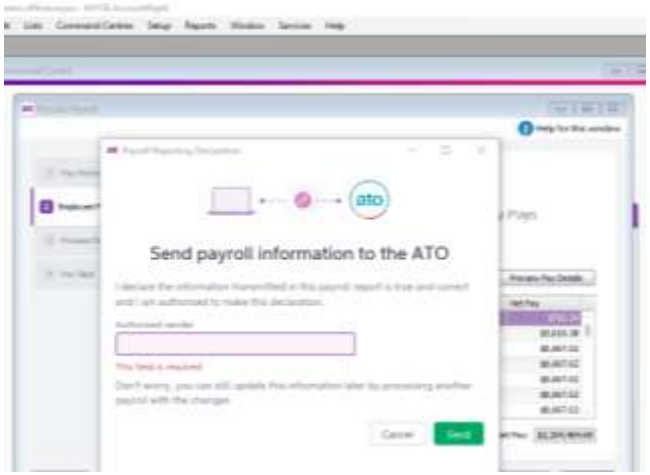
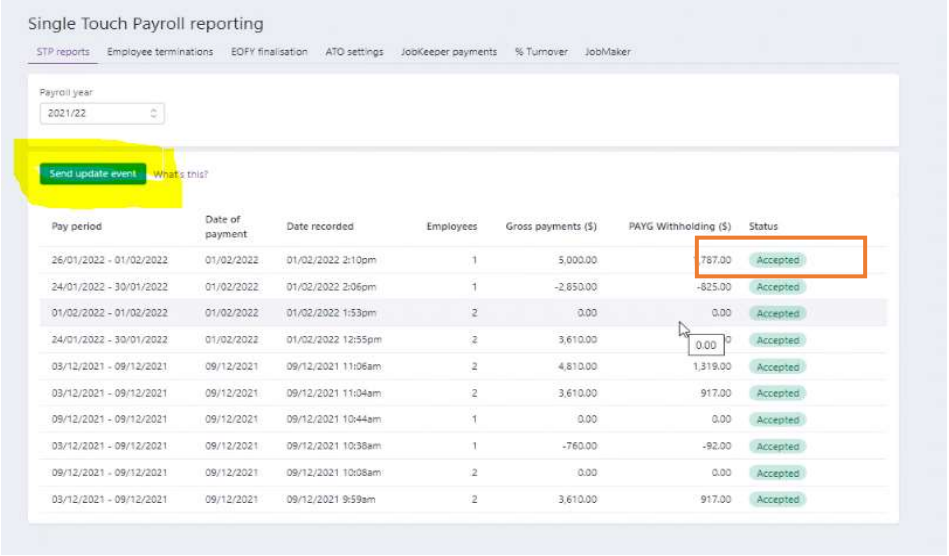
Payroll Year End with STP



- **Payroll Reporting Centre**
- Check most recent report has gone through successfully ‘Accepted’ status





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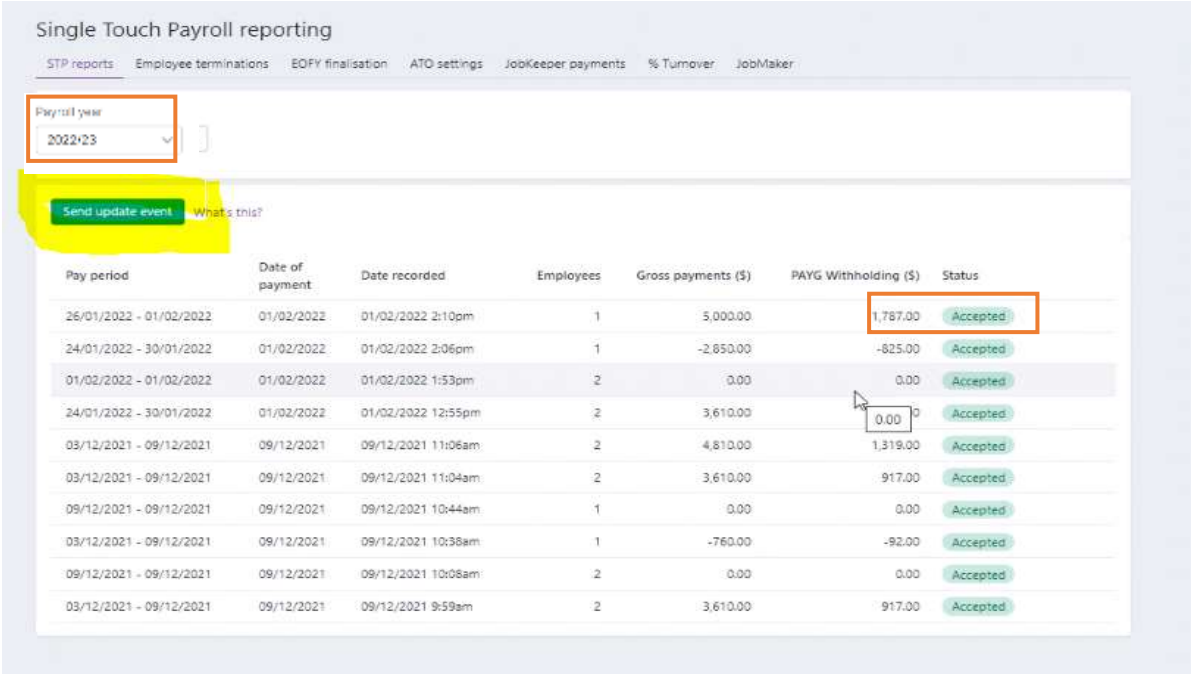
Payroll Year End with STP

Payroll Reporting

- Review the Payroll Year



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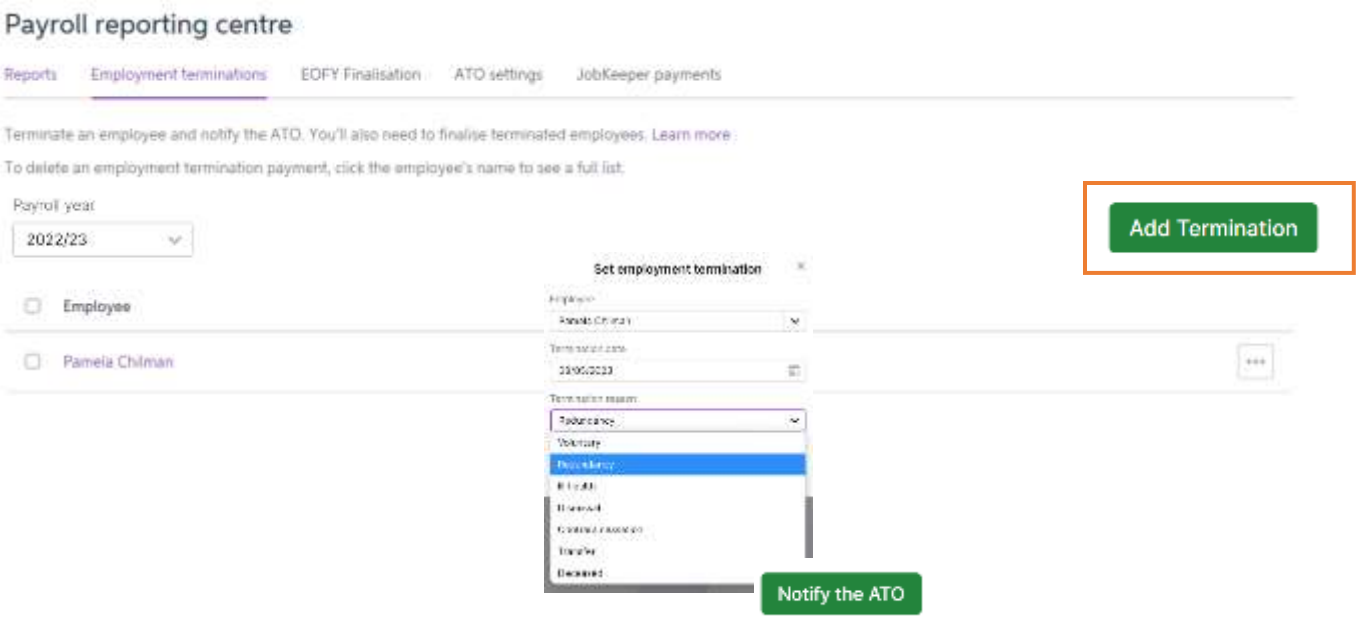
Payroll Year End with STP

Payroll Reporting

- Termination dates for staff who have permanently left the organisation



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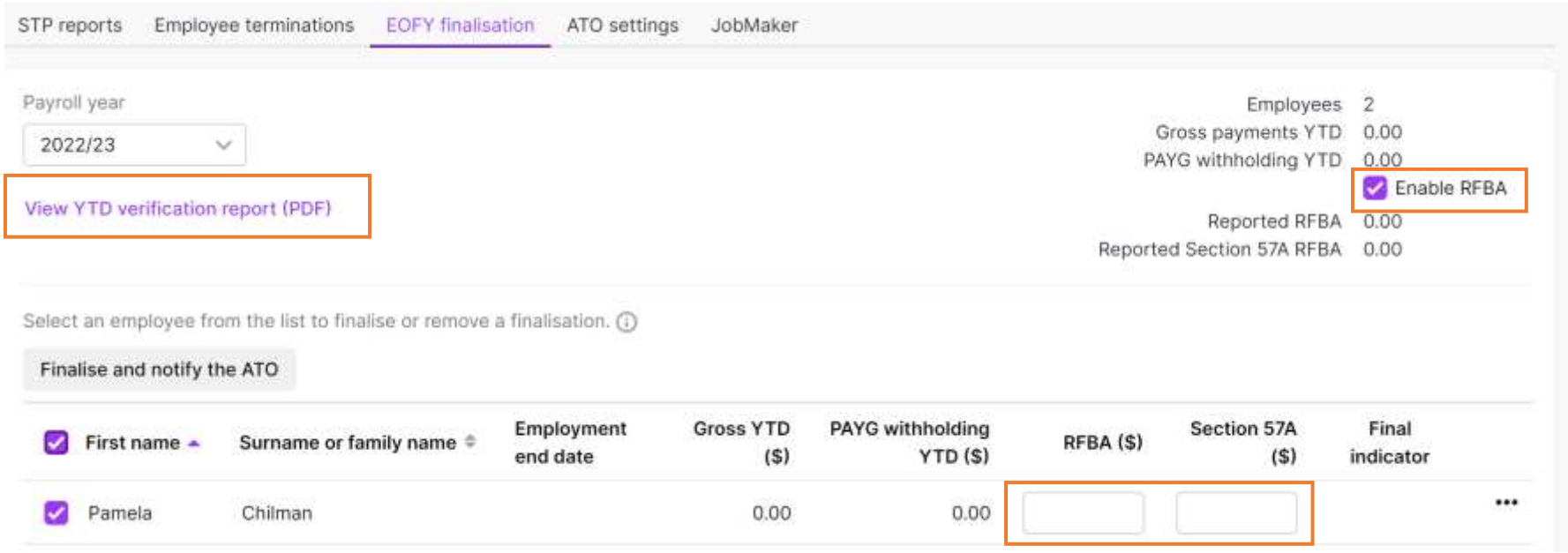
Payroll Year End with STP

Payroll Reporting

- EOY Finalisation: Report available, per employee, if required
- Select ‘Enable RFBT’ and enter grossed up $



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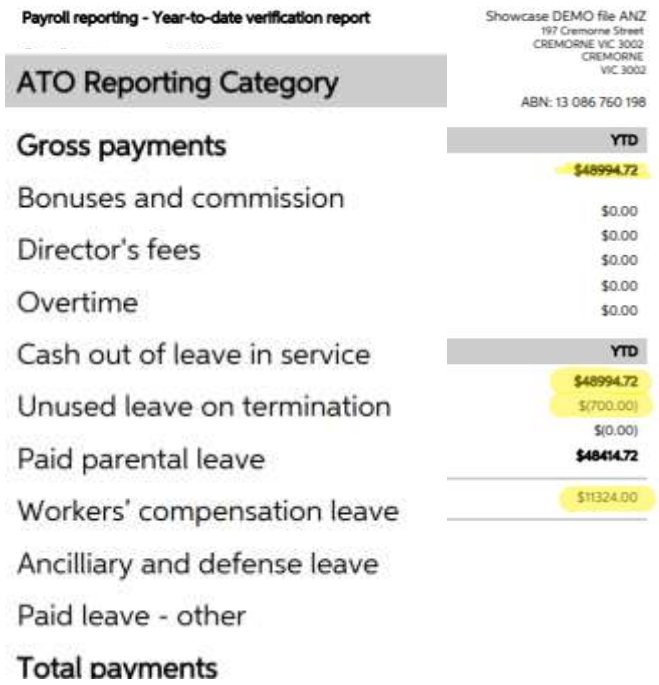
Payroll Year End with STP

Balance STP with Payroll and Financial reports

- YTD STP verification report, with
- Payroll Summary report



Payroll reporting - Year-to-date verification report

Showcase DEMO file ANZ
197 Cremorne Street
CREMORNE VIC 3002
CREMORNE
VIC 3002

ABN: 13 086 760 198

ATO Reporting Category	YTD
Gross payments	$48994.72
Bonuses and commission	$0.00
Director's fees	$0.00
Overtime	$0.00
Cash out of leave in service	$0.00
	$0.00
	YTD
Unused leave on termination	$48994.72
Paid parental leave	$(700.00)
Workers' compensation leave	$(0.00)
Ancilliary and defense leave	**$48414.72**
Paid leave - other	$11324.00
Total payments	

MYOB Electrical Trading Company
197 Cremorne Street
CREMORNE VIC 3002
03 1111 2222

Payroll summary report

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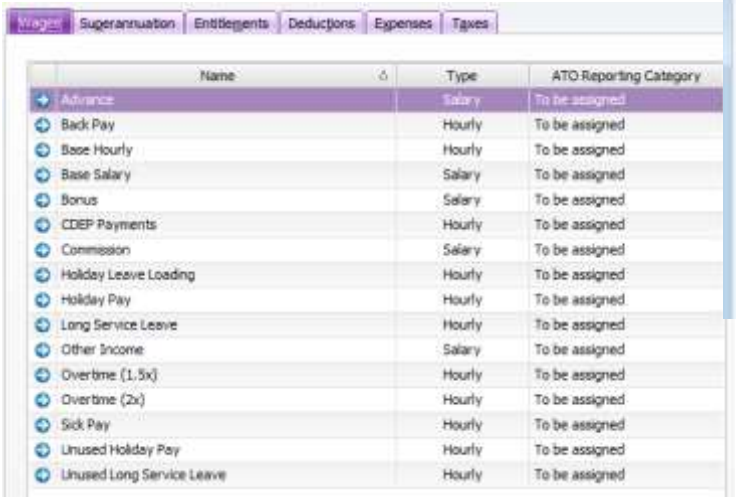
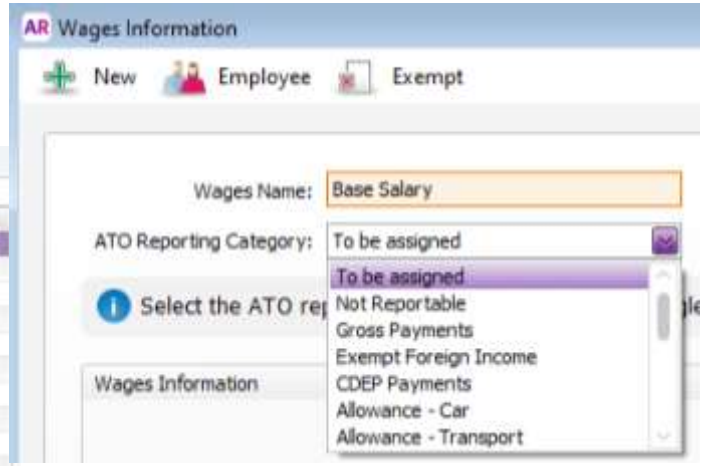
Payroll Year End with STP

- **Disaggregation of Gross**

Remapped *all* Payroll Categories





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Payroll Year End with STP

Gross payments split into more specific payment types

Eg Overtime, Bonus, Paid Leave

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ATO reporting category (Phase 1)	ATO reporting category (Phase 2)	More information
Gross Payments	Gross payments Overtime New Bonuses and commissions New Director's fees New Cash out of leave in service New Unused leave on termination New Paid parental leave New Workers' compensation leave New Ancillary and defence leave New Other paid leave New	Include pay items you use for paying salary and wages. For STP Phase 2, payments that don't sit into any of the main categories, assign them to **Gross payments** (but check this with the ATO).
Allowance - Car Allowance - Transport Allowance - Travel Allowance - Meals Allowance - Laundry Allowance - Other	Allowance - cents per km Allowance - award transport payment Allowance - travel and accommodation Allowance - overtime meals Allowance - laundry Allowance - tools New Allowance - tasks New Allowance - qualifications/certificates New Allowance - other	This includes payments you make to cover your employees' work-related expenses. For allowances that don't sit into any of the main categories, assign them to **Allowance – Other** (but check this with the ATO). If assigning **Allowance - other** as the ATO reporting category, make sure the name of the allowance adequately describes what the allowance is for, e.g. general, home office, non-deductible, transport/fares, uniform or private vehicle. This will help the ATO assist your employees to complete their tax returns. Learn more...
Lump Sum A - Termination Lump Sum A - Redundancy	Lump Sum A - Termination Lump Sum A - Redundancy	Lump sum payments, typically paid as employment termination payments, may include:

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Payroll Year End with STP

- Deferral ended December 2022 – all should be reporting STP2

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Payroll Year End with STP

Payroll Reporting

- Select all staff, and ‘Set as Final’

STP reports | Employee terminations | EOFY finalisation | ATO settings | JobMaker

Payroll year

2022/23

View YTD verification report (PDF)

Employees	2
Gross payments YTD	0.00
PAYG withholding YTD	0.00
Enable RFBA	
Reported RFBA	0.00
Reported Section 57A RFBA	0.00

Select an employee from the list to finalise or remove a finalisation.

Finalise and notify the ATO

First name	Surname or family name	Employment end date	Gross YTD ($)	PAYG withholding YTD ($)	RFBA ($)	Section 57A ($)	Final indicator
Pamela	Chilman		0.00	0.00			

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Payroll Year End with STP

Payroll Reporting

- Select all staff, and 'Set as Final'

STP reports | Employee terminations | EOFY finalisation | ATO settings | JobMaker

Payroll year

2022/23

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Pamela	Chilman		0.00	0.00			

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Payroll Year End with STP

- **Tax Agent sees YTD totals in Tax Agent Portal**

- Status changes, so employee can engage Tax Agent/complete personal tax
- If changed systems during the year, might see two amounts in MyGov – check!
- Nothing provided/emailed to staff - last payslip should be their record

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Payroll Year End

Finalise your payroll year

Finalise your payroll data before you send it to the ATO.

1. Finish your pay runs for the year

Show me

2. Check your payroll data is correct before your first pay in July.

Show me

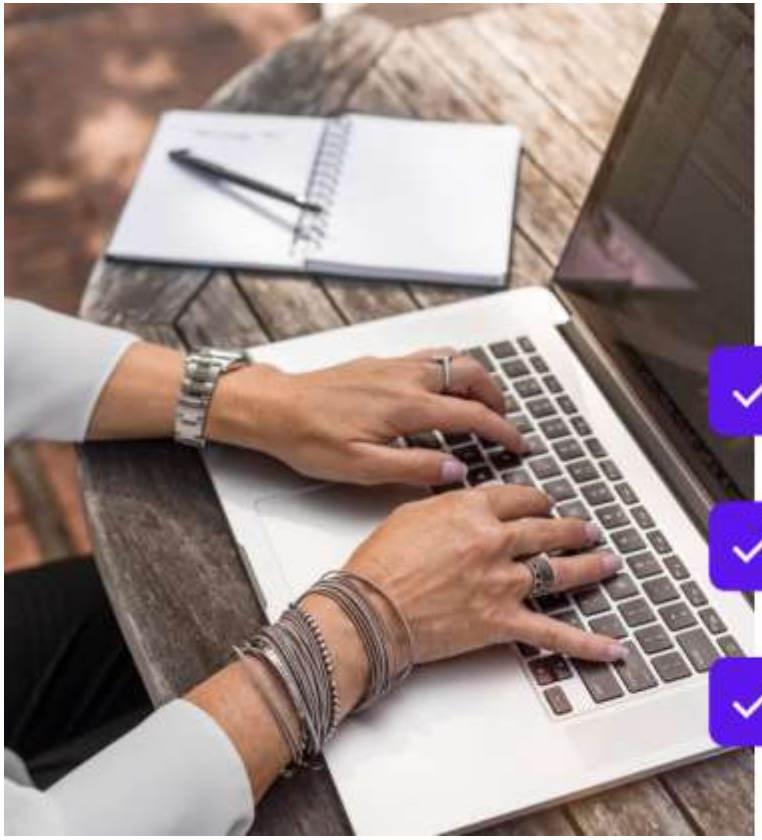
3. Tell the ATO about terminated employees.

Show me

4. Send your payroll data to the ATO.

Show me

Payroll Year End with STP



Single Touch Payroll

Phase 2 – Benefits Employers

TFN Declarations – gone!

Once reporting STP 2 no longer need to send to ATO

No more Separation Certificates

With STP 2 termination details will be in software

Lump Sum E Letters no longer required

Details will now be part of the software functionality

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Time saving tips & tools

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Timesaving tips

Onboarding staff

- Use Employee Onboarding – great tool when engage employees

Employee Self-Onboarding

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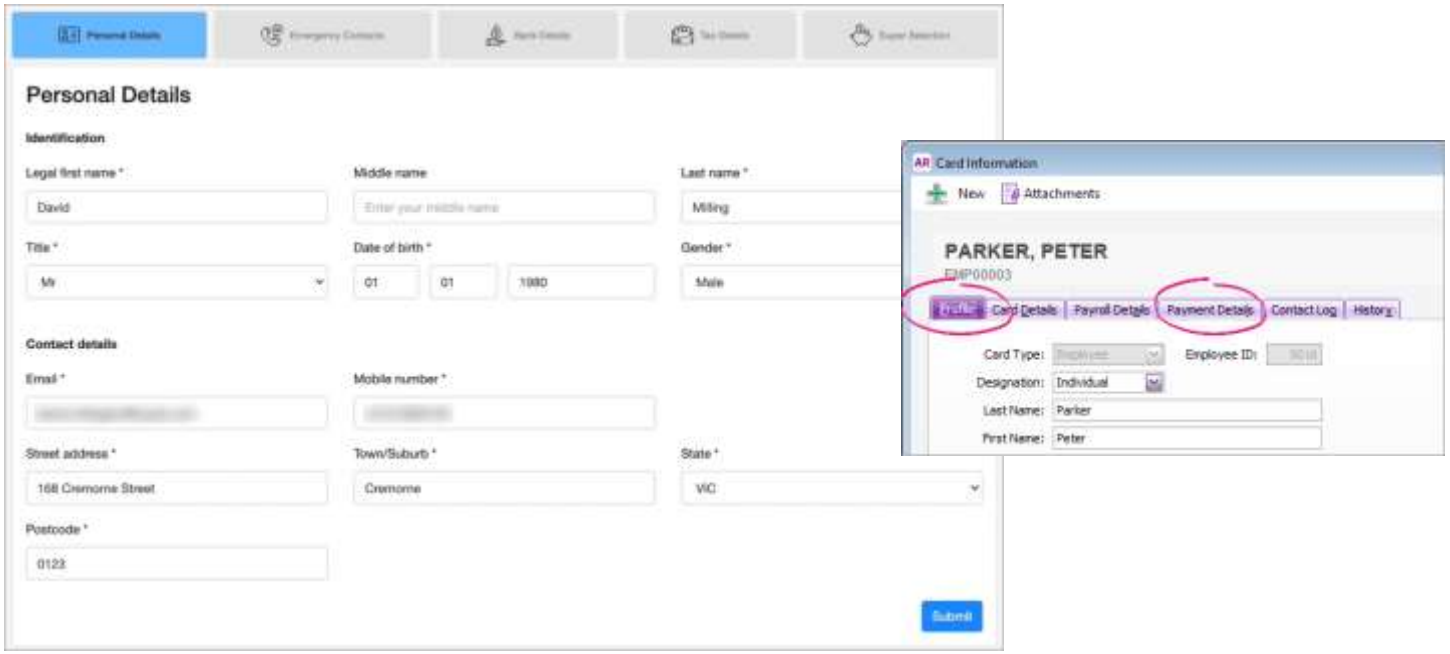
Tools to assist engaging employees

- **Employees complete details**

Employee Self-Onboarding



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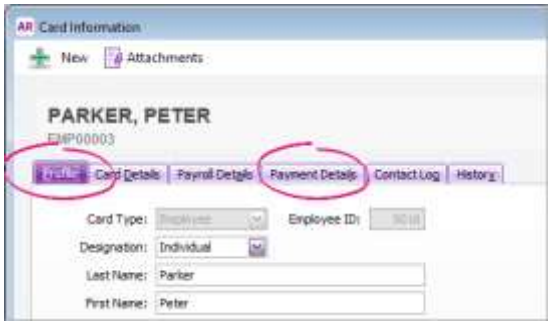
Tools to assist engaging employees

- **Payroll office to complete details**



The employee submits this

- Personal and contact details
- Emergency contact details
- Employment basis (full time, part time or casual)
- Superannuation details
- Tax file number and tax status
- Bank account details (for wage payments)

You need to add this

- Start date
- Pay cycle (how often they'll be paid)
- Wage expense account
- Pay basis (salary or hourly)
- Annual salary or hourly rate
- Assign any additional wage payments, e.g. overtime or allowances
- Assign any additional superannuation, e.g. salary sacrifice
- Assign any applicable leave, e.g. annual leave and sick leave
- Assign any deductions, e.g. union fees
- Income type
- Standard pay (confirm what the employee's regular pay will contain). If the employee will be submitting timesheets, remove all hours from their standard pay.

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Timesaving tips

- **Increase rate of SG – 11% from 1st July 2023!**

PERIOD	GENERAL SUPER GUARANTEE (%)
1 July 2020 – 30 June 2021	9.5%
1 July 2021 – 30 June 2022	10.00%
1 July 2022 – 30 June 2023	10.50%
1 July 2023 – 30 June 2024	11.00%
1 July 2024 – 30 June 2025	11.50%
1 July 2025 – 30 June 2026	12.00%
1 July 2026 – 30 June 2027	12.00%
1 July 2027 – 30 July 2028 Onwards	12.00%

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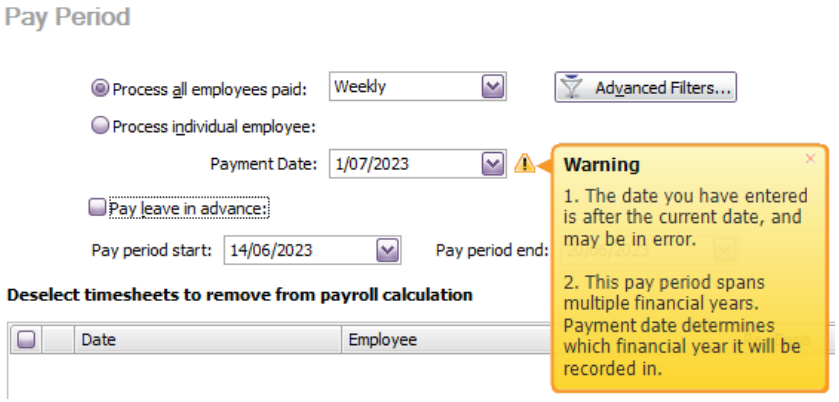
Superannuation

Current Rate – 10.50% on Ordinary Time Earnings (OTE)

- Applies to pay runs PAID prior to 1st July 2023

Updated Rate – 11% on Ordinary Time Earnings (OTE)

- Applies to pay runs PAID on or after 1st July 2023



Example:

Pay run for period 23rd June to 30th June– paid 1st July = 11% applies the full period

Pay run for period 24th June to 1st July – paid 1st July = 11% applies on the full period

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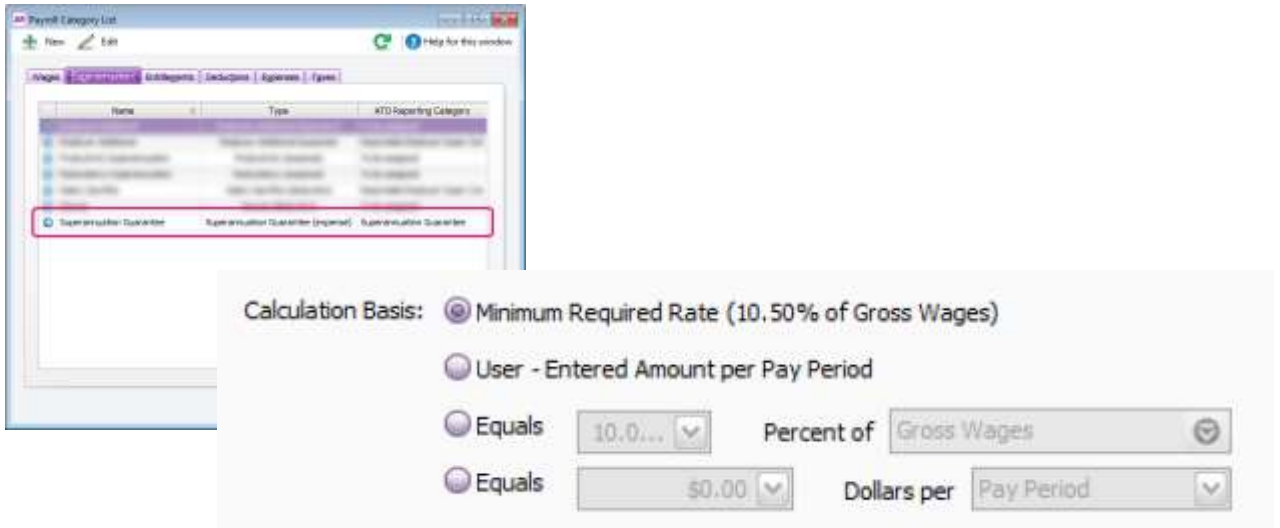
Timesaving tips

Automate the rate updates

Instead of manually increasing 'Superannuation' Payroll Category each year:
Use *'Minimum Required Rate'*



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Timesaving features in MYOB

Use automated Pay Superannuation

- No need to leave MYOB to make payments
- Reduce errors as based on pay runs
- Saves time, payments made with a couple of selections!

Quarterly super payment due dates

Quarter	Period	Payment due date
1	1 July – 30 September	28 October
2	1 October – 31 December	28 January
3	1 January – 31 March	28 April
4	1 April – 30 June	28 July

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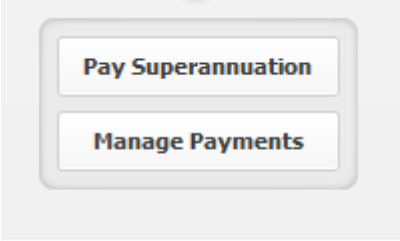
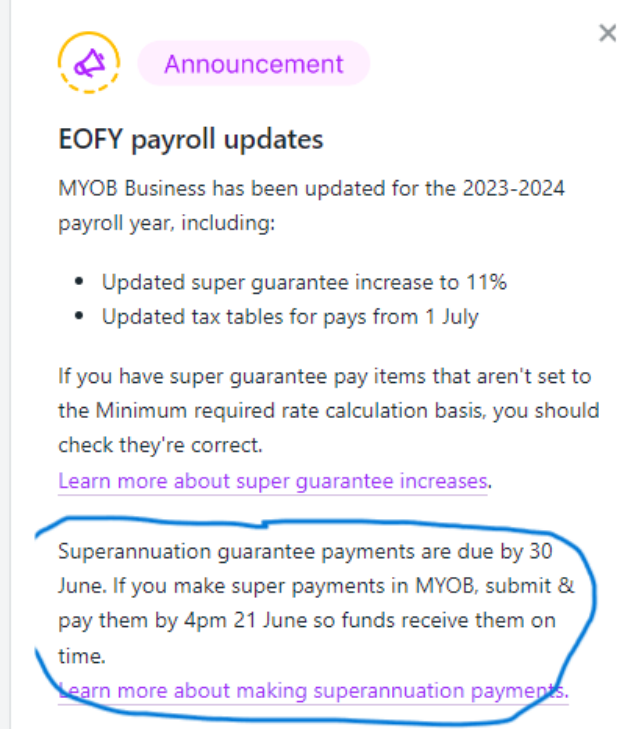
Superannuation

Allow time for payments via the MYOB automated payment feature

Pay by 30th June, to have tax deduction in this year*
*taxable entities

Make use automated *Pay Superannuation* feature in MYOB – by 4pm 21st June





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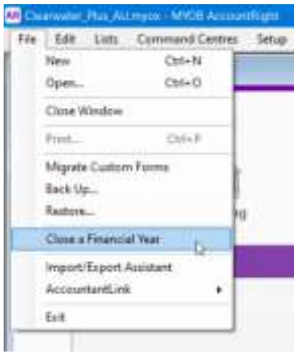
Timesaving features in MYOB

Tax scales

NO installing of Tax Table updates

MYOB automatically uses the right tax tables - based on PAY DATE



No need to close (rollover) the payroll year!

Remember check date of Tax Table shows on first July pay

Make use of 'Locked Period' feature

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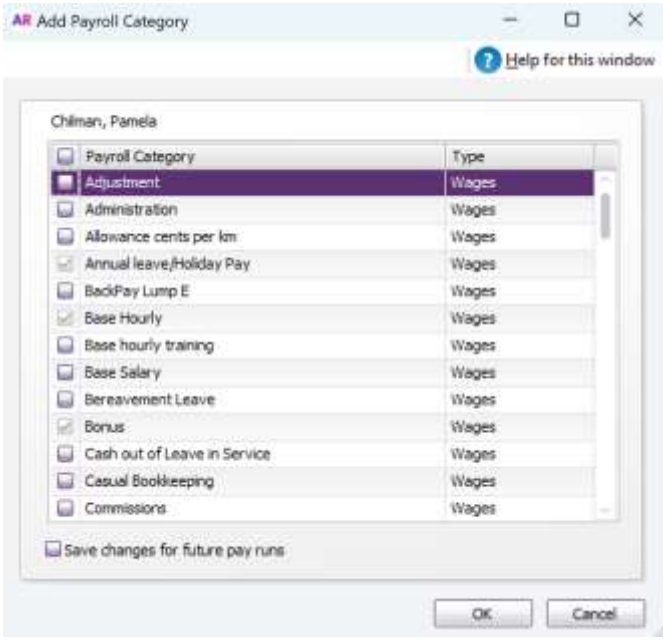
Timesaving tips

Payroll processing

- Ever been in middle of pay run and needed to add a one-off payment? eg Bonus



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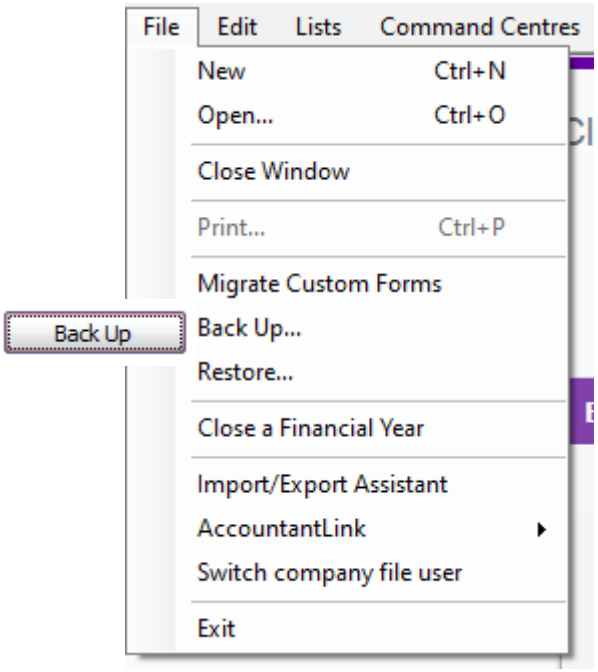
Timesaving tip – MYOB AR Online version

- Backup – even when file online, prior completing payroll



Timesaving tips

- Online invitation to provide access to file

- Engage with Accountant/Auditor/Bookkeeper into file

  keep working but watch dates!

- Lock period to 30/6/23… *more important than ever!*

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Happy New Financial Year!

Keep an eye out for future webinars

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Thank you!

Streamline your financial workflows?

- Online and hands on learning sessions
- Sort out payroll issues
- Financial Systems Review Service
- Personalised, tailored assistance
- Ongoing support

Feedback and keep in touch via:

✓ LinkedIn

✓ pam@poetryinnumbers.com.au

✓ Email Pam directly to receive ‘Payroll EOY Checklist’

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