

User Guide

MYOB Payroll



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Contents

1 Your first day	9
Overview of your first day	9
Learning Tools	10
Using MYOB Payroll for the first time	11
Explore the sample payroll.....	12
Accessing functions in MYOB Payroll.....	12
Creating a payroll file	15
Payroll options.....	21
Opening an existing payroll file	26
Exiting MYOB Payroll	26
Your MYOB Payroll data file	27
Integrating with other MYOB software.....	27
2 Maintenance	31
Overview of maintenance	31
Maintaining departments and costcentres.....	33
Maintaining pay codes.....	35
Editing pay codes	38
Maintaining employees	49
Processing employee leave	66
Maintaining Accumulators.....	75
3 Preparing pays	78
Overview	78
Importing timesheets	79
Entering timesheets.....	80
Print timesheets	82
Calculate default pays.....	82
Enter pays.....	83
Print Pay Slips	89
Email Pay Slips	90
4 Processing pays.....	92
Overview	92
Print the pay summary report	93
Print payment schedules.....	94
Backup	95
Finalise the pays	95
Payday filing.....	97
Change the PAYE period.....	97
5 Reporting	98

5 Reporting	99
Payroll reports	99
Printing options	94
Available reports	95
Additional report information	97
Exporting pay history information	102
6 Other functions	103
End of year processing	103
Creating accounting journals	104
Backing up and restoring your data	106
Repairing the payroll file	108
Managing passwords	108
Entering pay history	110
Purge old data	112
Consolidate payrolls	112
PAYE calculator	113
Glossary	115
Index	119

1 Your first day

Learn the basics of MYOB Payroll – how to use windows, icons, and fields, and how to set up your payroll file.

Overview of your first day

Your first day with MYOB Payroll will be spent learning about the program, installing it on your computer, and setting up your company details so you can start working.

In addition to this *User Guide*, you should have received the *Getting Started* guide. This guide should be your first point of reference as it contains the following information:

- How to register MYOB Payroll
- System requirements
- How to install MYOB Payroll
- How to enter historical payroll information
- Information about other MYOB resources that could make a difference in your business.

After you have read *Getting Started*, you are ready to begin.

YOUR FIRST DAY TOPICS

- Know what help is available, see ‘[Learning Tools](#)’ on page 10
- Learn how to start your software, ‘[Starting MYOB Payroll](#)’ on page 11
- Experiment without affecting your payroll information, see ‘[Explore the sample payroll](#)’ on page 12
- Find your way around MYOB Payroll, see ‘[Accessing functions in MYOB Payroll](#)’ on page 12
- Convert your existing payroll system to MYOB Payroll, see ‘[Creating a payroll file for an existing payroll](#)’ on page 16
- Get started straight away with a new payroll, see ‘[Creating a new payroll](#)’ on page 20
- Go back in to a payroll file you have created, see ‘[Opening an existing payroll file](#)’ on page 26.

Learning Tools

With MYOB Payroll, you receive a range of learning tools that have been designed to help answer your questions about MYOB Payroll and to help you get the most from your software. We encourage you to take the time to become familiar with these tools, as they will help you take full advantage of available features and functions.

When you are using MYOB Payroll, pressing **F1** opens the online help to give you immediate assistance and information about the window you are in and the task you want to perform.

USER GUIDE

The MYOB Payroll User Guide contains detailed information on how to prepare to use MYOB Payroll, and setup instructions to get you up and running with MYOB Payroll as quickly as possible. Illustrations of the MYOB Payroll windows, and procedures for all the tasks you can perform, are included in this manual. Keep it handy as you begin using MYOB Payroll in your business.

ONLINE HELP

MYOB Payroll comes with a comprehensive help system that you can use as a reference. To access the Online Help, choose **Contents** from the **Help** menu or press **F1** in any window in MYOB Payroll.

MYOB TRAINING SERVICES

MYOB can accommodate all of your training requirements, whether through on-site training or by attendance at one of our regular scheduled training courses. For more information on available training courses and tailored training options visit www.myob.co.nz and proceed to the training section or email training@myob.co.nz.

SUPPORT NOTES

An online knowledge base is available and includes important information, known issues and common problems. To view the online knowledge base, visit the MYOB site at help.myob.com/wiki/display/suppr/.

MYOB COMMUNITY FORUM

The MYOB Community Forum is where users of MYOB software and services can ask questions, share information and knowledge, and learn from each other. Visit community.myob.com.

IRD ASSISTANCE

Visit the IRDs website at www.ird.govt.nz/payroll-employers for helpful payroll information. You can also try:

- www.legislation.govt.nz for NZ Legislation
- Your local Employers Chamber of Commerce for help on specific personnel issues.

Using MYOB Payroll for the first time

You can experiment with MYOB Payroll to learn about how it works before setting up your own payroll details. The following topics are discussed in this chapter.

- [Starting MYOB Payroll, below](#)
- [Explore the sample payroll, page 12](#)
- [Setting up your own payroll; if you have an existing payroll, see page 16 or to create a new payroll, see page 20.](#)

For information on setting up or maintaining additional payroll details, see 'Overview of maintenance' on page 31.

STARTING MYOB PAYROLL

You can start MYOB Payroll either from the Windows desktop or from the **Start** menu.

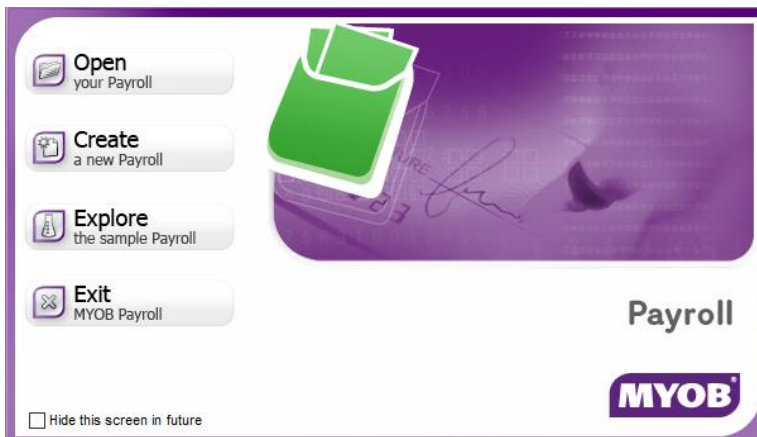
- 1 Click the **MYOB Payroll** icon on the Windows desktop.

or

Click the Windows **Start** button, choose **Programs**, and double-click the **MYOB Payroll** icon in the folder that was created when you installed MYOB Payroll.

If you chose all the default options during the installation process, the MYOB Payroll program was installed in the **MYOB Payroll** program group.

After a few moments, MYOB Payroll starts and the **Welcome to MYOB Payroll** window appears.



- 2 Continue with one of these topics:
 - If you have already created a payroll file and want to use it, see [‘Opening an existing payroll file’ on page 26](#).
 - If you want to get started right away, see [‘Creating a payroll file’ on page 15](#).
 - To become familiar with your software before setting up your own payroll, see [below](#).

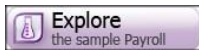
Explore the sample payroll

A great way to learn how to use MYOB Payroll is to see and play with actual data that has been entered into the MYOB Payroll system. By doing so, you can learn how your data should be entered.

We have created a sample company, Clearwater Ltd, for this specific purpose. Using Clearwater’s payroll file, you can experiment freely with features without affecting your company’s information. We recommend you spend some time with Clearwater’s data to familiarise yourself with the way your software works.

TO EXPLORE THE CLEARWATER PAYROLL FILE

- 1 Click **Explore the sample Payroll** in the **Welcome to MYOB Payroll** window.



The MYOB Payroll command centre window appears. This window always appears when MYOB Payroll is running. Notice that the name of the sample company, Clearwater Ltd, appears in the top left of the window.

- 2 Now that Clearwater is open, feel free to browse MYOB Payroll and explore the sample company.

For information on getting around, see [‘Accessing functions in MYOB Payroll’ below](#).

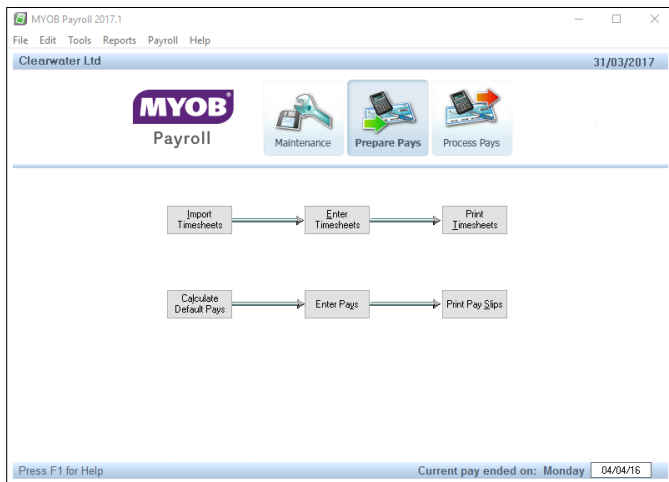
Accessing functions in MYOB Payroll

You can access MYOB Payroll functions using one of the following navigation methods.

- [Command centres, page 13](#)
- [Menus, page 13](#)
- [Hot keys, page 14](#)
- [Types of fields and buttons in MYOB Payroll, page 14](#)
- [Learning Tools, page 10](#).

COMMAND CENTRES

Command centres enable you to quickly and easily access the required functions of MYOB Payroll using icons, similar to the way you may use tool bars in other Windows systems.



There are three command centres, which are based on the major functions that you will perform in MYOB Payroll. They are:

- **Maintenance** command centre, used to record and edit employee, pay code and department information.
- **Prepare Pays** command centre, used to add timesheets, enter current pay run information and print pay slips.
- **Process Pays** command centre, used to finalise your pay run, create necessary ir-Filing and direct credit files and update the PAYE period.

The command centres contain a row of icons in the top half of the window, which represent the three areas of MYOB Payroll. Each time you view the central location for all command centres, one of the icons is highlighted, and a flowchart of tasks is displayed below the row of icons.

The highlighted icon is the current command centre, and the flowchart displayed below the row of icons contains the major functions associated with that command centre. For example, when the **Prepare Pays** function is highlighted, functions such as **Enter Timesheets** and **Calculate Default Pays** – typical tasks you'd complete with preparing pays are displayed in the flowchart.

To display a command centre, click once on the icon of the command centre you want to see.

Tasks are accessed from command centres simply by clicking once on the function icon. When you select a function, a window will appear where you can make the necessary entries to perform the function.

MENUS

The menu allows you to access all functions from one location, including some that are not available from command centres, such as **Options**.

The menus are ordered in a hierarchical structure. Use the standard Windows method to access a function from a menu. The arrow next to a menu item indicate that there are additional sub-menus for this item.

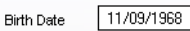


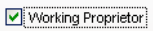
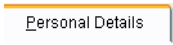

HOT KEYS

You can access some functions using shortcut keys. These keys are listed below:

Function key	Action
F1	Online Help
F4	Add record
F6	Insert current date
F7	Delete after cursor
F8	Delete record
F9	Lookup
Ctrl+O	Open a payroll
Ctrl+N	Create a new payroll
Ctrl+P	Print
Ctrl+D	Print Direct Debit fax (for sending to the bank)

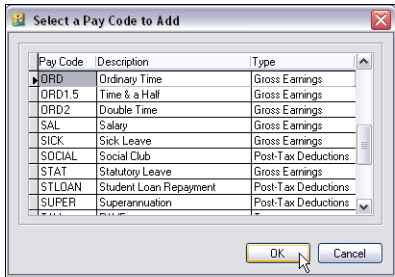
TYPES OF FIELDS AND BUTTONS IN MYOB PAYROLL

You will find the following types of fields and buttons used in MYOB Payroll .

Field type	Example	Description
Data entry		Data entry fields allow you to enter information in your payroll file.
Button		Buttons come in a few different styles in MYOB Payroll. Generally, the purpose of buttons is to perform an action or step, such as opening a window.
Radio buttons		Radio buttons allow you to make a selection from a number of choices. Radio buttons are selected by clicking the circle next to the text that accompanies it.
Checkboxes		Checkboxes allow you to activate or deactivate a particular MYOB Payroll function. Checkboxes are selected by clicking the square next to the text.
Tabs		Tabs allow you to switch between views in a window, such as Personal Details in the Maintain Employees window. To select a new view, simply click the tab required.
Ellipsis button		Click the ellipsis button [...] to access a related tool, such as a calculator, or to open a window with more information about the item.

LIST WINDOWS

In addition to field and buttons, you'll find List windows. These let you enter data by clicking an item presented in a scrolling list. For example, if you are setting up pay defaults for an employee, you can press F4 to add a new pay code, as shown in the following illustration.



List windows differ depending upon the window in which they appear.

Creating a payroll file

There are two ways you can create a payroll file. You can:

- convert your existing payroll system to MYOB Payroll, see [‘Creating a payroll file for an existing payroll’](#) below
- set up a new payroll with no prior payroll information, see [‘Creating a new payroll’](#) on page 20.

Below is a list of information that is generally required to set up your payroll.

- Employee list
- Pay codes (the components that make up an employee’s pay, such as ordinary time, overtime, leave, tax, and so on)
- Departments
- Cost centres
- Leave details
- Leave anniversaries
- PAYE settings
- Direct credit files
- System preferences

CREATING A PAYROLL FILE FOR AN EXISTING PAYROLL

MYOB Payroll allows you to enter historical information from your previous payroll system, bringing you up-to-date and ready to process your next pay run.

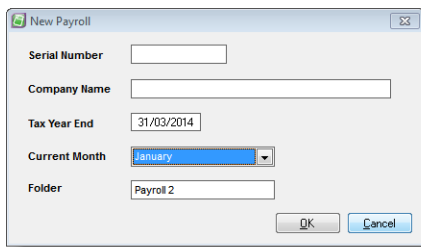
Entering historical information is optional Pay history is used for the calculation of annual leave rates. If you don't enter historical information, you will need to manually override the gross earnings for the last 12 months each time an employee takes leave. Note that if you need a full record of historical information, you will need to re-enter pays using the pay-by-pay method. This involves processing each pay run separately from the start of the tax year.

Annual Leave anniversary Before you start using MYOB Payroll decide if you will use a common anniversary (used when a firm has a compulsory closedown period such as two weeks over Christmas) or individual anniversaries (based on the employee's start date).

TO CREATE A PAYROLL FILE FOR AN EXISTING PAYROLL

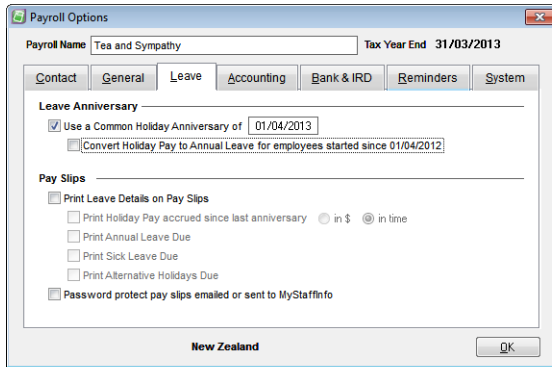
- 1 Start MYOB Payroll and click **Create a new Payroll** from the welcome window that appears.

The **New Payroll** window appears.



- 2 Enter the name of the payroll.
- 3 Check that the tax year end date is correct and set the current month to the month prior to the first month you are planning on entering pay history for (for example, 12 months ago; you may need to also change Tax Year End to the relevant year) or processing live pays.
- 4 Click **OK**. The **Payroll Options** window appears.

- 5 Enter your payroll settings. If you are using a common anniversary set this under the **Leave** tab. Note that this information can be changed after the payroll has been created (go to the **Tools** menu and choose **Options**).

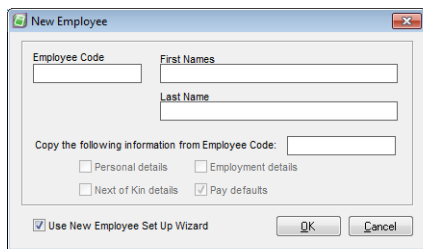


- 6 Click **OK**. The **Payroll Command Centre** now appears.
- 7 **[Optional] Set up Departments/Cost Centre**. Some businesses use separate departments to track wages expenses and other employee information.
- Go to the **Maintenance** command centre and click **Maintain Departments**.
 - Click **New** in the window that appears. The **New Department/Cost Centre** window appears.
 - Enter the details of your department and then click **OK**.
 - Repeat from **step a above** for each department.
 - Click **Close**.

NOTE: General Ledger codes A message will appear to let you know that general ledger codes haven't been assigned to your departments. Return to this window and enter the General Ledger codes after setting up your accounting integration. For information about integrating with your accounting software, see 'Integrating with other MYOB software' on page 27.

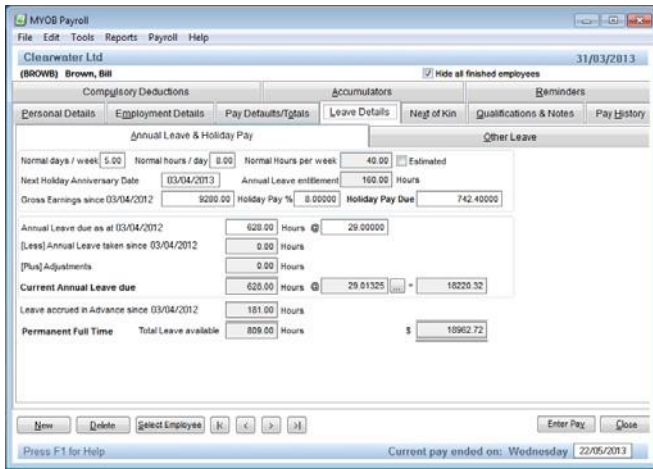
8 Set up Employees.

- a Go to the **Maintenance** command centre and click **Maintain Employees**.
- b Click **New**. The **New Employee** window appears.



- c Enter a code in the **Employee Code** field. Each employee must have a unique code (which can be numbers or letters). We recommend the first four or five letters of the surname followed by the initials. This ensures that reports will be printed in alphabetical order for surnames. Numeric codes can be used; however, you must include leading zeros to ensure the sort order is correct (for example, 001, 002, and so on).
The **Copy the following information** option is useful when adding employees who share similar information, and saves you from having to re-enter information. Click in the field and press **F9**. In the list that appears, select the employee you want to copy details from and click **OK**. Once the employee is added, you can customise employee details (such as assigning them a department and adding a start date).
 - d Click **OK**. The first step of the **New Employee Setup Wizard** appears.
 - e Enter the basic pay details such as start date, IRD number and tax code.
 - f Click **Next** and enter the days per week and hours per day normally worked. Your normal hours per week is calculated. Normal hours per week is used to calculate employee leave allocation. For example, if your normal hours per week is 40, your employees will be allocated 4 weeks of 40 hours of annual leave per year (160 hours).
 - g Click **Next** and enter the KiwiSaver details for the employee.
 - h Click **Next** and then **Finish**.
 - i Repeat from **step a above** for each employee.
 - j Click **Close**.
- 9 If you want to enter pay history, you can enter it now by processing the historical pay runs (refer to the F1 help or User Guide for more information on entering pays). When prompted to update an employee's leave details, make sure you do so. If you prefer to keep details of the historical and current pays separate, use the YTD... pay codes.
- 10 **Enter Leave details.** Before you enter these details, you will need leave information from your previous payroll system.
- a Go to the **Maintenance** command centre and click **Maintain Employees**.
 - b Click the **Leave Details** tab and then click **Annual Leave & Holiday Pay**.
 - c If you haven't already done so, enter the normal days per week and normal hours per day worked. Your normal hours per week is calculated. Normal hours per week is used as the basis to calculate employee leave allocation. For example, if your normal hours per week is 40, your employees will be allocated 4 weeks of 40 hours of annual leave per year (160 hours).

- d Enter an anniversary date. This date is used to calculate leave. By default, the anniversary date is based on the employee start date, for example, 12 months after start date. If you are converting from another payroll system, you will need to enter the anniversary date to ensure leave is correctly calculated.
- e Enter the gross earnings since the employees start date (or the employees last anniversary date) and the holiday pay percentage. The holiday pay percentage is usually 8% (that is, four weeks annual leave). The opening **Holiday Pay Due** balance needs to be manually entered. In most cases, it is 8% of the gross earnings figure. When you start processing payroll, this figure is automatically update after each pay is finalised.
- f Enter any annual leave due when you started using MYOB Payroll in the **Annual Leave due as at** field (this may be negative for employees who have taken leave in advance). The **Current Annual Leave due** should now show the employees correct amount of leave due. If it doesn't, modify the hours in the **Annual Leave due as at** field to correct (negative amounts can be used).



- g In the **Other Leave** tab, enter:
 - sick leave days currently owing in the **Current Sick Leave** field. Also enter the maximum number of days that can be accrued, and the number of days that should accrue each year.
 - alternative holidays currently owing in the **Current Alternative Holidays Due** field.

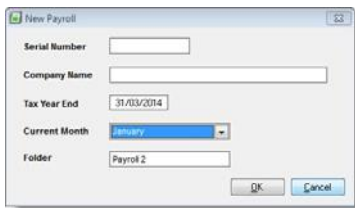
You are now ready to start using MYOB Payroll to process pay runs.

CREATING A NEW PAYROLL

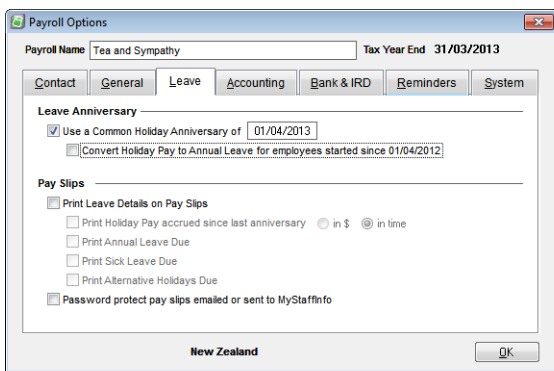
You can start using MYOB Payroll immediately, with no prior payroll information.

TO CREATE A NEW PAYROLL

- 1 Start MYOB Payroll and click **Create a new Payroll** from the welcome window that appears. The **New Payroll** window appears.



- 2 Enter the name of the payroll.
- 3 In New Zealand, the tax year end always ends on 31st March.
- 4 Set the current month to the month you want to process live pays. This ensures the Employer Monthly Schedule (EMS) is correct.
- 5 Click **OK**. The **Payroll Options** window appears.
- 6 Enter your payroll settings. If you are using a common anniversary set this under the **Leave** tab. Note that this information can be changed after the payroll has been created (go to the **Tools** menu and choose **Options**). For more information, see 'Payroll options' below.



- 7 Click **OK**. The **Payroll Command Centre** now appears.

You are now ready to finish setting up your new payroll and start processing live pays.

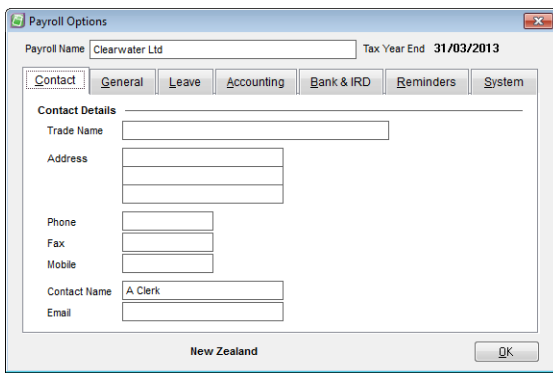
- To finish entering payroll information in the **Payroll Options** window, see [page 21](#).
- To complete any setting up of employees, pay codes or departments, see [page 31](#).
- Start processing live pays, see [Chapter 3, Preparing pays, on page 73](#).

Payroll options

You can change options after the payroll is created. Choose **Options** from the **Tools** menu at the top of the command centre.

CONTACT DETAILS

The **Contact** tab allows you to enter contact details for your business.



The screenshot shows a window titled "Payroll Options" with a "Contact" tab selected. The window contains the following fields and controls:

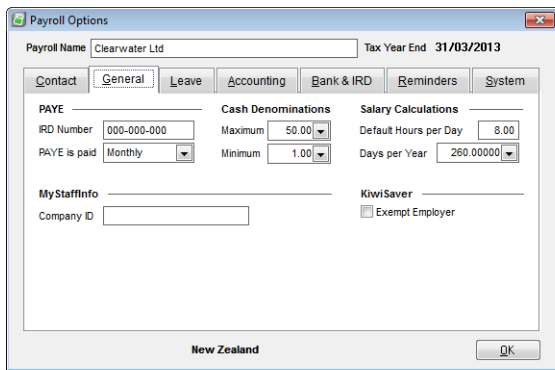
- Payroll Name: Clearwater Ltd
- Tax Year End: 31/03/2013
- Tabbed interface with "Contact" selected. Other tabs include General, Leave, Accounting, Bank & IRD, Reminders, and System.
- Contact Details section with the following fields:
 - Trade Name: [Empty text box]
 - Address: [Three stacked empty text boxes]
 - Phone: [Empty text box]
 - Fax: [Empty text box]
 - Mobile: [Empty text box]
 - Contact Name: A Clerk
 - Email: [Empty text box]
- Country: New Zealand
- OK button

Note the following:

- The name entered in the **Trade Name** field appears as the company name on pay slips and other printed reports.
- The contact name and the phone number are included in the EMS and the Employee's certificate of earnings.
- KiwiSaver requests employers to provide a mobile phone number.

GENERAL DETAILS

The **General** tab allows you to specify information about PAYE, MyStaffInfo and KiwiSaver.



The screenshot shows the 'Payroll Options' dialog box with the 'General' tab selected. The 'Payroll Name' is 'Clearwater Ltd' and the 'Tax Year End' is '31/03/2013'. The 'General' tab contains the following sections:

- PAYE:** IRD Number (000-000-000), PAYE is paid (Monthly).
- Cash Denominations:** Maximum (50.00), Minimum (1.00).
- Salary Calculations:** Default Hours per Day (8.00), Days per Year (260.00000).
- MyStaffInfo:** Company ID (empty field).
- KiwiSaver:** Exempt Employer (checkbox, unchecked).

The dialog box has a 'New Zealand' label at the bottom left and an 'OK' button at the bottom right.

IRD

Your IRD (Inland Revenue Department) number is the number that identifies your company to the IRD. You need to enter your IRD Number to ir-File employee information, which appears on the Employer Monthly Schedule (EMS).

PAYE is paid to the IRD either half-monthly or monthly. If your total annual PAYE payments are in excess of \$500,000, then you are considered a large employer, and are required to pay PAYE half-monthly (on the 5th and 20th of the month). Otherwise payments are due monthly on the 20th.

CASH DENOMINATIONS

These settings are used when employees are paid in cash. Maximum denominations for cash payments relates to the largest notes used for cash wages. The minimum applies to the payment level that you want rounded. For instance, if the pay is rounded to the nearest dollar choose 1.00 for the minimum denomination.

SALARY CALCULATIONS

The **Hours per Year** and **Standard Hours per Day** settings dictate how the pay rate is calculated when an annual salary is entered in the employees' employment details.

Enter the default standard hours for employees in the **Standard Hours per Day** field. The **Hours per Year** options will update accordingly. Individual employee settings can be maintained in the Employee Maintenance section, see 'Employment Details tab' on page 48.

For example, if you enter eight hours the available options are:

- 2080 = 260 days (52 weeks x 5 days) x 8 hours - default
- 2088 = 261 days (365 days in the year - 104 weekend days) x 8 hours
- 2085.71429 = 260.71429 days (365 days in the year / 7 days per week x 5 working days) x 8 hours.

LEAVE DETAILS

LEAVE ANNIVERSARY

Before you start using MYOB Payroll, you need to decide if you will use a common anniversary or individual anniversaries (based on the employee’s start date). Most businesses use individual anniversaries.

If you want to use a common anniversary, select the option and enter the date of the next anniversary. When using a common anniversary, you can also specify that any permanent employees (who have been employed since the last common anniversary date) will have their balance of holiday pay converted to annual leave when the next anniversary date occurs. If this option is not selected, the holiday pay balance will be carried forward into the next period and no allocation of annual leave is made.

PAY SLIPS

Use the **Pay Slips** options to specify how you want accrued leave printed on your employees’ pay slips. For more information about annual leave and holiday pay for individual employees, see [page 61](#). If you want, you can specify that emailed payslips are password-protected with the employee’s IRD number.



ACCOUNTING INTEGRATION DETAILS

The **Accounting** tab allows you to specify information for exporting payroll information to your MYOB AccountRight or other accounting software.

ACCOUNTING SYSTEM

When you set up accounting integration, you can create journals to import into your accounting software. This keeps your accounts up-to-date and provides you with cost analysis information for each department.

You can integrate with MYOB AccountRight software, or with other accounting packages.

If you are integrating with MYOB AccountRight, you can post your GL journals:

- Manually, using the **Create Journals** option from the **Tools** menu. See ‘Creating accounting journals’ on [page 104](#) for more information.
- Automatically, by selecting the **Automatically post journals into the company file** option in this window. Journals will be automatically posted to the specified company file and product specified after each pay run.

For information on how to integrate with MYOB software, see [Integrating with other MYOB software, page 27](#).

BANK & IRD

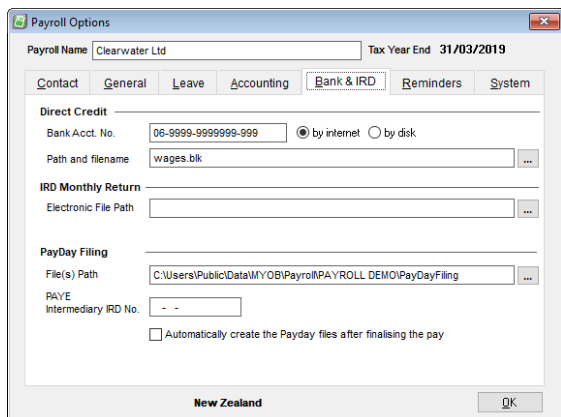
You can use MYOB Payroll to create files for electronically filing information with the IRD. Employers who file electronically do not need to fill out a paper Employer Monthly Schedule.

The **Bank & IRD** tab is used to record direct credit bank account information and the location to which you want to save your Employer Monthly Schedule (EMS) file.

DIRECT CREDIT PATH

If you want send direct credit files to your bank enter the bank account from which payments will be made. Select a directory where the direct credit file will be saved to, clicking on the ellipsis button to browse. A file name will automatically be added of the correct file type (extension) based on the bank account details entered. When you finalise the pay, the direct credit file is saved to the specified folder.

Please consult the F1 online help for any detailed information relating to specific bank account formats or file extensions. Alternatively, some banks allow you to send batches to them on a disk.



The screenshot shows the 'Payroll Options' dialog box with the 'Bank & IRD' tab selected. The 'Payroll Name' is 'Clearwater Ltd' and the 'Tax Year End' is '31/03/2019'. The 'Direct Credit' section has 'Bank Acct. No.' set to '06-9999-9999999-999', with radio buttons for 'by internet' (selected) and 'by disk'. The 'Path and filename' is 'wages.blk'. The 'IRD Monthly Return' section has an empty 'Electronic File Path'. The 'PayDay Filing' section has a 'File(s) Path' of 'C:\Users\PublicData\MYOB\Payroll\PAYROLL DEMO\PayDayFiling'. The 'PAYE Intermediary IRD No.' is '- -'. There is a checkbox for 'Automatically create the Payday files after finalising the pay' which is not checked. The dialog box has 'New Zealand' at the bottom left and 'OK' at the bottom right.

IRD MONTHLY RETURN

The location on your computer where you want to save your Employer Monthly Schedule (EMS), also known as the IR348, each month when you create it.

PAYDAY FILING

Under payday filing, you generate and send an Employment Information (EI) return file for every pay run. Payday filing is compulsory from 1 April 2019.

Enter the path for payday filing return files. If you use an intermediary, e.g. a tax agency who files on your behalf, enter their IRD number into the **PAYE Intermediary IRD No.** field.

Tick the check box in this section if you want Payroll to generate files for payday filing automatically when a pay is finalised. If the box is not ticked, you will need to generate files for each pay from the Employment Information Returns window.

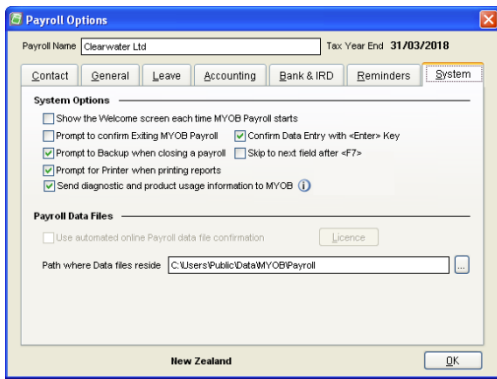
REMINDERS

MYOB Payroll allows you to create reminders to alert you on a future date. Press F4 to add a new **Reminder** and when the pay date is equal to or greater than the date entered, an alert will remind you to take the noted action. Press F8 to delete an existing reminder.

SYSTEM DETAILS

Prompts can be switched off by deselecting the relevant option.

By selecting the **Prompt for printer when printing reports** option, you can select which printer you want to use when printing. If not selected, reports are sent to your default printer.



If your payroll is stored on a server or another computer, you can change the location where MYOB Payroll looks for the payroll data files. Click the ellipsis and browse for a different location. However, note that if you change this location, you will need to move your data folder to a mapped network drive and then direct MYOB Payroll to this location.

If you want MYOB Payroll to automatically confirm your payroll data file when required, select this option.

SAVING YOUR SETTINGS

When you have finished entering your payroll options, click **OK** to save your settings. When you click **OK**, the command centre appears.

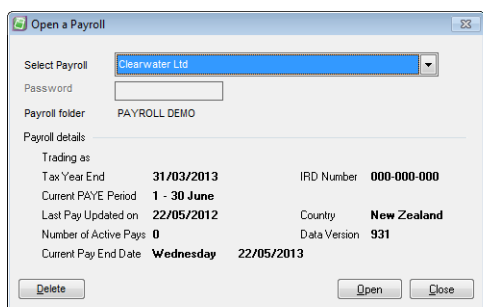
Opening an existing payroll file

TO OPEN AN EXISTING PAYROLL FILE

- 1 If you have created a payroll file it can be opened by clicking **Open your payroll** from the **Welcome to MYOB Payroll** window.

If you have another payroll file open, go to the **File** menu and choose **Open**.

The **Open a Payroll** window appears.



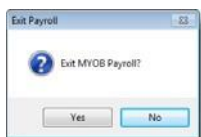
- 2 Select your payroll file from the **Select Payroll** list. Once selected, basic information about the payroll appears.
- 3 Enter a password, if required.
- 4 Click **Open**.

Note that, from this window, you can also delete the payroll file. Click **Delete** to permanently delete the currently selected payroll. If required, you must first enter the payroll's password before you can delete it.

Exiting MYOB Payroll

To close MYOB Payroll, go to the **File** menu and choose **Exit**. You can also click the 'x' in the top right corner of the main window.

If the **Exit Confirmation** option is selected, click **Yes** to the message that appears. To switch this option off, see [page 25](#).



Your MYOB Payroll data file

When you make entries in MYOB Payroll, that information is stored in a file in your computer called a payroll data file. This file allows you to work with your company's financial information without spending a lot of time and effort with your computer's file storage system.

You can use MYOB Payroll to keep payroll records for more than one company. If you do so, one payroll file will exist for each company. A payroll file is created immediately when you create a new payroll.

LOOKING AFTER YOUR PAYROLL DATA FILE

It is very important that you take steps to make sure your data is protected from the following hazards:

- viruses
- file corruption
- hardware failure
- unauthorised use
- operator error.

For information on how you can protect your data, see the following topics:

- ['Backing up and restoring your data' on page 106](#)
- ['Repairing the payroll file' on page 108](#)
- ['Managing passwords' on page 108.](#)

Integrating with other MYOB software

You can export payroll journals from MYOB Payroll and import them into MYOB accounting software, such as MYOB AccountRight.

Task 1: Set up payroll accounts in AccountRight

If you're using AccountRight, you need to set up both debit and credit accounts to account for your payroll expenses. Add to your AccountRight accounts list:

- **Credit accounts**—Payroll Suspense or Payroll Liability account. If you want, you can add individual accounts for tax, deduction and payment accounts.
- **Debit accounts**—Add wages expense accounts for individual departments, as required.

Task 2: Select your company file

- 1 In MYOB Payroll, go to the **Tools** menu and choose **Options**. The **Payroll Options** window appears.
- 2 Click the **Accounting** tab.
- 3 If you use AccountRight, follow the instructions for the version you are using and where your file is stored.

NOTE: Integrating with an AccountRight 2013 file on the desktop? You first need to install the MYOB API. Read [this support note](#) for instructions on how to do this. For AccountRight 2014 or later, the MYOB API is called the MYOB Add-On Connector and is installed automatically when you install AccountRight. Note that the API doesn't work on Windows XP or Vista.

AccountRight	File location	Do this:
v19	Desktop	<ol style="list-style-type: none"> 1 Select the MYOB AccountRight v19 option. 2 Click the [...] button and select your company file. 3 Enter the username and password for the file.
2013 or later (not compatible with Windows XP or Vista)	Online	<ol style="list-style-type: none"> 1 Select AccountRight 2013 and later and click the [...] button. 2 In the Library Browser window that appears, select Online and click Connect. 3 Enter your AccountRight Live sign-in details (these are the same as your my.MYOB account details). 4 Select the file you want to connect to and click OK. 5 Enter the username and password for the file and click OK.
2013 or later (not compatible with Windows XP or Vista)	Desktop	<ol style="list-style-type: none"> 1 Select AccountRight 2013 and later and click the [...] button. 2 In the Library Browser window that appears, select My Library and click Connect. 3 Select the file you want to connect to and click OK. 4 Enter the username and password for the file and click OK.
2013 or later (not compatible with Windows XP or Vista)	Network	<ol style="list-style-type: none"> 1 Select AccountRight 2013 and later and click the [...] button. 2 In the Library Browser window that appears, select Network Library. 3 Enter the computer's name (or network address) and the port number to use (if the default number can't be used) and click Connect. 4 Select the file you want to connect to and click OK. 5 Enter the username and password for the file and click OK.

- 4 If you use MYOB Accountants Office or MYOB Cashbook:
 - a Select the **Other** option.
 - b Type the data folder path in the **Path** field. For example, C:\Program Files\MYOB\Cashbook\Data\CInt1.

Task 3: Set up posting options

- 1 In the **Payroll Options > Accounting** tab, select the default payroll liability account to which you want to post your payroll journals.

If MYOB Payroll locates a valid chart of accounts, a drop-down list will be available. Select an account, for example, *Wages Liability*, from the chart of accounts displayed in the drop-down list for the default payroll liabilities account.

NOTE: Tax, deduction or payment accounts set up in the Maintain Pay Codes window will override the default liability account set up in the Options window If you have setup specific liability accounts for taxes, deductions or payments, specify these in Maintain Pay Codes, these will override the default liability code set here.

- 2 If you want the journals to have individual lines for each employee, select the **Create separate journals for each employee** option.
- 3 If you want to use your MYOB Payroll cost centres as job codes in the AccountRight journals, select the **Include cost centres as job codes in journals** option.
- 4 To automatically post journals to the company file (recommended), select the **Automatically post journals into the company file** option.
- 5 Click **OK**.
- 6 If you want to select account codes for each department or cost centre, go to the **Maintenance** command centre and click **Maintain Departments**.
- 7 If you want to select account codes for your pay codes, click **Maintain Pay Codes** in the **Maintenance** command centre. You can select a General Ledger code in the **Other** tab for each Deduction, Tax or Payment code.

Task 4: Export payroll journals

When a pay is finalised, MYOB Payroll automatically creates a journal file, formatted for the relevant integration settings.

The journals contain debit entries for the gross wages costs allocated to each department for the pay (gross earnings, taxable allowances and non-taxable allowances) and a credit entry for the total wages cost for that pay.

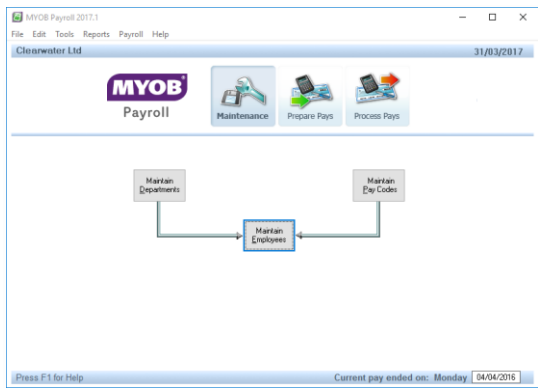
You can export the journals manually or automatically. See 'Creating accounting journals' on page 104 for more information.

2 Maintenance

Set up and maintain the payroll file, including employees, departments, leave details, cost centres, deductions and pay codes.

Overview of maintenance

When you set up your payroll, you entered the information you had on hand the time. As your business changes, you'll need to add or change existing details. For example, you may need to add new employees or update leave details. In MYOB Payroll, these tasks are called *maintenance*. You'll use the **Maintenance** command centre do most of these tasks.



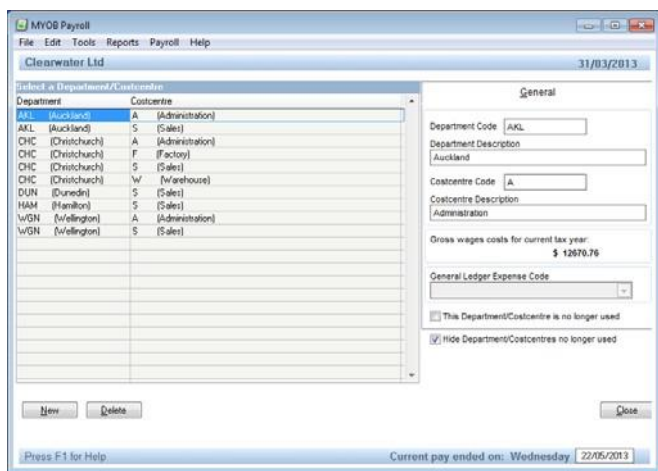
TO GO TO THE MAINTENANCE COMMAND CENTRE

- 1 From any MYOB Payroll command centre, click the **Maintenance** icon.
- 2 The **Maintenance** command centre appears. You can do the following tasks:

To do this ...	Continue with ...
Add, edit, or delete departments or costcentres	'Maintaining departments and costcentres' on page 32
Add, edit, or delete pay codes	'Maintaining pay codes' on page 34
Add or maintain employee details	'Maintaining employees' on page 45
Managing employee leave details	'Processing employee leave' on page 61
Using Accumulators in MYOB Payroll	'Maintaining Accumulators' on page 70

Maintaining departments and costcentres

The departments and costcentres feature allows you to analyse your payroll costs in more detail. To access this feature, go to the **Maintenance** command centre and click **Maintain Departments**.



A default department is set up when you create a new payroll. The details of this department can be changed or deleted, however, there must be at least one department.

If you are integrating with MYOB AccountRight, you can enter a general ledger account code (see 'Accounting integration details' on page 23) to automatically post accumulated costs.

Employees must be assigned to a department. If you don't assign a department to an employee in the employee's setup, or split between departments when entering pay details, the employee's pay will be automatically allocated to the default department.

If you don't want to delete a department, you can hide it. Select the **This Department/Costcentre is no longer used** option and then select the **Hide Department/Costcentres no longer used** option. Note this option is only available if it has not been assigned to an employee.

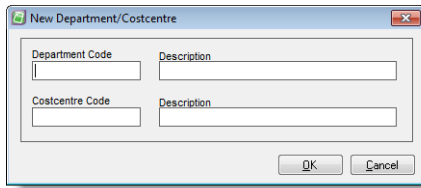
COSTCENTRES

To help you understand how costcentres are used in MYOB Payroll, keep in mind the following:

- Costcentres cannot exist on their own; they must be part of a department
- Costcentres are added when adding or editing a department
- Costcentres are deleted when all departments that use that costcentre have been deleted
- The same department can be added several times if the costcentre details are different or multiple departments can use the same costcentre details.

TO ADD A NEW DEPARTMENT

- 1 Go to the **Maintenance** command centre and click **Maintain Departments**.
- 2 Click **New**. The **New Department/Costcentre** window appears.



- 3 Enter a code and description for the department. The codes are alphanumeric (combination of numbers and letters) and can be up to eight characters long. The description can be up to 25 characters long.
- 4 If you want to add costcentre details, enter them now.
- 5 Click **OK**. The department code is added to the list and the details appear in the **General** tab.
- 6 If you are integrating with MYOB AccountRight, enter a general ledger account code (see '[Accounting integration details](#)' on page 23) to automatically post accumulated costs. Note that you need to enter an account for tracking expenses.

TO DELETE A DEPARTMENT

- 1 Go to the **Maintenance** command centre and click **Maintain Departments**.
- 2 Select the department you want to delete and click **Delete**. Departments cannot be deleted if they are still in use by an employee, so it's advisable to delete any departments at the end of the financial year.

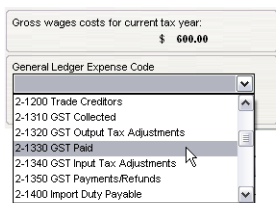
TO CHANGE A DEPARTMENTS DETAILS

- 1 Go to the **Maintenance** command centre and click **Maintain Departments**.
- 2 Select the department you want to change.
- 3 Enter the required changes in the **General** tab.

LINKING TO MYOB GENERAL LEDGER OR CASHBOOK SOFTWARE

If you are integrating MYOB Payroll with MYOB AccountRight software (see '[Accounting integration details](#)' on page 23), you will need to select a matching expense account code for each department. The list of available expense codes appears in the **General Ledger Code** list. This list shows the chart of accounts of the company file you are integrating with.

Note that as you are tracking department expenses, you need to select an expense account such as wages & salaries.



Maintaining pay codes

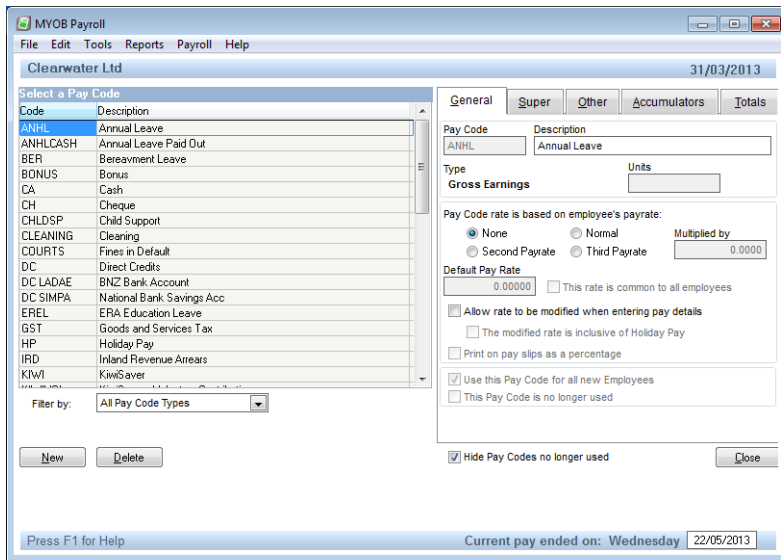
Pay codes are used to enter pay details for employees and to define the individual components that make up an employee's pay.

Some tax codes are provided by default. These are known as *standard* pay codes. You can add or modify the details of these pay codes, however, they cannot be deleted.

If a pay code is no longer active, it can be marked as no longer used. Alternatively, you can set the pay code type to OLD, see [Pay Defaults / Totals tab, page 50](#).

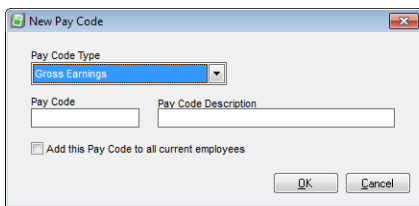
It is recommended that you setup pay codes before adding any employees.

In the **Maintenance** command centre, click **Maintain Pay Codes**.



TO ADD A NEW PAY CODE

- 1 Go to the **Maintenance** command centre and click **Maintain Pay Codes**.
- 2 Click **New**. The **New Pay Code** window appears.



- 3 Select a pay code type from the **Pay Code Type** list (see ‘Pay code types’ below). Note that once you create the pay code, you cannot change the pay code type.
- 4 In the **Pay Code** field, enter a short description, with no spaces, up to eight characters long. This will be used when entering pay details for an employee.
- 5 In the **Pay Code Description** field, enter a more complete description of what the pay code is for. This will appear on the employee’s pay slip.
- 6 If you want all existing employees to have this new pay code, select the **Add this Pay Code to all current employees** option. This option is unavailable if you have an active pay.
- 7 Click **OK**. The new pay code appears in the pay code list and the pay code details appear in the panel on the right.
- 8 Enter the pay code details. See ‘Editing pay codes’, on page 36.

PAY CODE TYPES

You can choose from seven pay code types when creating a pay code.

Pay Code type	Description
Gross earnings	Taxable earnings on which holiday pay is calculated. All earnings that the employer is required to pay by the employee’s terms of the employment, attract holiday pay. Most employee earnings are in this category, which includes annual leave, all allowances and performance related earnings. For example, shift allowances, commissions and bonuses. The cash value of board or lodging provided by the employer is also defined as gross earnings.
Taxable allowances	Taxable earnings on which holiday pay is not calculated, such as one-off bonuses, or any other lump sum special payment that the employer is not required to pay by the employee’s terms of payment. This includes redundancy pay and the payment of holiday pay itself.
Pre-tax deductions	Deductions from pay before tax is calculated.
Taxes	PAYE deductions.
Non-taxable allowances	Reimbursing allowances that are not taxable, such as meal and mileage allowances.
Post-tax deductions	All deductions from pay after tax has been calculated. Payments made on behalf of the employee such as union dues, social club and superannuation contributions.
Payments	Net pay paid out as cash, cheque or direct credit.

Editing pay codes

You can change the details of a pay code, except for the pay code type. You enter these changes in the **Edit Pay Codes** window.

TO EDIT A PAY CODE

- 1 Go to the **Maintenance** command centre and click **Maintain Pay Codes**.
- 2 Select the required pay code from the list. When you select a code, the pay code details appear in the right panel of the window. You can edit it using the five available tabs.

Tab	Description	See
General	Edit the description and name of the pay code, and other general pay code information.	page 37
Employer Super	Define superannuation contributions associated with a pay code. Only available for Pre-tax deduction or Post-tax deduction pay codes types.	page 39
Other	Set up direct credit bank account details, department and costcentre analysis, and enter pay code default quantities. If you integrate your accounting software, you can enter a liability account code for tax, payment and deduction codes.	page 40
Accumulators	Define accumulators associated with a pay code.	page 43
Totals	View monthly totals for this pay code for the current year.	page 44

NOTE: Unavailable fields Some pay code details cannot be changed, such as the pay code type and the set up of default pay codes.

GENERAL TAB

This tab allows you to specify basic pay code information.

The screenshot shows the 'General' tab of a pay code configuration window. The 'Pay Code' is 'ORD' and the 'Description' is 'Ordinary Time'. The 'Type' is 'Gross Earnings' and the 'Units' are 'Hours'. The 'Default Pay Rate' is '0.00000'. The 'Pay Code rate is based on employee's payrate' is set to 'Normal' with a multiplier of '1.0000'. There are several checkboxes for 'Allow rate to be modified when entering pay details', 'Print on pay slips as a percentage', 'Use this Pay Code for all new Employees', and 'This Pay Code is no longer used'. Lines A through F point to specific fields: A points to the Description field, B to the Units field, C to the 'Normal' radio button, D to the 'Multiplied by' field, E to the 'Default Pay Rate' field, and F to the 'Allow rate to be modified when entering pay details' checkbox.

- | | |
|--|---|
| A Pay Code, Type & Description | You can change the pay code description, with the exception of some default codes and the pay code type. This is set when the pay code is created. |
| B Units | If you are creating a Gross Earnings pay code type, you can define a single unit of activity. For example, ordinary time could be hours, picking apples could be bins. |
| C Pay Code rate is based on employee's pay rate | Each employee can have up to three basic rates of pay. These are set in the employee's Employment Details tab. |
| D Multiplied by | If the pay rate for the pay code you are adding is a multiple of one of the basic rates, select Normal , Second or Third and enter the multiplier (or rate factor) in the Multiplied by field. For example, time-and-a-half has a rate factor of 1.5. Remember, if you base the pay code on a rate and multiply it by zero, it will always calculate zero regardless of the quantity. |

E Default Pay Rate If you do not want to use the employee's pay rate, choose a rate of **None** and enter a rate in the **Default Pay Rate** field.
If you want this rate to apply to all employees assigned this code, select the **This rate is common to all employees** option. With this option selected, employees are automatically updated if you change the rate. However, any active pays will use the old rate unless the pay is cleared and re-entered.

F Pay code options If you want to change the pay rate when entering an employee's pay details, select the **Allow rate to be modified when entering pay details** option. This is recommended where the pay code rate varies with each pay, such as a bonus pay code. If the new rate will include holiday pay, select **The modified rate is inclusive of Holiday Pay** option. When this new rate is entered to overwrite the current rate, it will automatically be reduced so that the holiday pay portion is split out. This is not a common situation. You can print pay rates as percentages on pay slips by selecting the **Print on pay slips as a percentage** option. If a rate is a percentage of gross earnings, (for example superannuation deductions) select this option to automatically print the rate as a percentage on pay slips (for example, a rate of 0.05 will print as 5%).
If the pay code is to be added to the default pay details of new employees, select the **Use this Pay Code for all new Employees** option (see 'Pay Defaults / Totals tab' on page 50).

SUPER TAB

This tab is only available for pre-tax deductions or post-tax deduction pay codes.

- A Activate super contributions** If you want to use this pay code for Superannuation deductions, select the **Employer Superannuation Contributions are based on this pay code** option. You can then define how the superannuation contributions are calculated.
- B Superannuation Fund Name** Enter the fund name as it will appear on pay slips.
- C Contribution Formula** This is only used for reporting purposes and is not used to calculate the actual contribution.
- D % of Employee Contribution** This field determines the employers contribution as a percentage of the employee’s contribution. For example, if the employer is paying the same amount as the employee, enter 100%.
- E Maximum % of Employee’s Gross Earnings** This field calculates the employer’s contribution as a percentage of the employee’s gross earnings. For example, an employer matches the employee’s contribution but will not pay more than 5% of the employee’s gross earnings. An employee can contribute any percentage of their earnings they like and the employer will match this up to the maximum set here.
- F Maximum Amount** This field can be used as a limit on the calculations in the other fields or as a fixed dollar amount.
- G Include with Direct Credits** Select this option to include superannuation payments with the payroll direct credit files. Complete the relevant bank account details on the **Other tab, page 40**.
- H Dept/Cost Centre** If employer super contributions are to be assigned to a specific department or cost centre for accounting purposes, select it here.

OTHER TAB

The Other tab includes details about cost analysis and direct crediting of payments.

A Department and cost centre analysis

This field can be used to export payroll costs by department. Wage costs can be calculated for accrual accounting purposes when posting to MYOB AccountRight software and when printing the cost analysis and period reports. For example, accruing leave, based on actual wages paid. For gross earning and allowance pay code types, you can assign a department. This will override the employee's default department (however, defaults can be overridden when entering pay details by clicking the **Split Pay** button). For tax, deduction and payment pay code types, you can assign a liability account code. If no accounts are specified, payroll journals will use the default payroll liability account set in your payroll options, '[Accounting integration details](#)' on page 23.

B Include in Direct Credit Schedule

Select this option to include the pay code on the Direct Credit Schedule. If you want the direct credit amount to print separately, select the **As separate amounts for each employee** option.

C Nominated bank account

Enter the bank account this payment will be credited to (you first need to select the **Include in Direct Credit Schedule** option). You can use this to organise superannuation credits or to set up payment of an employee's wages to a credit card account (for details of the correct bank account and reference details required, contact the card issuer). Each employee has one default bank account set up in employee maintenance. If you want to split an employee's wages between multiple bank accounts, you need to set up a new payment type pay code for each additional bank account that the employee requires. See '[To set up multiple bank accounts for an employee](#)' on page 41.

- D Use the Total Gross Earnings for the Employee's pay as the default Quantity for this Pay Code** Select this option for any pay code that will use the total amount of earnings as its base pay rate. For example, if an employee wants to contribute 5% of gross earnings to a super fund, set up the superannuation pay code and select this option. In the employee's **Pay Defaults/Totals** tab, enter 0.05 in the **Rate** column.

- E Payroll giving** If this deduction is eligible for the payroll giving scheme, select the **This deduction qualifies for the Payroll Giving Tax Credit** option. Note that this option is not active if you have set up the pay code to calculate superannuation or you have not entered a file path in the **ir-Files** field (**Payroll options** window). For more information, see 'Payroll giving' below.

TO SET UP MULTIPLE BANK ACCOUNTS FOR AN EMPLOYEE

- 1 Go to the **Maintenance** command centre and click **Maintain Pay Codes**.
- 2 Click **New**. The **New Pay Code** window appears.
- 3 Select the **Payments Pay Code** type.
- 4 Enter a pay code description. We recommend that you use the prefix 'DC' followed by the employee's initials in the code to make it unique.
- 5 Click **OK**. The new pay code appears in the pay code list and the pay code details appear in the panel on the right.
- 6 Click the **General** tab.
- 7 In the **Default Pay Rate** field, enter the amount the employee wants to credit to that account.
- 8 Select the **Allow Rate to be Modified** option. This allows you to change the default rate when entering the pay details.
- 9 Click the **Other** tab and enter the bank account details.
- 10 Add the pay code in the employee's pay details (you do this from **Pay Defaults/Totals** list in the **Maintain Employees** window).

For information on setting up an employee's default bank account, see 'Employment Details tab' on page 48.

PAYROLL GIVING

The Payroll Giving scheme allows employees to make donations to registered NZ charities and to claim a tax credit in their current pay, rather than at the end of tax year. Before you can record payroll giving tax credits, you need to set up a post-tax deduction pay code to record donations and assign the pay code to your employees.

Note that the payroll giving scheme is only available if you file employer schedules electronically using the file transfer service (ir-File).

Donated funds need to be transferred to charities according to IRD timing rules. To ensure payments are made on-time, we recommend that you transfer funds directly to the charity at the completion of each pay. You can do this by including payroll giving amounts in your direct credit schedule.

TO SET UP A PAYROLL GIVING DEDUCTION

- 1 Go to the **Maintenance** command centre and click **Maintain Pay Codes**.
- 2 Click **New**. The **New Pay Code** window appears.
- 3 Select the **Post-Tax Deductions** pay code type and enter the pay code details.
- 4 Click **OK**. The new code appears in the pay code list.
- 5 Click the **Other** tab and select the **This deduction qualifies for the Payroll Giving Tax Credit** option.

NOTE: If the payroll giving option is not active This option is not active if you have set up the pay code to calculate superannuation or you have not entered a file path in the ir-Files field (go to Tools > Options and click the Bank & IRD tab).

- 6 If you want to transfer funds directly to the charity at the end of each pay, select the **Included in Direct Credit Schedule** option and enter the bank account details for the charity.
- 7 Complete the pay code set up as you normal do. For more information, press F1 to open the help.

TO ASSIGN A PAYROLL GIVING PAY CODE TO AN EMPLOYEE

The payroll giving tax credit pay code (PGTC) is automatically assigned to an employee's default pay when you assign a payroll giving deduction pay code.

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the relevant employee and click the **Pay Defaults/Totals** tab.
- 3 Click **New**. The **Select a Pay Code to Add** window appears.
- 4 Select your payroll giving deduction pay code and click **OK**.

The selected pay code and the payroll giving tax credit pay code (PGTC) are assigned to the employee's default pay.

ACCUMULATORS TAB

Accumulators enable you to keep track of extra information relating to the hours worked by an employee or some other quantity.

The screenshot shows a software window with five tabs: 'General', 'Super', 'Other', 'Accumulators', and 'Totals'. The 'Accumulators' tab is active. Under the heading 'ORD Ordinary Time', there is a checkbox labeled 'Accumulate quantities to apprentice hours' with a line pointing to it from the letter 'A'. Below this is a dropdown menu labeled 'Accumulate quantities to:' with a line pointing to it from the letter 'B'. At the bottom of the form are two radio buttons: 'Increase accumulator balance' (which is selected) and 'Decrease accumulator balance', with a line pointing to the selected option from the letter 'C'.

A Apprentice hours Select this option if you use this pay code to record the number of apprentice hours worked. When using this option, all the 'hours' (that is. any quantities paid for pay codes defined to accumulate into apprentice hours) are added to the apprentice hours total for that employee.

B Accumulate quantities Select the accumulator from the list that this pay code will add or subtract from. Accumulators are setup using the **Maintain Accumulators** option from the **Payroll** menu. See '[Maintaining Accumulators](#)' on page 70. More than one pay code can be assigned to the same accumulator. For example, you may have setup a bonus for your apple pickers if they pick more than 30 bins in a week. After adding a Bin Bonus accumulator you would assign this accumulator to the BINS (Gross Earnings) pay code and set it to increase the accumulator so you can determine if any pickers have earned the bonus.

C Increase or decrease Determine whether this accumulator will increase or decrease e.g. a running total of bins picked will increase whereas a staff loan will decrease as it is paid off.

TOTALS TAB

The **Totals** tab displays monthly and year-to-date pay totals, and the total of the last finalised pay. These totals are updated when you finalise each pay and cannot be changed in the **Totals** tab.

Note that you can view YTD pay code information for an employee by double-clicking a YTD column in **Pay Defaults/Totals** tab of the employee's details (**Maintain Employees**).

ORD Ordinary Time	
April	19125.00
May	18750.00
June	19345.00
July	18725.00
August	8375.00
September	0.00
October	0.00
November	0.00
December	0.00
January	0.00
February	0.00
March	0.00
Total for this year	84320.00
Total for last pay	8375.00

- A Monthly totals** Displays the totals for the month, using the date the pay was finalised. For example, if the pay was finalised 6 July then it would be included in the July figures.
- B Yearly total** Shows the total for this code for the current tax year, that is, since April.
- C Total for last pay** Shows the total of the last finalised pay.

Maintaining employees

It is recommended that you only set up employees after you have set up other areas of your payroll. By doing this, you can set up default details to automatically add to new employee records. For example, when you set up pay codes, you can specify that the pay code is automatically added to new employees. This avoids needing to manually add the pay codes to each employee.

The employee form enables you to set up and manage the various details within your employees' records. It contains all your employees' details, their individual pay defaults and leave information.

The following topics are covered in this section:

- Adding employees, see 'To add an employee' on page 46
- Deleting employees, see 'To delete an employee record' on page 46
- Editing employee details.

In the **Maintenance** command centre, click **Maintain Employees**.

The screenshot shows the MYOB Payroll software interface. The window title is 'MYOB Payroll' and the company name is 'Clearwater Ltd'. The date is '31/03/2013'. The employee name is '(BROWB) Brown, Bill'. There are tabs for 'Compulsory Deductions', 'Accumulators', and 'Reminders'. Below these are tabs for 'Personal Details', 'Employment Details', 'Pay Defaults/Totals', 'Leave Details', 'Next of Kin', 'Qualifications & Notes', and 'Pay History'. The 'Personal Details' tab is active, showing fields for Code (BROWB), Title (Mr), Birth Date (17/03/1966), First Name (Bill), Last Name (Brown), Occupation (Account Manager), Address, Post Code, Email, Phone, Fax, Mobile, Password, and Email Pay Slips. There are also checkboxes for 'Working Proprietor', 'Female', 'Male', 'Entitled to reside in NZ indefinitely', and 'Email Pay Slips'. At the bottom, there are buttons for 'New', 'Delete', 'Select Employee', navigation arrows, 'Enter Pay', and 'Close'. A status bar at the bottom indicates 'Current pay ended on: Wednesday 22/05/2013'.

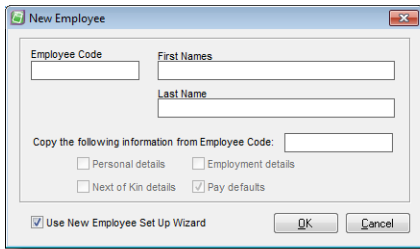
If an employee has an active pay, a message will display when you open the **Maintain Employees** window. If you edit an employee's pay details while a pay is active you will need to re-enter the pay details in the active pay.

SEARCH FOR AN EMPLOYEE

To quickly find an employee, click **Select Employee** and select them from the list that appears. You can also use the arrow buttons at the bottom of the window to navigate through the list of current employees. They are sorted in employee code order. To view past employees as well, deselect the **Hide all finished employees** option in the top left corner. A status will appear to identify ex-employees.

TO ADD AN EMPLOYEE

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Click **New**. The **New Employee** window appears.



- 3 Enter a code in the **Employee Code** field. Each employee must have a unique code (which can be numbers or letters). We recommend the first four or five letters of the surname followed by the initials. This ensures that reports will be printed in alphabetical order for surnames. If you use numbers for your employees, make them the same length by including leading zeros (otherwise 11 comes before 2 alphabetically). Employee codes can be changed at any time.
- 4 If you want to copy selected information from an existing employee, select the **Copy the following information from Employee Code** option. Press **F9** to select the employee you want to copy from. Select the required copy options.
- 5 Click **OK**. The first step of the **New Employee Setup Wizard** appears.
- 6 Enter the basic pay details such as start date, IRD number and tax code.
- 7 Click **Next** and enter the days per week and hours per day normally worked. Your normal hours per week is calculated. Normal hours per week is used to calculate employee leave allocation. For example, if your normal hours per week is 40, your employees will be allocated 4 weeks of 40 hours of annual leave per year (160 hours).
- 8 Click **Next** and enter the KiwiSaver details for the employee.
- 9 Click **Next** and then **Finish**.
- 10 Click **Close**.

TO DELETE AN EMPLOYEE RECORD

You can only delete an employee record if their leave balance is zero and there are no finalised pays for the current tax year.

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the employee you want to remove and click **Delete**.

Note that employees that have a finish date entered in the **Employment Details** tab, can be removed using the **Purge Old Data** function (available from the **Tools** menu).

PERSONAL DETAILS TAB

You enter employee details in the **Personal Details** tab. This information can be printed, along with the employee's pay information, on the **Employee Details** report (see page 98). If the employee is also an owner of the firm, select the **Working Proprietor** option (this is used by the **Employee Statistics**, on page 98).

The screenshot shows a software interface for entering employee details. At the top, there are three main tabs: 'Compulsory Deductions', 'Accumulators', and 'Reminders'. Below these are several sub-tabs: 'Personal Details' (highlighted), 'Employment Details', 'Pay Defaults/Totals', 'Leave Details', 'Next of Kin', 'Qualifications & Notes', and 'Pay History'. The 'Personal Details' tab contains the following fields and options:

- Code:** BROWB
- Title:** Mr
- First Name:** Bill
- Last Name:** Brown
- Occupation:** Account Manager
- Address:** 24 Gorge Rd, Arrowtown
- Post Code:** (empty)
- Email:** billbrown@hotmail.com
- Birth Date:** 17/03/1966
- Working Proprietor:**
- Gender:** Female, Male
- Entitled to reside in NZ indefinitely:**
- Contract Reference:** (empty)
- Phone:** 03 758 6589
- Fax:** 03 758 65 90
- Mobile:** 021 456 852
- Password:** *****
- Email Pay Slips:**

A Window tabs Access different employee details by clicking the relevant tab.

B Personal details Enter an employee's details here. The current information can be reviewed by printing the **Employee Details** report.

C Permanent residency Select this option if the employee is entitled to reside permanently in NZ, and does not require a work permit. This determines KiwiSaver eligibility.

D Contract Reference If applicable, enter a reference number for the employee's employment contract (or agreement).

E Password For use when emailing payslips. The password will default to the employee's IRD number e.g. 012345678.

F Email pay slips If this option is selected, the employee's pay slip will be e-mailed to their recorded email address instead of printed.

EMPLOYMENT DETAILS TAB

Use the **Employment Details** tab to enter the employee's payroll details.

A Default department Select a default department to assign the employee. This can be overridden during entering pay details if required. See [‘To add a new department’ on page 33](#).

B Dates Enter a start date when the employee began work for the company.
If the person ceases to be an employee, enter a finish date. Note that all leave due must be zero before you can enter this date.
If employment is temporary, enter date in the **Employment will finish on** field.
For information about entering dates for an employee rehired in the same payroll year, see [‘Start / finish dates and leave’, on page 49](#).

C Pay frequency, Tax Codes & IRD number **Pay Frequency**—Choose a pay frequency from the list. Employees can have different frequencies.
IRD Number —Enter the employee's IRD Number. If no IRD Number is entered the tax code will default to **No Declaration**.
Tax Code —Select the employee's tax code. This affects the tax deducted from the employee's pay. If you are unsure which tax code to use, please consult the IRD. See also [Entering an STC tax rate, page 49](#).

D Round pay & apprentice hours The **Round pay to nearest [X]** option (where X is the minimum denomination selected, see [‘General details’ on page 22](#)) allows you to round the net pay to the set minimum denomination. Use this option when you are paying by cash or cheque, particularly if the cheque is going to be cashed. Any rounding is recorded and subsequent pays are adjusted, for example, if it rounds up 2c this pay, the next pay is rounded down accordingly.
If apprentice hours need to be recorded, select the **Apprentice hours accumulated to date** option. Any pay codes set up to accumulate apprentice hours will be totalled in this box. When setting up an employee, hours already accumulated can be manually entered.

E Standard Hours per Day If the employee's standard hours are different from the default, enter it here. This is used for salary calculations. See also [Leave details, page 23](#).

F Pay Rates Enter up to three pay rates. The first pay rate would normally be their basic hourly rate. Pay codes can be set to use a specific pay rate. Do not use the other rates for overtime or pay rates that are multiples of the basic rate, use ORD1.5 or ORD2 pay codes instead. Also see [‘Annual salary and pay rates’ below](#).

G Bank Account Enter a bank or credit card account if the employee is paid by direct credit. A two digit suffix is acceptable. Enter the particulars, code and reference that the employee wants to show on their bank statement. To enter more than one bank account for an employee, see [‘To set up multiple bank accounts for an employee’ on page 41](#).

ANNUAL SALARY AND PAY RATES

If the employee is paid a salary, you can enter it in the **Full Time Equivalent Salary** field. The pay rate will automatically be calculated based on this figure. If there is no annual leave entitlement, you can change the pay rate unit; hours, days or weeks. The pay rate will adjust accordingly. For information on changing the calculation basis see [‘Salary Calculations’, on page 22](#).

ENTERING AN STC TAX RATE

If an employee has an STC (Special Tax Code) certificate from the IRD, you enter the STC rate in the **Tax Rate %** field on the **Employment Details** tab.

Note that the STC rate includes the ACC Earner Levy. As MYOB Payroll calculates ACC Earner Levy separately, you need to enter the STC rate exclusive of the levy. For example, if the employee’s STC rate is shown as 22%, then deduct your ACC Earner Levy (1.39% at the time of publishing), and enter the result (20.61%) in the **Tax Rate %** field.



The screenshot shows a form with the following fields and values:

Pay Frequency	Fortnightly	Tax Code	STC
IRD Number	012-345-674	Tax Rate %	20.61
ESCT Rate %	Calculated		

START / FINISH DATES AND LEAVE

If a casual employee (that is, an employee that is only entitled to holiday pay and not annual leave) returns later in the year, the finish date can be deleted and a new start date entered.

If a permanent employee (that is, an employee entitled to annual leave) returns later in the year, you will need to set up a new employee record for this employee. As the annual leave calculation depends on the employee's start date and leave anniversary date, this ensures leave is correctly calculated.

You can use the **Reason for Leaving** field to record details of an employee’s departure if you want to maintain this information for reporting purposes.

The finish date and reason for leaving details can be viewed on the **Employment Details** tab, and can be printed using the **Staff Turnover** report. All employees with a finish date can be removed by using the **Purge Old Data** option available from the **Tools** menu.

- For more information on how leave is calculated see [‘Processing employee leave’ on page 61](#).
- For information on processing an employee’s final pay, see [‘Preparing final pays’ on page 82](#).

PAY DEFAULTS / TOTALS TAB

The pay defaults allow you to streamline your payroll processing, as you can set the pay defaults to be an employee's standard pay.

A		B	C	D	E	
Personal Details	Employment Details	Pay Defaults/Totals	Leaves Details	Next of Kin	Qualifications & Notes	Pay History
Pay Code	Description	Quantity	Rate	Total	Type	Quantity YTD Total YTD
ORD	Ordinary Time	80.00	19.23077	1538.46	Regular	712.00 17800.00
ANHL	Annual Holiday	0.00	25.04800	0.00	Variable	0.00 0.00
LIEU	Alternative Holidays	0.00	19.23077	0.00	Variable	0.00 0.00
LSL	Long Service Leave	0.00	19.23077	0.00	Variable	0.00 0.00
ORD1.5	Time & a Half	0.00	28.84616	0.00	Variable	8.00 300.00
SICK	Sick Leave	0.00	19.23077	0.00	Variable	0.00 0.00
STAT	Public Holidays	0.00	19.23077	0.00	Variable	0.00 0.00
BONUS	Bonus	0.00	0.00000	0.00	Variable	0.00 0.00
HP	Holiday Pay	0.00	1086.00000	0.00	Variable	0.00 0.00
TAX	PAYE	1.00	0.00000	0.00	Variable	9.00 4434.45
SOCIAL	Social Club	1.00	2.00000	2.00	Regular	9.00 18.00
CHLDSP	Child Support	1.00	55.00000	55.00	Variable	9.00 495.00
KIWI	KiwiSaver	0.00	0.04000	0.00	Variable	0.00 0.00
STLOAN	Student Loan Repayment	1.00	0.00000	0.00	Variable	9.00 1200.20
DC	Direct Credits	1.00	0.00000	0.00	Variable	9.00 11952.35

F

A Pay code & description The pay codes that appear in this window are included as the default pay for the employee. Pay codes with the **Use this Pay Code for all new employee** option selected are automatically added to new employees (for more information, see 'General tab' on page 37). You can add or remove pay codes, as required.

B Quantity The quantities entered are defaults only and can be changed when processing pays. These are the pay details that will be entered when you use the **Calculate Default Pays** option. Codes which are not based on an employee's pay rate are generally set to one.

C Rate If the pay code rate is based on an employee's pay rate or uses a default pay rate, it cannot be edited here. If the pay code allows it, it can be edited while entering the employee's pay details.

- D Type** You can select one of the following types:
- **Variable (V)** is the default type and will apply for most pay codes. It is used where the rate or the quantity will vary from pay to pay. Use this type when the rate or quantity is automatically calculated (such as tax).
 - **Regular (R)** is used for defaults that are fixed amounts from pay to pay, such as a fixed amount to be paid to a bank account. For example, if an employee wants \$100 paid to one bank account and the balance paid to other account, you would set up two payment pay codes; a Regular type pay code with a fixed payment of \$100 and a Variable type pay code to record the balance. (Note that if an employee has more than one payment default, only one pay code can be variable, the others must be regular.)
Note that changing pay codes to the Regular calculation type that need to be automatically calculated (such as the TAX code), will suppress the calculation. You need to use the Variable type for these pay codes.
 - **Old (O)** is used for defaults that are no longer used but cannot be deleted. These are not visible when entering pay details.
- To select a pay type, enter the first letter of the type you want to use; V (variable), R (regular) or O (old).

E Totals The Quantity YTD and Gross YTD are updated after every pay is finalised. For more detail, double-click a YTD column to print an employee, pay code specific report.

F Split Default Create a default department split for the selected pay default. Use this option where the cost of a pay code is allocated between more than one department. You can modify the split amount when entering pay details. For more information see [‘To split pay defaults across departments’ on page 52](#).

The columns in the **Pay Defaults/Totals** window can be rearranged by clicking a column heading and dragging to a new position. Column widths can be changed by clicking and dragging the divider between column headings.

TO ADD A PAY DEFAULT

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Pay Defaults/Totals** tab.
- 4 Click **New**. The **Select a Pay Code to Add** window appears.
- 5 Select a pay code and click **OK**. The pay code appears in the default code list.
- 6 If required, enter the default details.

NOTE: **Adding a pay default when entering pays** You can add a pay default when entering a pay by clicking **Add Default** in the **Enter Pays** window.

TO REMOVE A PAY DEFAULT

You cannot delete a pay default that has a current year total. If you no longer use the pay default, change the **Type** to **Old** (press O). These are not visible when entering pay details.

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Pay Defaults/Totals** tab.

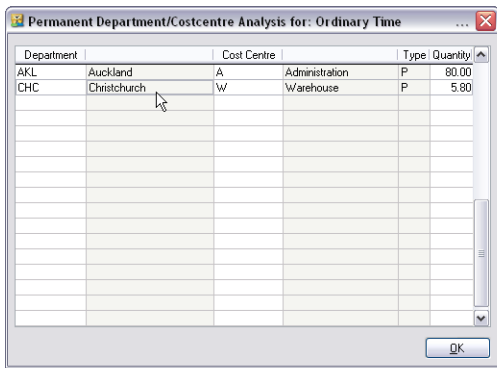
- 4 Select the pay code you want to remove.
- 5 Click **Delete**. A confirmation message appears.
- 6 Click **Yes**.

TO SPLIT PAY DEFAULTS ACROSS DEPARTMENTS

The **Split Default** function is used to split the cost of an employee’s pay code between multiple departments. For example, if an employee splits their time between the Auckland and Christchurch offices, you would use the **Split Default** function.

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Pay Defaults/Totals** tab.
- 4 Select the pay code you want to split.
- 5 Click **Split Default**. The **Permanent Department/Costcentre Splits for** window appears for the selected pay code.

Note that some pay codes, such as TAX, cannot be split for cost analysis.



- 6 Press **F9**, select the department you want to assign and click **OK**. The department is added to the list.
Note that the department is given a ‘P’ type to indicate that the split is permanent. Pay code splits entered when preparing an pays are given a ‘T’ (temporary) type.
- 7 Enter the quantity of units (such as hours).
- 8 Click **New** to add another department row.
- 9 Repeat from **step 6 above** for each department you want to add.
- 10 Click **OK**. The **Pay Defaults/Totals** window appears.

LEAVE DETAILS TAB

Maintaining leave information is discussed in detail in ‘Processing employee leave’ on page 61.

NEXT OF KIN TAB

It is important to keep these details up-to-date, particularly for emergency purposes.

The screenshot shows a software interface with five tabs: 'Personal Details', 'Employment Details', 'Pay Defaults/Totals', 'Leave Details', and 'Next of Kin'. The 'Next of Kin' tab is active. The form is organized into two columns. The left column contains the following fields: 'Name' (Ivory Brown), 'Address' (22 Lodders Lane, Redwood, Christchurch), 'Relationship' (Wife), 'Home phone' (03 375 7678), and 'Business phone' (03 375 1234). The right column contains: 'Emergency Contact (e.g. Doctor)' with 'Name' (Graham Rapati) and 'Phone' (021 1563 456), and 'Alternative Contact Details' with a large text area and a 'Press Ctrl-Tab to move to next field' instruction. A line labeled 'A' points to the address fields, and a line labeled 'B' points to the alternative contact details text area.

A Next of Kin details

Next of Kin is the person most closely related by blood to the employee. The emergency contact can be the same person. However, this will depend on the employee's preferences.

B Alternative Contact Details

Use this text box to list another contact, preferably someone who does not live with the employee. Press Ctrl+Tab to exit or click outside of the text box.

QUALIFICATIONS & NOTES TAB

The **Qualification** and **Notes** fields allow you to record additional employee details.

Qualifications & Notes | Pay History | Compulsory Deductions | Accumulators | Reminders

Qualifications

- 1974 - BComm University of Portland
- 1985 - MCom Management Course
- 2001 - Post-graduate paper on communication
- 2002 - Refresher course for cricket coaching

Notes

Has potential for greater management capacity, performance review highlighted both personal and professional goals related to his career

Press Ctrl-Tab to move to next field

A | B

A Qualifications Use the **Qualifications** field to record an employee's qualifications including any training courses attended. This is useful if an employee reference is needed.

B Notes Record any other payroll issues specific to that employee, such as pay-rise dates. You can also enter notes from the **Enter Pay Details** window.

PAY HISTORY TAB

Date	Gross	Taxable All.	Pre-Tax Ded.	Taxes	Non-Tax All.	Post-Tax Ded.	Payments	Round
13/02/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
27/02/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
13/03/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
27/03/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
01/04/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
10/04/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
24/04/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00
08/05/13	2000.00	0.00	0.00	486.69	0.00	194.80	1318.51	0.00

A | B

A Pay details

All finalised pays are listed for the current year. These details cannot be edited. The **Round** column shows any rounding details for this pay.

B Reprint pay slip

Double-click a pay to reprint the pay slip. It is an exact recreation of the pay slip, however the employee's address and tax code will be current. These reprinted pay slips cannot be printed on secure pay-slip stationery.

COMPULSORY DEDUCTIONS TAB

Use this tab to manage compulsory deductions from the employee's pay.

CAUTION : Authorisation required Only use this tab when provided with the appropriate letters from institutions listed below. MYOB Payroll will apply the rules based on the information entered to calculate the correct deduction amounts.

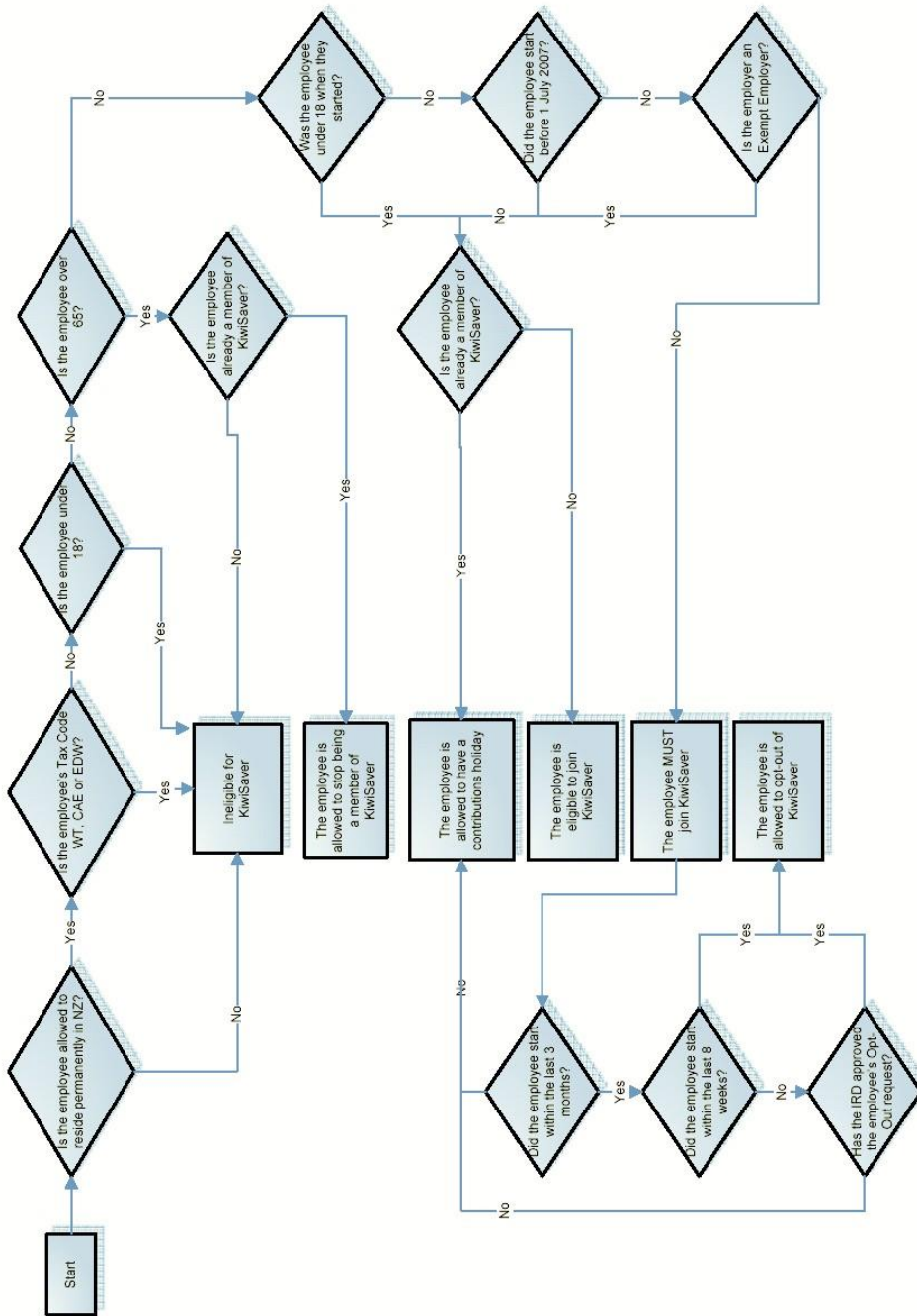
The screenshot shows the 'Compulsory Deductions' tab with the following sections and fields:

- KiwiSaver:**
 - Eligible for KiwiSaver
 - Opted out (Date opt-out notice received: //)
 - On a contributions holiday (Contributions holiday expires: //)
 - Employer contribution (funded by the employer): 3.00000 % of gross earnings
 - Employer contribution (funded by salary sacrifice): 3.00000 % of gross earnings
- Inland Revenue Arrears:**
 - Original Sum in Default: 0.00
 - Balance Owing: 0.00
- Department of Courts:**
 - Fines in Default: 0.00
 - Protected Net Earnings: 0.00
 - Fines Number: FCN
 - CID Number: CID
- Work & Income NZ:**
 - Customer Reference: (for direct credit payee reference)
- Additional Student Loan Deductions:**
 - SLICR (Commission deduction) Deduction in Default: 0.00 Rate: 0.00000 % Balance Owing: 0.00
 - SLBOR (Borrower deduction) Rate: 0.00000 %

- A KiwiSaver** If an employee starts after 01/07/2007, the **Eligible for KiwiSaver** option is automatically selected. Employees must opt-out if they do not want to join KiwiSaver. If an employee started before 01/07/2007 and they want to join KiwiSaver, you need to manually select this option. If the option is not available, check their **Personal Details** tab to make sure they meet the scheme criteria (for example, they must be 18 or older and a permanent resident). Employees can stop making contributions for up to five years, if they have been a member for 12 months or longer. Note that newly hired casuals are not automatically enrolled into KiwiSaver, you need to opt them in manually.
- B Inland Revenue Arrears** Enter the original sum of the amount owing. The IRD pay code is automatically added to the employee's pay defaults, see [page 50](#) (IRD rates are used). On the next pay run, the IRD Pay Code will show the balance owing, and either calculate 10% of the total amount owing, or 20% of the employee's gross earnings - whichever figure is less. This amount will be automatically calculated and deducted from the balance owing after each pay run. The amount will automatically stop being deducted when the total amount has been paid.

- C Dept of Courts** Enter fine amount into the **Fines in Default** field. If your employee has a Fines Number or a CID Number, enter these into the relevant fields. The COURT pay code is automatically added to the employee's pay defaults, see [page 50](#), and sets the quantity to one. Set the rate for this pay default to the amount to be deducted each pay. The amount will be deducted at this rate, or part thereof if the net pay is less than the protected net earnings. The amount will automatically stop being deducted when the total amount has been paid.
- D WINZ** Enter the WINZ customer reference provided by the employee or WINZ. The ISS pay code is automatically added to the employee's pay defaults, see [page 50](#), and sets the quantity to one. Set the rate for this pay default to the amount to be deducted each pay.
When notified to stop deducting these amounts, change the pay code rate to 0 and the type to **Old**.
- E Student Loan Deductions** Select **SLCIR (Commission deduction)** for additional student loan deductions, which have been ordered by the IRD. Enter the details of the payment, as instructed by the IRD. Select **SLBOR (Borrower deduction)** for additional student loan deductions made voluntarily by an employee. Enter the details of the payment.

KIWISAVER ELIGIBILITY FLOWCHART



ACCUMULATORS TAB

Accumulator	Description	Current Balance	Show on Payslip
LSL	Long Service Leave	32.00	<input checked="" type="checkbox"/>

When you have set up an accumulator (see [‘To add an accumulator’ on page 71](#)), you can add it to an employee and enter an opening balance, if required.

Note that apprentice hours are setup on the **Employment Details** tab. For more information, see [‘Employment Details tab’ on page 48](#).

TO ADD AN ACCUMULATOR TO AN EMPLOYEE

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Accumulators** tab.
- 4 Click **New**. The **Select an Accumulator** list appears.
- 5 Select an accumulator and click **OK**.
- 6 [Optional] Enter a balance.

For accumulators that increase (such as long service leave), the balance would usually be zero. For accumulators that reduce (such as a staff loan), enter the opening balance that will be deducted from. Negative amounts can be used.

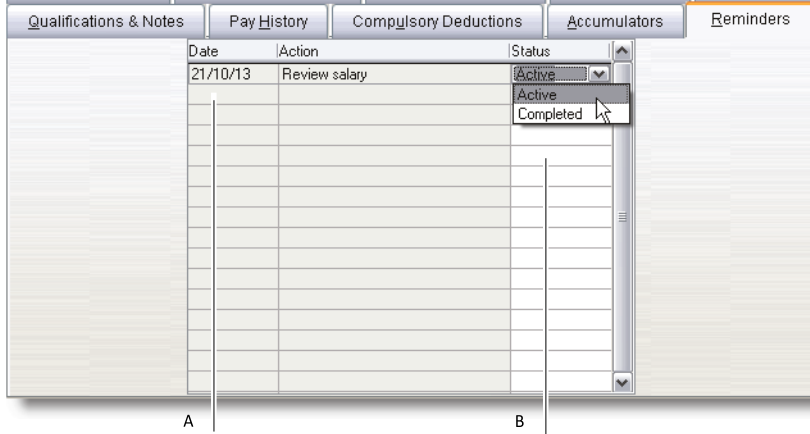
TO REMOVE AN ACCUMULATOR FOR AN EMPLOYEE

The accumulator balance must be zero before it can be deleted.

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Accumulators** tab.
- 4 Select an accumulator.
- 5 Click **Delete**. A confirmation message appears.
- 6 Click **Yes**.

REMINDERS TAB

Use this tab to manage reminder alerts for future actions. Reminders that are due are displayed when the payroll's current pay date is updated.



A	Reminder details	The date the user will be alerted and a brief description of the action that needs to be taken.
B	Status	An Active status indicates the reminder is still in use. The Completed status is for reminders that are no longer required.

TO SET A REMINDER FOR AN EMPLOYEE

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Reminders** tab.
- 4 Click **New**. The **Maintain Reminders** window appears.
- 5 Enter details of the reminder, such as the date you wish to be reminded on, a brief description of the action required and related notes.
- 6 The status will default to **Active**.
- 7 Click **OK**.

TO EDIT A REMINDER FOR AN EMPLOYEE

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Reminders** tab.
- 4 Double-click a reminder. The **Maintain Reminders** window appears.
- 5 Update the details as required and click **OK**.

TO DELETE AN REMINDER FOR AN EMPLOYEE

- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select the required employee.
- 3 Click the **Reminders** tab.
- 4 Select the reminder you want to delete.
- 5 Click **Delete**. A confirmation message appears.
- 6 Click **Yes**.

Processing employee leave

This section explains how to use MYOB Payroll to calculate employee leave and provides some background on leave entitlements ('General Leave information' on page 65) and where you can go for more information ('Additional resources' on page 65).

If you are unfamiliar with any leave-related terms, see the 'Glossary' on page 69.

MANAGING LEAVE WITH MYOB PAYROLL

When a permanent employee starts work, and up until their first anniversary of employment, they accrue holiday pay at a minimum of 8% of their gross earnings. (8% equates to an entitlement of four weeks annual leave once they have worked a full year.)

At their holiday anniversary, holiday pay is converted to annual leave and reset to zero. The annual leave becomes due at their average weekly earnings divided by their normal time per week (hours, days) or their normal pay rate, whichever is higher. (You can manually check the holiday anniversaries that need updating by selecting **Holiday Anniversary** from the **Tools** menu.)

Holiday pay starts accruing again on the next year's earnings. Annual leave may be taken in advance at the employee's calculated annual leave pay rate, using the ANHL pay code. If the employee ceases employment, they will be due for any holiday pay that has accrued since their last anniversary date, plus the balance of annual leave (which may be a negative quantity if leave has been taken in advance).

Casual employees are not entitled to annual leave. Instead, holiday pay is paid out with each pay, or at the end of each period of employment. Any holiday pay accrued at their anniversary date is carried forward to their next year of employment.

You set up and monitor annual leave, holiday pay, sick leave and leave-in-lieu in the **Leave Details** tab of the **Employee Maintenance** window. The **Leave Details** tab has two sub sections:

- **Annual Leave & Holiday Pay tab**, page 62
- **Other Leave tab**, page 63.

ANNUAL LEAVE & HOLIDAY PAY TAB

Annual Leave & Holiday Pay				Other Leave			
A	Normal days / week	5.00	Normal hours / day	8.00	Normal Hours per week	40.00	<input type="checkbox"/> Estimated
B	Next Holiday Anniversary Date	03/04/2013	Annual Leave entitlement	160.00	Hours		
C	Gross Earnings since 03/04/2012	9280.00	Holiday Pay %	8.00000	Holiday Pay Due	742.40000	
Annual Leave due as at 03/04/2012		628.00	Hours @	29.00000			
[Less] Annual Leave taken since 03/04/2012		0.00	Hours				
[Plus] Adjustments		0.00	Hours				
D	Current Annual Leave due	628.00	Hours @	29.01325		=	18220.32
Leave accrued in Advance since 03/04/2012		181.00	Hours				
Permanent Full Time Total Leave available		809.00	Hours				\$ 18962.72

A Normal work arrangement Enter the normal days and hours worked per week. This figure is used to allocate annual leave and for the calculation of leave rates. If an employee's work hours are highly variable, it is preferable to enter the minimum number of hours worked, rather than the maximum hours. In this case, additional hours worked will be reflected in their annual leave pay rate. If hours worked are overestimated, additional hours of leave will be allocated to the employee leave balance, but the leave will be paid at their normal rate. As such, their entitlement will be inflated.
For casual employees, do not set them up with any normal time per week.
Note that the unit of measurement is determined by the pay rate section on the **Employment Details** tab.

B Holiday Anniversary Date MYOB Payroll defaults to each employee having their own individual anniversary date for calculating annual leave entitlements. For a new employee, this will default to one year from the employee's start date. The anniversary date can be changed, but may require the employee's other leave information to be manually adjusted.
If you have selected the option to use a common anniversary date, the common anniversary date is shown (see 'Leave details' on page 23). Annual leave entitlements for all employees are calculated and due at that date.

C Gross Earnings since Enter the employee's gross earnings since their last anniversary date. This will be zero for new employees. Enter the percentage that holiday pay accrues at during the year.
For **permanent employees**, multiply the gross earnings by the holiday pay percentage to get the current balance of holiday pay due.
For **casual employees**, enter the balance of holiday pay that has not yet been paid out. Holiday pay due will be zero for new employees.
The gross earnings field is updated each time a pay is finalised and is based on pay codes with the type gross earnings.

- D Annual Leave due** Enter the balance of annual leave due at the time the payroll is set up. You will need to manipulate this figure until the figure in the **Current Annual Leave due** field is correct. Enter the pay rate that this leave is due to be paid at so that the correct value of annual leave is displayed. This rate can not be less than the employee's normal pay rate.
- E Annual Leave rate calculation** Click the ellipsis to view how the employee's leave rate is calculated. It is based on the preceding 12 months gross earnings. If no pay history exists, you will need to manually override this amount or use the **Enter History** option (**Tools** menu), see **Entering pay history**, page 110. For details on calculating these amounts, refer to the F1 online help.

OTHER LEAVE TAB

Annual Leave & Holiday Pay		Other Leave
Sick Leave Next Sick Leave Anniversary Date <input type="text" value="03/04/2013"/> Current Sick Leave Due <input type="text" value="20.00"/> Days Maximum Sick Leave Entitlement <input type="text" value="20.00"/> Days Annual Sick Leave Entitlement <input type="text" value="5.00"/> Days		Employment Relations <input checked="" type="checkbox"/> Collective Contract Contract Title <input type="text"/> Contract Expiry Date <input type="text" value="//"/> Current Employment Relations Education Leave due <input type="text" value="0.00"/> Hours Employment Relations Education Leave expiry date <input type="text" value="//"/> Return to work date <input type="text" value="//"/>
Alternative Holidays Current Alternative Holidays Due <input type="text" value="0.00"/> Days		
Parental Leave Commencement Date <input type="text" value="//"/>		

- A Sick Leave, (see also 'Sick leave' on page 68)** Sick Leave is a minimum of five days per year after the first six months of service. Employers can agree to more than this. Whenever the SICK pay code is used this balance is updated. **Next Sick Leave Anniversary Date** - Sick leave anniversary updates are separate to annual leave updates. You will be prompted to update when sick leave anniversaries are met. For new employees, the sick leave anniversary date will default to six months after their start date. Each employee has:
- **Current Sick Leave due** (zero, if new)
 - **Maximum Sick Leave Entitlement**— This is the maximum amount of sick leave that can be accumulated (zero, if there is no maximum)
 - **Annual Sick Leave Entitlement**— This is recorded in days and paid at an employee's normal pay rate.
- If you are setting up sick leave for a new employee whose entitlement is per the Act, enter:
- Annual entitlement of 5 (days)
 - Maximum entitlement 20 (days).

B Alternative Holidays due This is the number of days that the employee has owing for working on public holidays (the day credited for working a public holiday is known as an *Alternative Holiday*), which can be taken sometime in the future. When setting up a new employee this will be zero. When setting up an existing employee, enter the outstanding balance. When the LIEU pay code is used, this balance will be updated.
Note that the LIEU pay code should only be used for alternative holidays. If you need to record time off in lieu, use the TOIL (Time off in lieu) pay code and add the TOIL accumulator to the employee (see [Accumulators tab, page 43](#)).

C Parental Leave Record the start and end dates of the employee’s leave in these fields. You can run the **Parental Leave** details report from the **Reports > Employee Reports** menu. This provides you with the required information to complete the IR880 form.

D Employment Relations The fields in the **Employment Relations** section concern the requirements of the Employment Act relating to collective contracts. Enter in the contract title, expiry date, employment relations education leave due, and the relevant expiry date.
A pay code (EREL) has been added for employment relations education Leave.

ADDITIONAL RESOURCES

The Department of Labour has provided many helpful publications to assist with understanding your obligations as an employer. Visit www.dol.govt.nz for publications and fact sheets that clearly explain what employees are entitled to and how to calculate these entitlements.

GENERAL LEAVE INFORMATION

Employers and unions or employees can agree to better annual leave rights than those in provided in the Holidays Act, but not to less. Many employment agreements, for example, give employees extra leave entitlements after they have worked for the same employer for a number of years.

We recommend that you review your employment agreements in light of changing legislation to make sure they are legal. For example, check that the following are covered:

- Ordinary weekly pay amount
- Relevant daily pay amount
- How unpaid leave is managed.

ACCIDENT COMPENSATION

An employee injured doing their work and is unable to work, is entitled to be paid compensation by their employer for loss of earnings in the first week following the injury. This is 80% of the earnings lost as a result of not being able to work. After the first week, ACC pays the compensation and will provide other assistance to get the employee back to work as soon as possible.

An employee who is injured outside work is not entitled to loss-of-earnings compensation from their employer for the first week.

Ask the nearest ACC office for more information about what you are eligible for after an injury.

ANNUAL LEAVE

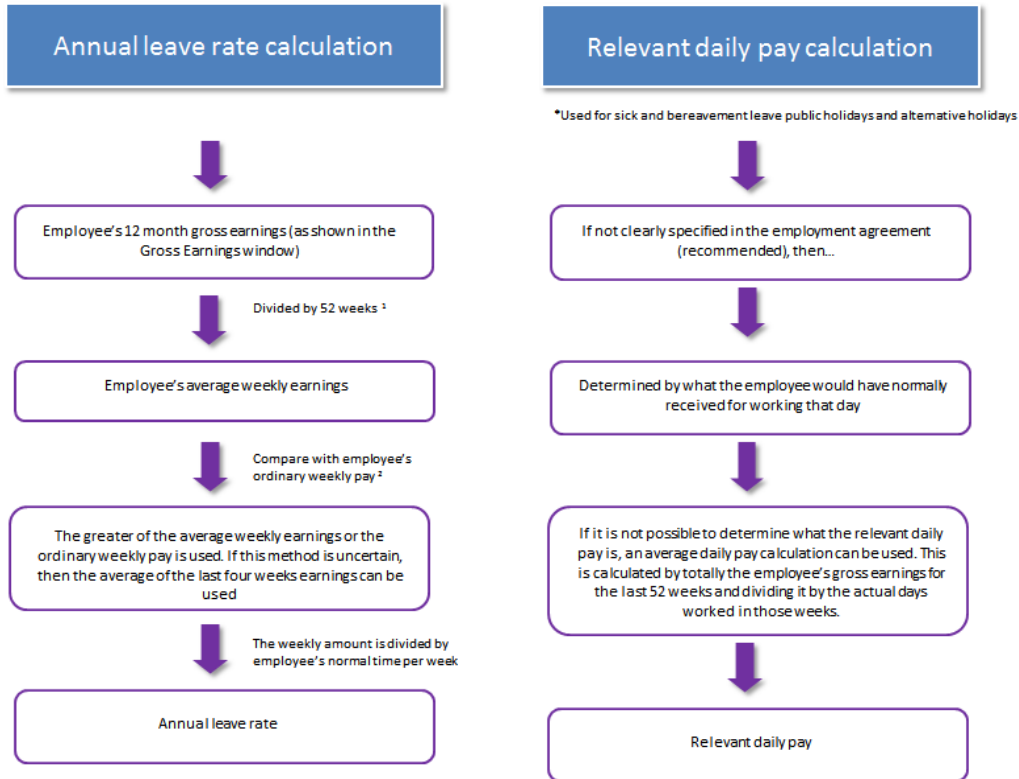
The Holidays Act gives all employees rights to paid annual leave, whether they are full-time, part-time, fixed-term, temporary or casual employees, adults or young employees. Employees are not lawfully able to agree to give up these rights.

Employees are entitled to at least four weeks paid leave after they have worked continuously for the same employer for 12 months.

ANNUAL LEAVE RATE CALCULATION

While MYOB Payroll has been designed to automate much of the process of annual leave rate calculation, it is worthwhile knowing how the process works.

The following diagrams shows how the two major rates—annual leave rate and relevant daily pay—are calculated.



1. This may be less than 52 if more than one week of unpaid leave has been taken.
2. The employee's ordinary weekly pay is determined by their pay defaults or by multiplying their normal time by their normal rate.

CHRISTMAS AND SEASONAL SHUTDOWNS

If an employer has a closedown period (for example, for Christmas or at the end of a season), employees who have not been employed for 12 months can agree to take annual leave in advance or have their accrued holiday pay balance paid out. If the holiday pay balance is paid out, the employee's leave anniversary date should be reset to 12 months from the shut down date. Some businesses can simplify this process by using a common anniversary date.

ANNUAL LEAVE

For each unit of paid annual leave, employees are paid the larger of:

- their average weekly earnings or
- their ordinary weekly pay.

Holiday pay should be paid before the employee's holiday starts.

In some limited circumstances, for example casual employment, the Courts have allowed holiday pay to be paid on a 'pay as you go' basis. However, your employee's agreement to this should be clearly recorded in writing, in order to show that they understand this arrangement.

HOLIDAY PAY AT THE END OF EMPLOYMENT

When finishing employment, employees are entitled to be paid any remaining balance of annual leave and any remaining balance of holiday pay. See [To calculate a final pay, page 82](#).

PUBLIC (STATUTORY) HOLIDAYS

By law, every employee is entitled to not less than 11 public holidays each year, which should be paid holidays for the employee when they fall on days of the week on which the employee would normally work.

Public holidays are in addition to paid annual leave days. There are two groups of holidays, with slightly differing entitlements applying to each:

- **Christmas and New Year:** Christmas Day (25 December), Boxing Day (26 December), New Year's Day and the day after (1 and 2 January)
- **All other holidays:** Waitangi Day (6 February), Good Friday and Easter Monday (dates variable), ANZAC Day (25 April), Queen's Birthday (first Monday in June), Labour Day (fourth Monday in October) and Provincial Anniversary Day (date determined locally).

RECORD KEEPING

Employers must keep records of annual holidays for six years. The following information must be kept:

- the employee's name
- the date on which the person's employment started
- the date the person's employment ended
- the date on which the employee becomes entitled to each annual holiday
- the dates on which the employee takes the holidays
- the amount of money paid for each holiday
- the amount of money paid to the employee for annual holidays when the employment ends.

These records can be incorporated in the wages and time records which employers must also keep. Employees and their representatives and Labour Inspectors have the right to see these records.

RELEVANT DAILY PAY

MYOB Payroll includes a calculation of relevant daily pay. To access this calculation window, go to the **Prepare Pays** command centre, click on **Enter Pays**, double-click an employee and click the **Leave** button. Then click the ellipsis beside the normal pay rate showing for alternative holidays.

Pay Code	Quantity	Rate	Total
ORD Overtime Time	0.00	29.000000	0.00
ANHL Annual Leave	0.00	29.01325	0.00
ORD1.5 Time & a Half	0.00	43.50000	0.00
SICK Sick Leave	0.00	29.00000	0.00
STAT Public Holidays	0.00	29.00000	0.00
Total Relevant Daily Pay			0.00

Use Average Daily Pay based on 52 weeks Gross Earnings

Last 52 weeks Earnings
Divided by days worked

Standard hours worked per day

OK

This window allows you to change the rate used for paying alternative holidays (or leave in lieu), bereavement or sick leave. Click the ellipsis to change the relevant daily pay. The rate used must be the greater of the relevant daily pay amount specified in the employees' employment agreement or what they would have earned had they worked that day (using the **Based on earnings** method).

If the **Based on earnings method** does not show a clear relevant daily pay, then the average daily pay calculation can be used instead. Average daily pay is based on earnings from the last 52 weeks, divided by the number of days worked. (Note that prior to 1 April 2011, average daily pay was based on earning from the last four weeks.) The number of days worked is an estimate based on the employees leave settings; you can adjust the calculation.

SICK LEAVE

By law, after working for the same employer for six months, an employee has the right to five days paid sick leave for each subsequent 12-month period. Sick leave can be used by an employee for any of the following:

- sick leave
- domestic leave to care for a sick spouse, dependent child, or dependent parent of the employee, or of the employee's spouse

Unused sick leave can be carried over into the next year, up to a maximum of 20 days (including the current year's entitlement). Employment agreements can have more sick leave than provided for by law. They must not provide for less. Employers and employees or unions can also agree that other types of paid or unpaid leave will be included in the agreement.

TIME OFF IN LIEU

A time off in lieu (TOIL) pay code is used to track time off in lieu, as distinct from alternative holidays tracked in the **Other Leave** tab for an employee.

If the TOIL code is added to the default pay setup for an employee, any hours over the standard pay default hours (such as 40 hours) worked are credited to the TOIL running total, and any hours under the pay default standard hours worked are deducted from the TOIL total to make up the standard hours (for example, if only 38 hours are worked, then 2 taken from TOIL to make up the standard 40).

The TOIL pay code can be overridden in the **Enter Pays** window.

UNPAID LEAVE

When an employee takes unpaid leave of more than a week during the year, this can be managed in three ways:

- The employer can choose to extend the time required before the employee becomes entitled to annual holidays by the period of unpaid leave in excess of one week.
- The employer and employee can agree that an employee's average weekly earnings calculation will be modified to reflect the number of whole or part weeks greater than one week that the employee was on unpaid leave.
- The employer and employee can agree that the unpaid leave will have no effect on the employee's annual holiday entitlement.

Time while an employee is on ACC, parental leave or leave for voluntary military service does not affect the anniversary date for annual holiday purposes.

ENFORCEMENT OF HOLIDAY AND LEAVE RIGHTS

Employees (or their unions or representatives) can find out about enforcing any rights for leave under the law or their employment agreements by contacting Employment Relations Infoline.

Statutory rights to annual leave, public holidays and special leave can be enforced by the Labour Inspectors. They may investigate complaints and act to recover any money owing to employees.

GLOSSARY

(see also the 'Glossary' on page 115)

Term	Explanation
Alternative Holiday	Previously known as <i>Leave-in-lieu</i> , this is a day off given to an employee who works a Public Holiday. Payment is at the employee's Relevant daily pay.
Annual leave	An entitlement to at least four weeks paid leave after working continuously for the same employer for 12 months.
Annual Leave pay	What an employee is paid when on annual leave. Entitlement falls due after 12 months employment. Can be taken in advance. Outstanding annual leave will be paid out if employment is terminated.
Annual Leave rate	The greater of the employee's average weekly earnings or ordinary weekly pay is used to calculate what an employee is paid while taking annual Leave. If this method does provide a clear picture of their 'average' pay, then an average of the last four weeks earnings can be used.
Average weekly earnings	Average weekly earnings are determined by calculating gross earnings over the 12 months prior to the end of last payroll period before the annual holiday is taken, and dividing that figure by 52. (Note that prior to 1 April 2011, this was based on earning from the last four weeks.)
Bereavement Leave	Previously included with Special Leave, this is now a separate entitlement. All employees are entitled to three days paid leave (after six months service) when they suffer the loss of an immediate family member. This leave does not need to be used immediately or on consecutive days. One day paid leave for a bereavement suffered outside of the immediate family (at the employer's discretion). Payment is at the employee's relevant daily pay.

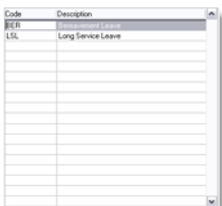
Term	Explanation
Holiday Pay	An accrual of leave based on a percentage of the employees gross earnings. May be paid to casual employees or when preparing a final pay.
Ordinary weekly pay	Ordinary weekly pay represents everything an employee is normally paid weekly, based on their pay defaults or normal pay (normal time x normal pay rate).
Public Holiday (Statutory Days)	Officially recognised days that employees are entitled to paid leave on, if it is a day they normally work. This is in addition to their annual leave entitlements.
Relevant daily pay	This is the amount an employee is paid when taking Sick or Bereavement Leave or working a Public Holiday. This amount is usually specified in the employment agreement and is basically what the employee would've received had they worked. If unclear, an average taken from the last 52 weeks earnings may be used. (Note that prior to 1 April 2011, this was based on earning from the last four weeks.)
Sick Leave	Previously included with Special Leave, this is now a separate entitlement. All employees are entitled to a minimum of five days Sick Leave a year (after six months service), accumulating to a maximum of 20 days. Payment is at the employee's relevant daily pay.
Special Leave	This entitlement was made obsolete with the introduction of the Holidays Act 2003. Any outstanding Special Leave entitlement will be converted to Sick Leave.
Time-and-a-half	The increased minimum payment for employees working a Public Holiday. For example, if the employee is paid an hourly rate, then he or she is entitled to one-and-a-half times that rate for the time worked on a public holiday, as in the following clause: "The pay rate for this position is \$12 per hour. For time worked on a public holiday, the pay rate is \$18 per hour (time-and-a-half)."

Maintaining Accumulators

Accumulators are useful for keeping track of extra information relating to the quantities (units) of one or more employee pay codes.

For example, you may want to keep track of an increasing total of fruit bins picked for a season or a decreasing total for a staff loan. Add an accumulator called BINS. Assign it to the relevant pay code then add it to the employee. When the next pay is processed the total quantity of bins entered when calculating the pay will be recorded against the employee. Subsequent bin quantities will be added to this total.

To open the **Maintain Accumulators** window, select **Maintain Accumulators** from the **Payroll** menu.



TO ADD AN ACCUMULATOR

- 1 From the **Payroll** menu, choose **Maintain Accumulators**. The **Maintain Accumulators** window appears.
- 2 Click **New**. The **New Accumulator** window appears.
- 3 Enter a code and a description. This will appear on the employee's pay slip if this option is selected.
- 4 Click **OK**.

TO DELETE AN ACCUMULATOR

You can only delete an accumulator if there are no active pays and the accumulator is not used by any employees.

- 1 From the **Payroll** menu, choose **Maintain Accumulators**. The **Maintain Accumulators** window appears.
- 2 Select an accumulator and click **Delete**. A confirmation message appears. Click **Yes**.

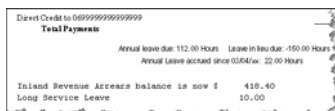
TO USE AN ACCUMULATOR

- 1 Add an accumulator (see 'To add an accumulator' above).
- 2 Go to the **Maintenance** command centre and click **Maintain Pay Codes**.
- 3 Add or edit a pay code for which quantities need to accumulate.
- 4 Click the **Accumulator** tab and specify the accumulator to which any quantities paid using this pay code will accumulate. See 'Accumulators tab' on page 43.
- 5 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 6 Select a relevant employee
- 7 Click the **Pay Defaults** tab and add the relevant pay codes to the pay defaults. See page 50.
- 8 Click the **Accumulator** tab.
- 9 Enter a current balance (if applicable) and specify if the balance will print on the employee's pay slip. See 'KiwiSaver Eligibility flowchart' on page 58.

EXAMPLE OF HOW ACCUMULATORS CAN BE USED

If an employee is entitled to one week (40 hours) of Long Service Leave.

- 1 Create the accumulator LSL, (Long Service Leave).
- 2 Create a pay code called LSL, (Long Service Leave). This enables employees to be paid long service leave, based on the employee's normal pay rate multiplied by 1. On the **Accumulators** tab, specify the LSL accumulator. Specify that it is to decrease so that the balance of LSL is reduced when some LSL is paid.
- 3 Add the LSL pay code to an employee's pay defaults.
- 4 Add the LSL as an accumulator for the employee. Specify the balance due to the employee and mark to show the balance on the pay slips.



Direct Credit to 0899999999999999

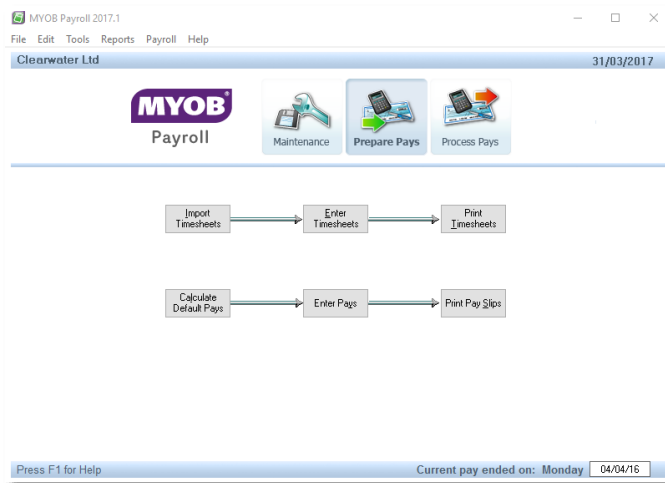
Total Payments	
Annual leave due: 112.00 Hours	Leave in lieu due: -150.00 Hours
Annual Leave accrued since 03/04/16: 22.00 Hours	
Inland Revenue Arrears balance in now \$	428.40
Long Service Leave	10.00

3 Preparing pays

This chapter describes how to import, enter and print timesheet details, calculate default pays, enter pay details and print pay slips.

Overview


The **Prepare Pays** command centre provides all the options associated with entering pay details.



You only need to complete the tasks relevant to your business.

To do this...	See...
Import timesheets	page 74
Enter timesheets	page 75
Print timesheets	page 77
Calculate default pays	page 77
Enter pays	page 78
Print pay slips	page 84

Importing timesheets

 Timesheets can be imported from any other system that creates a file in the correct format. The file must be a comma-delimited type, which can be easily created from Microsoft Excel by using the **Save As** option, or by exporting in this format from other timesheet software. Detailed specification about the file format required are described in the F1 help topic **Import timesheets**.

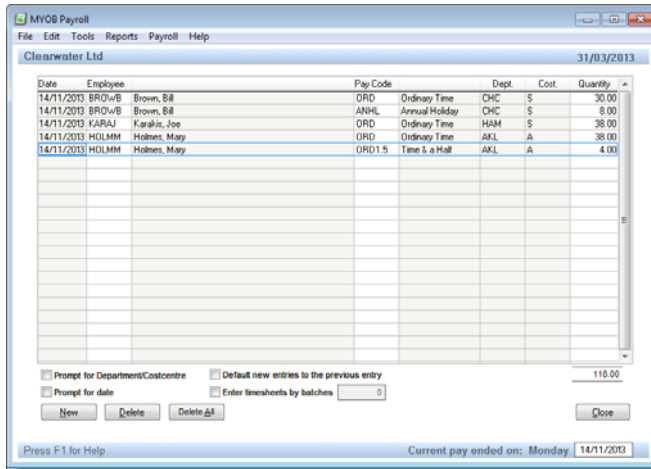
TO IMPORT A TIMESHEET

- 1 Go to the **Prepare Pays** command centre and click **Import Timesheets**. The **Import Timesheets** window appears.
- 2 Locate the file you want to import by entering a valid file path, or use the ellipsis [...] to search for the file.



- 3 If the import file contains pay codes that are not currently set up as pay defaults for the employees you are importing for and you want these pay codes added to the employee's pay defaults then select the **Automatically create a pay default if a pay code is invalid for an employee** option. If this option is not selected, then errors are generated for any lines with non-default pay codes.
- 4 Click **Import**.
 - The import file is read and checked for errors. Errors include invalid employee codes, pay codes, departments, dates or quantities. If errors are found, you are prompted to print a report of the errors, and given the option to abandon the import (to go back and correct the original file) and re-import, or to accept the import excluding any errors.
 - If a file is imported successfully, it is renamed with a new file extension (for example, the first file will have an extension of '.001', the second with '.002', etc. These historical files can be imported again if needed).

- After the timesheet lines have been imported they can be viewed, edited or deleted in the **Enter Timesheets** window.



Entering timesheets



You can enter timesheets directly in your software using **Enter Timesheets**. You can also use this function to edit or delete imported timesheet details.

You might enter timesheets when:

- an employee's recorded time appears on more than one source document
- a number of employees require their pays to split across multiple departments
- times are entered on a part period basis (For example, daily for a weekly pay or weekly for a fortnightly pay).

TIMESHEET ENTRY OPTIONS



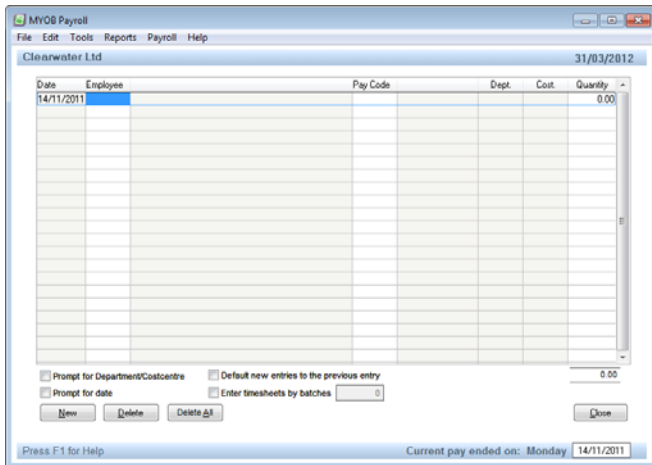
- Prompt for Department/Costcentre**—Select to override the employee's default department/cost centres.
- Prompt for date**—The date defaults to the current pay end date, displayed at the bottom right of the payroll screen. Select to enter specific dates.
- Default new entries to the previous entry**—Select to repeat the employee code and pay code (and Department/Costcentre codes if **Prompt for Department/Costcentre** is selected). This may be useful if you

have a lot of timesheet information for the one employee, or the same pay code or the same department/cost centre.

- **Enter timesheets by batches**—Select to keep groups of timesheet entries together. All entries can be viewed by selecting their batch number or select zero to view the complete list.

TO ADD A TIMESHEET ENTRY

- 1 Go to the **Prepare Pays** command centre and click **Enter Timesheets**. The **Enter Timesheets** window appears.
- 2 Click **New**. The date appears by default.



- 3 In the **Employee** column, press F9 or TAB and select the employee.
- 4 In the **Pay Code** column, press F9 or TAB and select the required pay code.
- 5 In the **Quantity** column, enter the unit amount for the pay.
- 6 Click **New** to add a new timesheet entry.
- 7 Repeat from **step 3** for each employee.
- 8 Click **Close**.

TO EDIT A TIMESHEET ENTRY

- Locate and select the transaction line and change the details as required.

NOTE : Override employee defaults Timesheet entries will override the employee’s default quantities set up in **Maintain Employees (Pay Default Totals tab)**.

TO DELETE A TIMESHEET ENTRY

There are two ways to delete a timesheet entry.

- Select the timesheet line you want to delete and then click **Delete**.
- Select **Delete All** to clear all timesheet information from the selected batch if the **Enter timesheets by batches** option is selected, otherwise timesheet entries from all batches will be deleted.

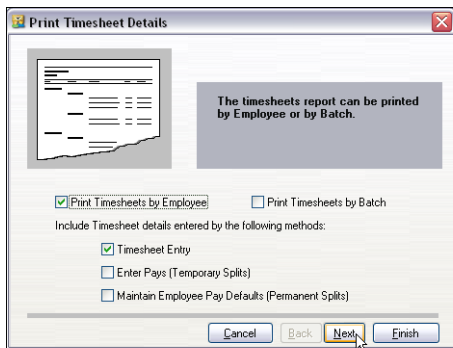
Print timesheets



You can print a report that shows all the timesheet entry information for employees. You can print this report by employee or by batch.

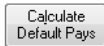
TO PRINT TIMESHEETS

- 1 Go to the **Prepare Pays** command centre and click **Print Timesheets**. The **Print Timesheets Details** window appears.



- 2 Select how you want to view the report information: by employee or batch. If you select batch, the report will print by batch number, and then by employee code.
- 3 Select what information you want to include in the report and click **Next**.
- 4 Select the employees you want to view information for and click **Next**.
- 5 Click **Preview** to display the report on screen, or click **Print**.

Calculate default pays

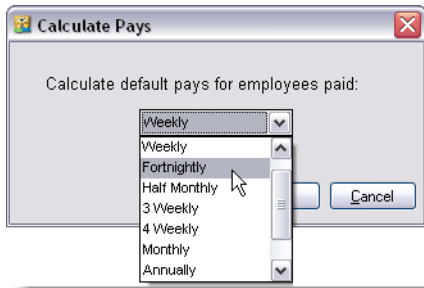


Calculating default pays is a quick way to prepare standard or normal pays for your employees based on the payroll details you have set up for them. (see 'Pay Defaults / Totals tab' on page 50).

Pay defaults are useful if most of your staff are paid the same each pay period. But if the pays for most of your employees varies from pay to pay, you may choose not to use this option.

TO CALCULATE DEFAULT PAYS

- 1 In the **Prepare Pays** command centre, click **Calculate Default Pays**. The **Calculate Pays** window appears.



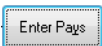
- 2 Choose a pay frequency:

Daily	4 Weekly
Weekly	Monthly
Fortnightly	Annually
Half Monthly	Variably
3 Weekly	Timesheets

Note that if the **Timesheets** frequency is chosen, only those employees for whom timesheet details have been entered will be calculated (whatever their pay frequency).

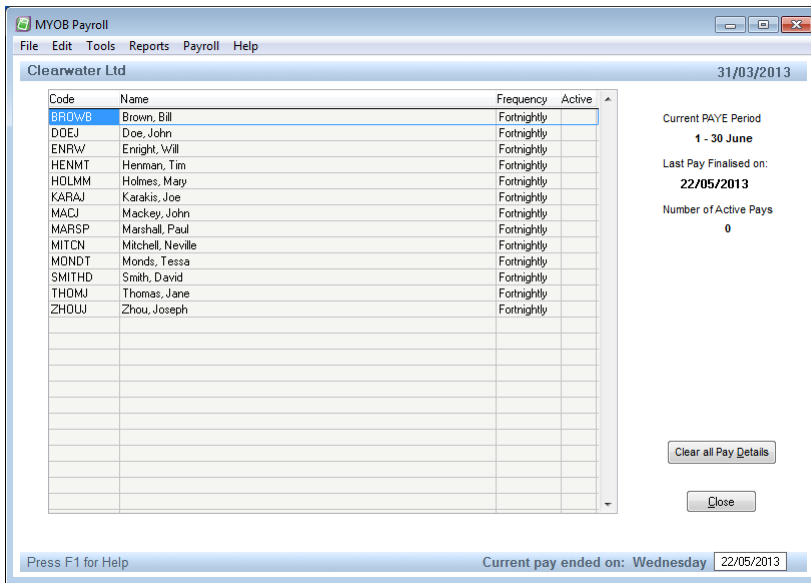
- 3 If you want to calculate another pay frequency, repeat this procedure.

Enter pays



Enter pays is the main method of entering pay information. It is used for reviewing and modifying pays prepared using the **Calculate Default Pays** option and for preparing pays directly.

Once a pay has been prepared (entered or calculated) for an employee, an 'X' is displayed in the **Active** column and the pay is referred to as an active pay. To enter (prepare or activate) an employee's pay, either select the employee or double-click the employee.



TO EDIT PAY DETAILS

- 1 Go to the **Prepare Pays** command centre and click **Enter Pays**. The **Enter Pays** window appears.
- 2 Double-click the employee to enter (prepare or activate) an employee's pay. The **Enter Pays Details** window appears.

A standard pay is calculated based on the employee's defaults (see 'Pay Defaults / Totals tab' on page 50). If any timesheet details have been entered, these are included in the calculations.

- 3 Enter or amend the quantities and rates as required. As soon as a quantity or rate is entered, the pay is recalculated. If the message **Cannot change quantity of Split** appears, it means that timesheet entries are present for that pay default.
- 4 Click the **Split Pay** button to view, edit, add or delete these entries.
 - Type 'P' indicates this a permanent pay split, set up in the **Split Default** window for the employee.
 - Type 'D' indicates a pay split entered through a timesheet. You can create a split for a future date, such as pre-approved leave for a future date, which won't be included in the current pay.
 - Type 'T' indicates a temporary pay split, that is, a pay split for the current pay only. A temporary pay split can only be entered in the **Enter Pays** window.

Use the other buttons, as described below, for additional functions. A function key can also be used as an alternative to clicking a button. All changes are provisional until the pay has been finalised.

NOTE : Enabling function keys The following function keys are enabled when the cursor is in the **Quantity** column or certain conditions are met. If a function key does not seem to be responding, try re-positioning the cursor or see the table below for any special conditions.

Function	What it does
OK or Esc	When the pay is correct, press Esc or click OK to save the changes and return to the employee list. The employee will be marked as active, showing that a pay has been prepared for that employee.
F2 - Leave	Press F2 or click Leave to display the Leave Due window, showing the current leave due to the employee. This is useful for preparing an employee's final pay (for example, paying out the balance of annual leave and leave in lieu), or for checking the amount of leave in advance the employee has accrued. Note the figures displayed do not take into account any figures entered for the current pay.
F3 - Tax Override	<p>The tax override button is enabled when you select the Rate column for the TAX pay code default. Press F3 or click the Tax Override button to display the Pay Frequency/Tax Override window.</p> <p>The Pay Frequency/Tax Override window enables you to adjust the pay to be taxed over a period other than the employees default pay frequency, or by using a different tax code. For example, an employee normally paid weekly is being paid for the last week worked plus 11 days annual leave and 4 days public holiday at Christmas. The pay would be taxed over 4 weeks instead of the usual 1 week.</p> <p>If an employee is being paid an extra lump sum payment, (for example, a bonus), the payment needs to be taxed using a secondary tax code (S, SH, or ST). These extra amounts can be taxed separately using the Extra Pay Amount field.</p>
F4 - Add Default	<p>Press F4 or click Add Default if a new pay default is required for the employee and the pay code has already been created. Select the required pay code. In the window that appears, enter the default quantity, if required, and the default rate if allowed. Specify if this new default is regular or variable (See 'Pay Defaults / Totals tab' on page 50). Click OK.</p> <p>If a new pay default is added by mistake it will need to be deleted from Pay Defaults window.</p>
Leave	Click Leave to view how the annual leave is calculated, the balance of the current leave due to the employee prior to the current pay and from here you are able to override the divisor to adjust the number of weeks worked by the employee. You can also select the relevant daily pay calculation.
Super	Click Super to view KiwiSaver super contributions and any other employer superannuation calculations. This window displays employee and employer contributions, and employer superannuation contribution tax (ESCT) calculated for the pay entered. The net contribution is the employer contribution less any ESCT.
F5 - Message	Press F5 or click Message to add a message that will print only on this employee's pay slip. If you want the message to be printed every pay, select the Keep this message for each pay option, otherwise the message will be cleared when the pay is finalised.

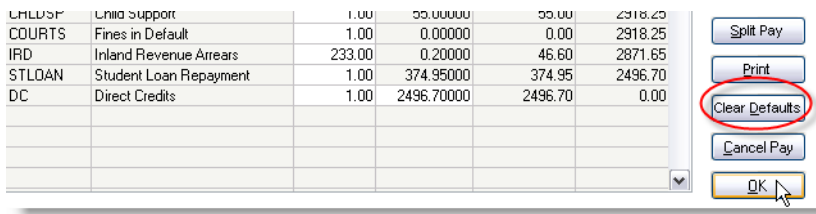
Function	What it does
F6 - Split Pay	<p>This option is only active for earnings pay defaults (gross earnings, taxable allowances and non-taxable allowances). It enables earnings to be allocated to department/cost centres other than the employee's (or the pay code's) default. If timesheet details have been entered they can be viewed, edited, deleted or added.</p> <p>Enter a department/cost centre or press F9 to select from a list. Enter the appropriate quantity. Repeat as required.</p>
F7 - Print	<p>Press F7 or click Print to preview or print a copy of the pay slip for the employee. The Print Pay Slip report wizard is displayed. See 'Print Pay Slips' on page 84.</p>
F8 - Clear Pay	<p>Press F8 or click Clear Pay to clear all details for this pay and return to the employee list. The employee will not be marked as active.</p>

TO PREPARE A ONE-OFF PAY

Occasionally, an employee may receive a one-off pay such as a commission or bonus payment. Rather than zero the employee's defaults manually, MYOB Payroll provides an easy way to clear the pay defaults.

- 1 Go to the **Prepare Pays** command centre and click **Enter Pays**. The **Enter Pays** window appears.
- 2 Double-click an employee's record. The **Enter Pays Details** window appears.
- 3 Click **Clear Defaults**. The default quantities are zeroed, however any imported or entered timesheet information will be retained.

LHLSF	Child Support	1.00	55.00000	55.00	2318.25
COURTS	Fines in Default	1.00	0.00000	0.00	2918.25
IRD	Inland Revenue Arrears	233.00	0.20000	46.60	2671.65
STLOAN	Student Loan Repayment	1.00	374.95000	374.95	2496.70
DC	Direct Credits	1.00	2496.70000	2496.70	0.00



- 4 Proceed to enter details of the one-off pay. One-off payments are usually taxed differently. For information on using the **Tax Override** feature to calculate the tax on these amounts, see [page 80](#).

NOTE: Editing an employee's notes The employee's notes (**Maintain Employees > Qualifications & Notes** tab) can be edited by clicking the **Notes** button.

PREPARING FINAL PAYS

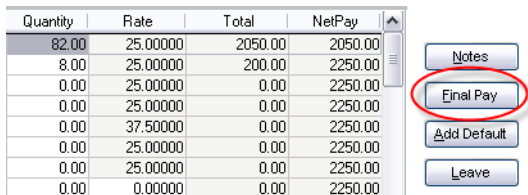
When employment ceases, a final pay must be prepared for the employee. This must include any outstanding leave. MYOB Payroll does all the hard work for you by automatically calculating final pays.

If the employee's finish date is known in advance, it can be entered in the **Employment will finish on** date field on the **Employment Details** tab in the **Maintain Employees** window, see [page 48](#).

TO CALCULATE A FINAL PAY

- 1 Go to the **Prepare Pays** command centre and click **Enter Pays**. The **Enter Pays** window appears.
- 2 Double-click an employee record. The **Enter Pays Details** window appears.

Quantity	Rate	Total	NetPay
82.00	25.00000	2050.00	2050.00
8.00	25.00000	200.00	2250.00
0.00	25.00000	0.00	2250.00
0.00	25.00000	0.00	2250.00
0.00	37.50000	0.00	2250.00
0.00	25.00000	0.00	2250.00
0.00	25.00000	0.00	2250.00
0.00	0.00000	0.00	2250.00



- 3 Click **Final Pay**. The **Final Pay Details** window appears.

- 4 Enter a finish date and reason.
- 5 Click **OK**.

Holiday pay is calculated on any outstanding annual leave. An employee is also paid for any public holidays that fall in the period of annual leave owed. For example, if the employee is owed two weeks annual leave, and two public holidays fall within those two weeks, you need to adjust their final pay accordingly.

The employee's pay details have now been updated and it has been tagged as a final pay.

tion (A)]				Final Pay
Quantity	Rate	Total	NetPay	
82.00	25.00000	2050.00	2050.00	<input type="button" value="Notes"/> <input type="button" value="Final Pay"/> <input type="button" value="Add Default"/> <input type="button" value="Leave"/>
208.00	25.00000	5200.00	7250.00	
0.00	25.00000	0.00	7250.00	
0.00	25.00000	0.00	7250.00	
0.00	37.50000	0.00	7250.00	
0.00	25.00000	0.00	7250.00	
0.00	25.00000	0.00	7250.00	
0.00	0.00000	0.00	7250.00	

- 6 If you need to adjust the tax rate for the correct number of weeks, click **Tax Override**. For more information, see [page 80](#).
- 7 Continue processing the payroll as per usual. The employee's pay slip will show any outstanding leave as being paid out (or deducted if in arrears).

Clearwater Ltd					
Pay Advice Slip for the Pay Period Ended: 14/03/xx					
Jane Thomas		Engineer IRD#: 012-345-674 Tax Code: M			
	QUANTITY	UNITS	RATE	AMOUNT	THIS PAY YEAR TO DATE
Ordinary Time	80.00	Hours	17.00000	1360.00	
Annual Holiday	728.00	Hours	17.00000	12376.00	
Total Gross Earnings					13736.00 21736.00
Holiday Pay				1738.88	
Plus Taxable Allowances				1738.88	1738.88
					15474.88 23474.88
PAYE				4843.78	
Less Taxes				4843.78	6180.76
					10631.10 17294.12
Social Club				2.00	
KiwiSaver	15474.88		4.000%	619.00	
Less Post-Tax Deductions				621.00	953.00
Net Pay					10010.10 16341.12
Direct Credit to 0099999999999999				10010.10	
Total Payments				10010.10	16341.12

Annual leave due: 9.00 Hours At: Holidays due: 10.10 Days
Annual Leave accrued since 03/04/xx: 36.00 Hours

TO DELETE ALL ACTIVE PAYS

Click the **Clear all Pay Details** button in the **Enter Pays** window. This will not delete timesheet information or default pay settings.

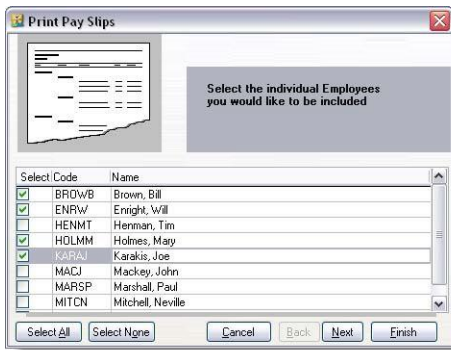
Print Pay Slips

Print Pay Slips

You can print, preview and save (PDF) pay slips for any employee with a current, active pay. You can also email pay slips (attached to an email as a PDF file), instead of printing them (See [Email Pay Slips, page 85](#)).

TO PRINT PAY SLIPS

- 1 Go to the **Prepare Pays** command centre and click **Print Pay Slips**. The **Print Pay Slips** window appears.
- 2 Select the employees for whom you want to print payslips. If you only want a few, use the **Select None** option and select the applicable employees.



- 3 Click **Next**. Add a common message on the pay slips, if required.
- 4 Click **Next**. The Email Settings step appears, see [To email pay slips, page 85](#).
- 5 Click **Next**. Choose your printer type. If you are using secure pay slips to be printed using your inkjet or laser printer then select the A4-Secure option.
- 6 Click **Preview** to view on screen or **Print** to send the report to the printer.

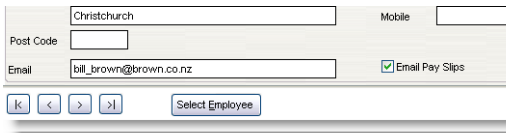
Email Pay Slips

Pay slips can be emailed in a PDF format using your current email settings. An **Email Pay Slips** option is available in the **Personal Details** tab of an employee's record (**Maintenance Command Centre > Maintain Employees**). You can also specify a reply email address and a message for all recipients.

Before you can email pay slips from MYOB Payroll, you need to specify your ISP's SMTP server (see **Common SMTP servers, page 86**) and be connected to the Internet.

TO SETUP AN EMPLOYEE FOR EMAILING PAY SLIPS

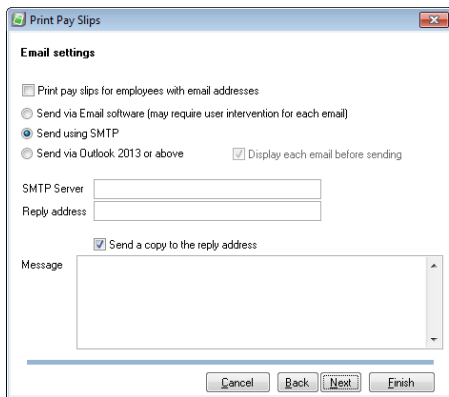
- 1 Go to the **Maintenance** command centre and click **Maintain Employees**.
- 2 Select an employee and click the **Personal Details** tab.
- 3 Enter an email address (if there is not one already) and select the **Email Pay Slips** option.



TO EMAIL PAY SLIPS

You email pay slips at the same time as you print them.

- 1 Go to the **Prepare Pays** command centre and click **Print Pay Slips**.
- 2 Complete the required steps.
- 3 At the **Email Settings** step, enter the relevant details.



- 4 Click **Next** to proceed and continue the steps to print and email pay slips.
- 5 When you have finished, a report will be displayed showing which pay slips have emailed successfully and which have failed.

FIREWALL SETTINGS

Firewall settings may prevent applications such as MYOB Payroll from sending outgoing emails. If you encounter interference from your firewall when emailing pay slips, you may need to modify the rules or exceptions that control blocked applications and allow MYOB Payroll. Check the documentation for your operating system for details on how to do this.

COMMON SMTP SERVERS

The following is a list of the main ISP's and their SMTP servers.

- Xtra (smtp.xtra.co.nz)
- ClearNet (smtp.clear.net.nz)
- Paradise Net (smtp.paradise.net.nz)
- Actrix Networks (mail.actrix.co.nz)
- Netlink (mail.netlink.co.nz)
- EzySurf (smtp.ezysurf.co.nz)
- IHUG (smtp.ihug.co.nz)
- Iprolink (smtp.iprolink.co.nz)
- SouthNet (smtp.southnet.co.nz)
- World-Net (mail.world-net.co.nz)
- Orcon (mail.orcon.net.nz)
- Globe Net Communications (smtp.globe.net.nz)
- Dream Net Internet (mail.dreamnet.co.nz)
- I4U Internet Services (mail.i4u.net.nz)
- Slingshot (smtp.slingshot.co.nz)
- Data Solutions (smtp.datasolutions.net.nz)
- DSNet Internet Services (smtp.dsnet.co.nz)

NOTE: Outlook users Microsoft Outlook lists your SMTP server under **Tools** menu > **Email Accounts** > **View or Change email accounts**.

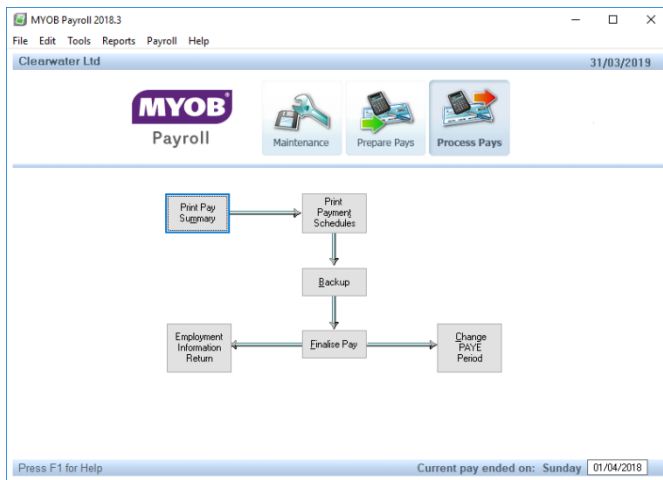
4 Processing pays

This chapter explains how you print a pay summary, payment schedules, back up your data and update the PAYE period in MYOB Payroll.

It also explains how to finalise a pay run. When you finalise a pay run, the pays entered in the **Prepare Pays** command centre are recorded in your system. This includes updating year-to-date balances and employee details. To ensure your records are accurate, you must enter all pay details before you finalise a pay.

Overview

The **Process Pays** command centre is used after a pay run has been prepared and checked. In any MYOB Payroll command centre, click **Process Pays**. The **Process Pays** command centre appears.



You can do the following tasks.

To do this...	See...
Print payment summaries	page 88
Print payment schedules	page 89
Backup your data	page 90

To do this...	See...
Finalise the pay	page 90
Create files for payday filing	page 92
Update the PAYE period	page 92

WHICH REPORTS SHOULD I PRINT?

The pay summary and the payment schedules are the recommended minimum reports to print and file each pay. Optional reports include:

- Cost Analysis reports for accounting or cross-checking purposes
- Deductions report
- Non-Taxable Allowances report
- Employer Superannuation report.

These reports can only be printed **before** a pay is finalised. For more information on reports see 'Payroll reports' on page 93.

Print the pay summary report

By law, the **Pay Summary** report must be retained for each pay run. This report lists the details and totals of each employee's pay slip, with totals for the pay run.

Clearwater Ltd
 Pay Summary for the Pay Period Ended: 14/03/xx 10.06.21 08 February xx

EMPLOYEE (DEPT/COST)	RATE	QUANTITY	GROSS EARNINGS	TAXABLE ALLOWANCES	PRE-TAX DEDUCTIONS	PAYE	NON-TAXABLE ALLOWANCES	POST-TAX DEDUCTIONS	PAYMENTS	ROUND	EMPLOYER SUPER
Enright, Will (ENRW) (CHC / W)											
CPD	16.00000	80.00	1280.00								
TAX	212.40000	1.00				212.40					
SOCIAL	2.00000	1.00						2.00			
WINZ	25.00000	1.00						25.00			
CA	100.00000	1.00							100.00		
DC	940.60000	1.00							940.60		
			1280.00	0.00	0.00	212.40	0.00	27.00	1040.60	0.00	0.00

TO PRINT A PAY SUMMARY

- 1 Go to the **Process Pays** command centre and click **Print Pay Summary**.
- 2 Select the **Print Timesheet details for each Pay Code** option if:
 - Timesheet details have not been imported or entered
 - Pay has been split between departments
 - **Timesheet Details** report has not been printed.
- 3 Click **Preview** to view on screen or **Print** to send the report to the printer.
- 4 Check the report for any errors.

- If errors are found, return to the **Prepare Pays** command centre and make the necessary corrections. Reprint the affected pay slips and the pay summary.
- If no errors then print and file.

A pay summary report must be printed before the pay can be finalised. It is recommended that the final pay summaries are filed in sequential order in a payroll file.

If there are numerous timesheet entries or split pays, we recommend you print a **Timesheet Details** report from the **Prepare Pays** command centre, see 'Print timesheets' on page 77.

Print payment schedules

This report prints a schedule of cash pays together with a cash breakdown for the bank (if any employees are receiving cash for the current pay).

Clearwater Ltd		Direct Credit Schedule for the Pay Period Ended: 14/03/xx		10 08 57 08 February xx	
EMPLOYEE CODE	NAME	BANK ACCOUNT	AMOUNT	PARTICULARS CODE	REFERENCE
PAYMENTS					
ENRW	Will Eneight	12-9999-999999-999	940.60		
HENMT	Ten Henman	16-9999-999999-999	827.80		
HOLMM	Mary Holmes	03-9999-999999-999	1068.89		
MARSP	Paul Marshall	06-9999-999999-999	1136.72		
MITCN	Neville Mitchell	01-9999-999999-999	1640.48		
SMITHD	David Smith	01-9999-999999-999	1129.96		
THOMJ	Jane Thomas	06-9999-999999-999	10010.10		
			Total Payments: \$	16954.55	
DEDUCTIONS					
SOCIAL	Social Club	99-9999-999999-999	16.00	Clearwater Social Club	
			Total Deductions: \$	16.00	
			Total Direct Credits: \$	16970.55	

A schedule of cheques to write and a schedule of direct credits are also printed.

Most banks require the direct credit information to be transferred onto the schedules they provide, if the direct credits are not electronically sent to the bank.

TO PRINT PAYMENT SCHEDULES

- 1 Go to the **Process Pays** command centre and click **Print Payment Schedules**.
- 2 Click **Preview** to view on screen or **Print** to send the report to the printer.

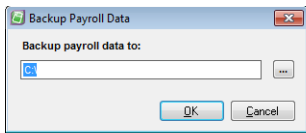
Backup

Back up the payroll data before finalising so that if you find errors in the pay, or your data becomes corrupted, you have a restorable backup.

It is recommended that you regularly save a backup to an external drive (such as a USB drive) or a CD.

TO BACKUP YOUR PAYROLL DATA

- 1 Go to the **Process Pays** command centre and click **Backup**. The **Backup Up Payroll Data** window appears.



NOTE: Multiple backups to the same disk or folder Each backup created has a unique name, which means multiple backups can be made to the same location. The filename format is 'MYOBPayroll' followed by the payroll name then the date and time (e.g. MYOBPayrollBackup-Clearwater-20130216164314.zip).

- 2 Click the ellipsis button to open Windows Explorer and choose where you are going to save the backup. If you are backing up to another drive on your network, navigate to the network folder. If you are backing up to an external drive, navigate to the drive. Click **OK** when you are ready to proceed.
- 3 When successful, a message appears confirming your data has been backed up.

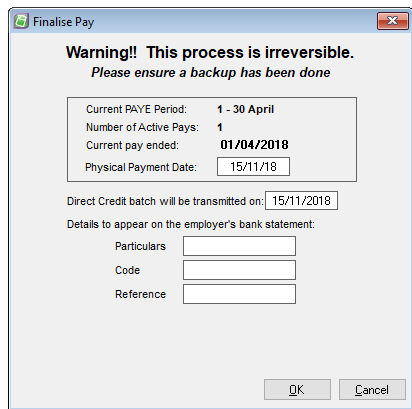
For a full explanation on the backup procedure see '[Backing up and restoring your data](#)' on page 106.

Finalise the pays

When you finalise a pay, the pay details entered in the **Prepare Pays** command centre are recorded in your system. This includes updating year-to-date balances and employee details. It also includes clearing the details of the current pay.

You must finalise pays to record the pay details in your system and to prepare your payroll for the next pay run.

To ensure your records and calculations are accurate, you need to enter all pay details before you finalise a pay. You can edit or clear a pay before it is finalised. However, once finalised, it can only be reversed by restoring from an earlier backup, see [‘Backing up and restoring your data’ on page 106](#).



PAY PERIODS

Ensure the current PAYE period, the current pay ended date and number of active pays (employees being paid) are all correct. If these are not correct, click **Cancel** and make any needed changes (see [‘Change the PAYE period’ on page 92](#)). The correct PAYE period is the one in which the wages are actually paid and may be different from the one in which the pay ends.

NOTE: Bank holidays To deal with bank holidays, e.g. the Christmas and New Year period, you can send the files to the bank early. Set the paid on date to be the week that the pay is for.

DIRECT CREDIT FILES

If the payroll has been set up with a path for the direct credit files and a bank account number, the direct credit files are created when you finalise the pay. The default direct credit details are displayed on the **Finalise Pay** window but can be changed if required. See [‘Direct Credit Path’ on page 24](#).

NOTE: Consult your bank and F1 online help for specific information There may be specific details required in these fields for your particular bank setup. Additional information can be obtained by pressing F1 or contacting your bank.

TO FINALISE THE PAY

Click **OK** in the **Finalise Pay** window. This will create the direct credit files, update employee records and clear the current pay. To cancel the finalising process, click **Cancel**.

INTEGRATION TO YOUR ACCOUNTING SOFTWARE

When you have finalised your pay, payroll journals are created if you are posting manually to your accounting software, or are posted automatically into your MYOB AccountRight software, if you have selected to do that.

You may be prompted to **Include Cost centres as Job Codes in Journal entries**. Select this option if required.

See [‘Accounting System’ on page 23](#) for more information.

Payday filing

Under payday filing you generate and send an Employment Information (EI) return file for every pay run. Information about new and departing employees is also sent to the IRD in a New and Departing Employees file.

If the **Automatically create the payday files after finalising the pay** option is ticked on the Bank & IRD tab of the Payroll Options window, return files for payday filing are created when a pay is finalised and you will be given the option of opening a browser window to the myIR website, where you can log in and upload the file. If this option is not ticked, return files must be created manually on the Employment Information Returns window.

The Employment Information Returns window displays all finalised pays between the selected dates. If return files have been created for a pay, their file names will be displayed. If a pay contains any new or departing employees, the number of each will be displayed in the New/Departing Details column.

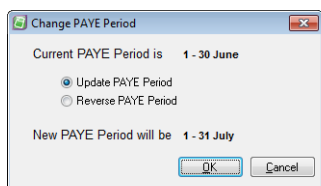
To manually create or re-create return files for a pay, select the pay on this window and click one or both of the buttons under Create. (If a pay contains no new or departing employees, the **New and Departing Employees Details** button will be disabled.) After the files are created, you will be given the option of opening a browser window to the myIR website, where you can log in and upload the file.

To preview return files for a pay, select the pay on this window and click one or both of the buttons under Preview. A PDF report containing the information in each file is generated and displayed.

Change the PAYE period

You use **Change PAYE Period** feature to manually update the current PAYE period to the next (or previous) PAYE period.

This is usually used after the last pay for the month (or half month if a large employer, see [‘General details’ on page 22](#)). If this step is missed, when the next pay date is entered you will be automatically prompted to update the PAYE period.



TO UPDATE THE PAYE PERIOD

Click **OK** to proceed with the update. If the new period is the next month, you will be prompted to print the employer monthly schedule. After this report is printed you will be prompted to print the IRD remittance advice.

TO REVERSE THE PAYE PERIOD

Select Reverse PAYE Period to return to a previous period.

5 Reporting

This chapter explains how to generate reports to monitor your payroll, satisfy legal compliance and meet IRD requirements.

It also explains how you can export pay history to be analysed in other software applications, such as a spreadsheet.

Payroll reports

MYOB Payroll uses wizards to help you prepare reports. To produce reports, you simply work your way through the wizard and click **Preview** or **Print** to view the finished report. See [‘Printing options’ on page 94](#) and [‘Printer properties’ on page 95](#).

TO SELECT A REPORT

You can access reports via:

- The **Reports** menu—this gives a full list of reports which are employee balance-related, and those printed after finalising pays.
- The **Payroll** menu—this gives a full list of reports which directly relate to the current pay in progress.

COMMAND CENTRE REPORTS

In previous chapters, we have shown you how to access the following reports related to preparing and processing payroll. See:


- [‘To print timesheets’ on page 77](#)
- [‘To print pay slips’ on page 84](#)
- [‘To print a pay summary’ on page 88](#)
- [‘To print payment schedules’ on page 89](#).


Printing options


MYOB Payroll allows you to print and preview a wide variety of payroll information. Some of the following options may not be available on all print screens. Apart from the Print button, these options will first generate a preview on screen. Click **Print** on the preview to send the report to your printer.

File menu Select **Print** from the **File** menu. This option will only be available when the screen that has focus is able to be printed.

Keyboard shortcut Press Ctrl+P to print the currently selected screen.

 **Print button** On the report options screen, click this button to send the report to your printer.

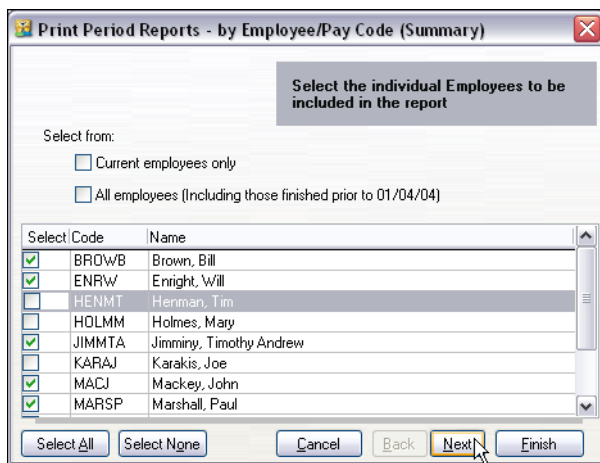
 **Preview button** Available from the report options screen, this button firsts displays the report on the screen. From the preview window send it to the printer by clicking the Print button.

 **PDF button** You can save some reports as a PDF. When saving, set a path and name for the file and then click the **PDF** button.

EMPLOYEE FILTER

Many of the available reports allow you to choose which employees you wish to include in the report.

The employee are listed alphabetically and can be selected for inclusion individually, by clicking the select checkbox next to a name. Alternatively, use the **Select All** or **Select None** buttons.



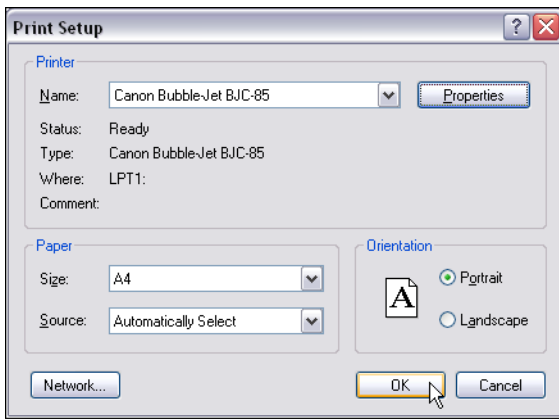
Select	Code	Name
<input checked="" type="checkbox"/>	BROWB	Brown, Bill
<input checked="" type="checkbox"/>	ENRW	Enright, Will
<input type="checkbox"/>	HENMT	Henman, Tim
<input checked="" type="checkbox"/>	HOLMM	Holmes, Mary
<input checked="" type="checkbox"/>	JIMMTA	Jimminy, Timothy Andrew
<input type="checkbox"/>	KARAJ	Karakis, Joe
<input checked="" type="checkbox"/>	MACJ	Mackey, John
<input checked="" type="checkbox"/>	MARSP	Marshall, Paul

If you only wanted to select one employee then click the **Select None** button and then click on the employee you want to report on.

Click **Finish** or **Next** to proceed to the next step of the report wizard.

PRINTER PROPERTIES

When you click the **Print**, or select **Page Setup** from the **File** menu, a Windows Printer dialog box appears. You can choose a different printer or set printer properties from here.



Select the printer you want to use from the drop-down list. Click **Properties** to change printer settings such as print quality and colour options.

Available reports

To make the best use of the available reports in MYOB Payroll, it is helpful to know which reports to print and when. The table below describes several payroll reports. For more detailed information, refer to 'Additional report information' on page 97.

Report	When to print	Description
IRD Remittance Advice	End of each PAYE Period	This report contains all the required information to fill out the IR345/346 forms (PAYE payments).
Employer Monthly Schedule (IR 348)	End of each month	This contains all the start/finish, child support, student loan and the earnings details of all employees for the chosen month.
Pay Audit Trail	End of year (recommended)	Lists each pay that has been finalised, grouped by PAYE period, showing totals for each type of pay code.
Pay Code Totals	End of year (recommended)	Summarises the year to date figures for each pay code.
Holiday Accruals	End of year (recommended)	Prints the current annual leave and holiday pay balances for each employee.

Report	When to print	Description
Apprentice Hours	When required	Prints details of those hours worked as apprentice hours by your employees.
Employee Statistics	When requested by Statistics NZ	Details the gender and employment status of each employee.
Department List	When required	A simple report showing the department/costcentre setup, including the GL integration code.
Current Employees	When required	Shows each employee's (except those with a finish date) start date, tax code and their current pay rates.
Maintenance Audit	When required	All changes made to employees, pay codes and department/costcentre including when a pay is finalised, when holiday anniversary updates occur and when the payroll is backed up or restored.
Period Reports	When required	Analyse your pay history, according to a variety of different criteria. Additional option to export as a spreadsheet file, see page 102 .
Employee Addresses	When required	List of all employees and their current addresses, phone and fax numbers, allocated department/costcentre and start date.
Employee Balances	When required	List of employees and their current payroll balances.
Employee Audits	End of year (optional)	Full pay history for each employee.
Employee Holidays	End of year (optional)	Summary of the employee's leave details to date.
Employee Sick Leave	End of year (optional)	Summary report of the employee's sick leave details.
Employee Leave in Lieu	End of year (optional)	Summary of employee's leave-in-lieu information.
IRD Schedule	End of year	Two copies printed; one filed and one attached to the IR68A.
Earnings Certificate	End of year or when employee finishes	These replaced the IR12 certificates in March 1999.
PAYE Subsidy Claim	When required	Only available to registered payroll intermediaries (email sales@myob.co.nz for more information)

Additional report information

The following reports can be previewed to screen or sent to the printer of your choice. See [‘Printing options’ on page 94](#) and [‘Printer properties’ on page 95](#).

NOTE: **Current pay details** Until a pay is finalised, the current pay details are not reported on.

IRD REMITTANCE ADVICE

This report contains all the required information to fill out the IR345/346 forms. Simply transfer the information across to the official form and include with your PAYE payment (20th of month for small employers, 5th & 20th of month for large employers).

TIP: **Create all IRD reports and files easily** Select the **Create IRD reports** option in the **Reports** menu to print the IRD Remittance Advice, Employer Monthly Schedule, and to create the direct credit file and files for ir-Filing.

EMPLOYER MONTHLY SCHEDULE (EMS) (IR 348)

This contains all the start/finish, Child Support, Student Loan And the earnings details of all employees for the chosen month. This prints automatically when a PAYE period is updated to a new month but is also available from the **Reports** Menu.

The IRD will not accept a summary format EMS. The details must either be:

- transferred electronically to the IRD by sending the csv file, which is optionally created when this report is printed
- manually input into the ir-File website and transferred electronically to the IRD
- printed in the IRD Approved Format and posted to the IRD (mark the checkbox after selecting the **Employer Monthly Schedule**).

See the IRD booklet on ir-File (IR343) for more information. The created csv files are stored in your ir-File folder, specified in **Options**, see [‘Accounting integration details’ on page 23](#).

SENDING KIWISAVER DETAILS TO THE IRD

A KED (KiwiSaver Employee Details) file is created when the Employer Monthly Schedule (EMS) is produced and can be ir-Filed electronically to the IRD along with the EMS. This file includes the required KiwiSaver employee information, as well as details of those who opt-out.



Name	Size	Type
111111111120070831.KED	1 KB	KED File
111111111120070731.KED	1 KB	KED File
111111111120070831.EMS	1 KB	EMS File
111111111120070731.EMS	1 KB	EMS File

Also created is a zip file containing all the relevant EMS, KED and EDF files for ir-filing. This is particularly useful if you run multiple payrolls.

PAY AUDIT TRAIL

The Payroll Audit Trail report lists each pay that has been finalised, grouped by PAYE period, showing totals for each type of pay code. The details listed for each pay are the same as the total line from the pay summary. Use this report to check that all pays have been finalised and that the overall totals are correct.

PAY CODE TOTALS

The Pay Code Totals report summarises the year to date figures for each pay code. Each pay code's default rate, the amounts for the last pay and the month to date and year to date amounts are displayed. The pay codes are grouped by pay code type. In other words, all gross earnings pay codes are printed first and are totalled, then taxable allowances, etc.

There is an option to print each pay code type on a separate page.

HOLIDAY ACCRUALS

The Holiday Accruals report prints the current annual leave and holiday pay balances for each employee. We recommend this report is printed at the end of each month, with a copy provided to your accountant at the end of the financial year. It shows the total liability for annual leave and holiday pay.

APPRENTICE HOURS

This report prints details of those hours worked as apprentice hours by your employees. Information from this report is taken from the apprentice hours accumulator, see [‘Maintaining Accumulators’ on page 70](#).

EMPLOYEE STATISTICS

Usually, you would print this report when the details are requested by Statistics NZ. The report details the gender and employment status of each employee (such as full-time, part-time etc.). You can select to have the employee's names showing on the report if you want.

DEPARTMENT LIST

Displays the department and costcentre setup, including any general ledger code integration details.

CURRENT EMPLOYEES

The Current Employees report prints all employees that are set up. It excludes any employees with a finish date. The report shows each employee's start date, tax code, and their current pay rates.

MAINTENANCE AUDIT

The Maintenance Audit report is a useful tool in finding information about your payroll's history. All changes made to employees, pay codes and department/cost centres are captured as well as information when a pay is finalised, when holiday anniversary updates occur, changes to leave details and when the payroll is backed up or restored.

The information captured includes what record was changed, by whom and when, as well as the old value and the new value.

PERIOD REPORTS

Period reports let you analyse your pay history for specified periods, according to a variety of different criteria, including the following:

- Employee Superannuation
- Employee/Pay Code (Summary Report)
- Department/Costcentre/Employee
- Department/Costcentre/Pay Code
- Department/Costcentre/Month.

In the report wizard that appears when you prepare these reports, you can choose which pay history periods you want to include. For example:

Select	PayNumber	Date_PAYE	Period
<input checked="" type="checkbox"/>	350	22/05/13	June 1 - 30
<input checked="" type="checkbox"/>	349	22/05/13	June 1 - 30
<input checked="" type="checkbox"/>	348	22/05/12	May 1 - 31
<input checked="" type="checkbox"/>	347	08/05/12	May 1 - 31
<input checked="" type="checkbox"/>	346	24/04/12	April 1 - 30
<input checked="" type="checkbox"/>	345	10/04/12	April 1 - 30
<input checked="" type="checkbox"/>	344	27/03/12	March 1 - 31
<input checked="" type="checkbox"/>	343	13/03/12	March 1 - 31

Export Pay History To export a pay period as a CSV (comma delimited) file, go to the Reports menu > Period Reports > Export Pay History. After making your filter selections and choosing a destination for the CSV file, click **Export**. See [‘Exporting pay history information’ on page 102](#).

EMPLOYEE ADDRESSES

Use this report to print a list of all employees and their current addresses, phone and fax numbers, allocated department/ costcentre and start date.

EMPLOYEE BALANCES

This will print off a list of employees and their current balances in the payroll system. You can choose to print or preview the full list (includes a breakdown of their individual pay codes), or a summary (one employee per line report).

EMPLOYEE AUDITS

The Employee Audit Report prints the full pay history for each employee. You can select how many employees you want to include in the report. The report prints each employee in turn, with a breakdown of the PAYE periods and amounts finalised to date. This report can be very long if all employees are selected.

EMPLOYEE HOLIDAYS

This report prints a summary of the employee holidays to date. It prints one employee per page, and reflects the annual leave and holiday information contained in **Maintain Employees, Leave Details** tab, with a breakdown of the leave taken and any manual changes made.

EMPLOYEE SICK LEAVE

The Sick Leave report prints a summary report of the employee sick leave entitlement and the sick leave taken. This report also prints one employee per page, and reflects the information contained in **Maintain Employees, Leave Details - Other** tab, with a breakdown of the sick leave taken and any manual changes made.

EMPLOYEE LEAVE IN LIEU

This report prints employee Leave in Lieu information. This report also prints one employee per page, and reflects the information contained in **Maintain Employees, Leave Details - Other** tab, with a breakdown of the leave in lieu taken or accrued and any changes made manually.

PARENTAL LEAVE DETAILS

This report prints parental leave details for each selected employee, including start date, (actual) end date, expected end date, IRD number, normal days per week, ordinary weekly earnings and length employment.

EMPLOYERSUPERANNUATION

Reports on all pay Superannuation pay codes, i.e. pay codes which have been set up as employee superannuation contribution codes. (See **'Super tab' on page 39**) This will covers all super schemes, including approved and non-approved KiwiSaver schemes. This includes employer and employee contributions, SSCWT, Employer Net amount, Total Contribution less tax, Employer Tax Credit, and Net Employer Contribution.

EMPLOYEE BIRTHDAYS

This report lists all employees with birthdays falling within a specified month. See **'Personal Details tab' on page 47**.

ACCUMULATORBALANCES

Displays the current balance of employee's accumulators. See **'KiwiSaver Eligibility flowchart' on page 58**.

REMINDERS

Displays active reminders for a given date range. See **'Reminders tab' on page 60**.

STAFF TURNOVER REPORT

Display totals of new staff starting and current staff finishing. It includes occupation and reason-for-leaving details. A summary option is available, which only displays totals.

IRD SCHEDULE

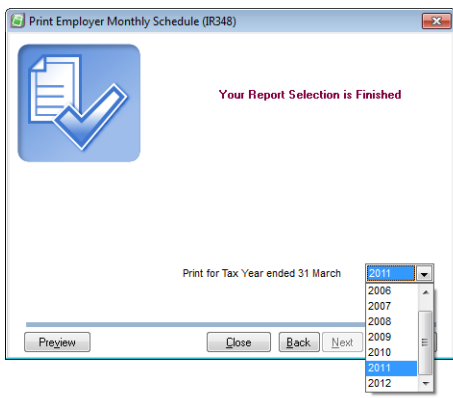
The IRD Schedule is printed at the end of the year (March). See [‘End of Year Processing’ on page 99](#).

EARNINGS CERTIFICATE

The Earnings Certificates are printed at the end of the year or when an employee finishes. These replaced the IR12 certificates in March 1999.

REPORTS FOR PRIOR YEARS

The Employer Monthly Schedule, IRD Remittance Advice, IRD Schedule, Pay Audit Trail and Earnings Certificates reports can all be printed for prior tax years.



The default is the current tax year.

Exporting pay history information

For greater flexibility and analysis options, you can export pay history information to a comma-delimited file, which can be opened in most spreadsheet programs. For information on entering pay history, see [Entering pay history](#), page 110.

TO EXPORT PAY HISTORY

- 1 Go to the **Reports** menu, point at **Period Reports** and choose **Export Pay History**. The **Export Pay History** wizard appears.
- 2 Adjust the filter settings (if required). Continue clicking **Next** until the last step appears.



- 3 If you want to change the destination for the spreadsheet file, click the ellipsis button [...] and browse for a new folder.
- 4 Click **Export**. If Microsoft Excel is installed on your computer, it will automatically start and open the export file you have just created. If not, start your spreadsheet software and open the export file.

6 Other functions

This chapter includes information about end-of-year processing, protecting and maintaining your data and editing your file preferences.

End of year processing

There are some functions that need to be performed at the end of each tax year, including a number of reports you will want to print. Make sure you have upgraded to the latest version of MYOB Payroll to ensure you have the correct tax rates.

NOTE: Reversing PAYE periods at end of financial year Note that you if you reverse your PAYE period at the end of the financial year, the KiwiSaver rates will not be reversed. If you process a pay run in this prior PAYE period, the KiwiSaver rates will not be correct.

Complete the usual end of month tasks when you are transitioning from the last month of the year to the new tax year, such as the CSV file for IR-filing, Employer Monthly Schedule, create journals for posting to your accounting software.

BEFORE PROCESSING PAYS IN THE NEW YEAR

The following checklist outlines the typical tasks you might perform before entering pays in the new payroll year. The reports listed here can be run for any tax year, so you can run them at any time. If you want to implement new departments or pay codes from the start of the tax year, then it makes sense to update these before the first pay of the new tax year.

Task	Description
Upgrade your software	You should upgrade your MYOB Payroll software before processing pays in the new year. This is to ensure you have the latest tax rates. If you process pays in the new year without upgrading, you risk taxing your employees at incorrect rates. For more information, contact sales@myob.co.nz
Enter employee finish dates	Enter finish dates for employees that are no longer employed with you. All annual leave and holiday pay will need to be set to zero before you can enter the finish date.

Task	Description
Print these YTD reports	<ul style="list-style-type: none"> • Employee balances • Pay Audit Trail • Pay Code Totals • Holiday Accruals (prints totals as they are now, so should be printed at least monthly) • Earnings Certificates: These are not required by the IRD, but we recommend that they be printed so that employees can check the information provided by the IRD. They are designed for printing on letterhead paper. • IRD schedule: print this for your records. • Note: If you have entered all or part of your Pay History manually through Enter History, this data will not be included in the Gross Earnings/PAYE details of the Earning Certificate.
Optional YTD reports.	<p>The following reports will all print one page per employee.</p> <ul style="list-style-type: none"> • Employee Audits • Employee Details • Employee Holidays • Employee Special Leave • Employee Leave in Lieu
Add any new departments	Add any new departments, and then change the default departments of employees and pay codes if necessary. Delete, or make inactive, any departments you no longer require.
Add any new pay codes	Add any new pay codes if required, and delete or make inactive any pay codes you no longer require.

Creating accounting journals

The **Create Journals** feature is available if accounting software integration has been setup (see '[Accounting integration details](#)' on page 23) and the departments and cost centres have been allocated a GL account code (account number), see page 33.

Although you can assign a specific deduction pay code to departments, (**Maintain Pay Codes**, see page 36), if no code is specified, a default liability account code (entered in the **Options** window) is used.

Journals are usually required when the wages are posted to several different general ledger codes and multiple department and cost centres have been set up.

Use the **Create Journals** feature when you manually want to post your payroll journals to your accounting software. If you integrate with MYOB accounting software, and you have selected the **Automatically post journals into the company file** option, you don't need to manually post journals (see '[Task 3: Set up posting options](#)' on page 29).

HOW JOURNALS ARE CREATED

- A journal is automatically created each time a pay is finalised. The journal contains the accounting details for that pay. The journal is overwritten the next time a pay is finalised.
- A journal can be manually created using the **Create Journals** feature on the **Tools** menu. This feature allows you to create journals for any past pays, within the current tax year. See 'To manually create a journal' below.

TO MANUALLY CREATE A JOURNAL

- 1 Go to the **Tools** menu and choose **Create Journals**. The **Create Journals** window appears.
- 2 Choose what pays you want to include in the journal and then decide whether to create a separate journal for each pay, a separate journal for each month or one journal for all the pays selected.



- If you select the **Create one journal entry for each pay** option, the date of each journal will be the last day of the PAYE period in which the pay was finalised i.e. the 15th of the month or the last day of the month.
- If you select the **Create one journal entry for each month** option, the date of each journal will be the last day of the month.
- If you select the **Create one journal entry for all selected pays** option, the date of the journal will be the last day of the tax year. This option is usually only used by accountants preparing the annual accounts.

TO IMPORT JOURNALS INTO MYOB ACCOUNTANTS OFFICE

- 1 Open the ledger that the payroll is integrating with (see 'Accounting integration details' on page 23). Ensure the period covered by the ledger matches with the date of the journals created in MYOB Payroll.

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NOTE: Importing into other accounting software packages See F1 online help for information on importing into other software.

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- 2 Go to the **File** menu, choose **Import** and then choose **MYOB Payroll Transactions**. Any journals created will be posted to the accounts specified in the integration details or the department setup.

Related Procedures

- Setting up accounting integration, see 'Accounting integration details' on page 23.
- Adding GL codes to a department and costcentre, see 'Maintaining departments and costcentres' on page 32.
- Adding GL codes to deduction pay codes, see page 40.

TO MANUALLY IMPORT JOURNALS INTO ACCOUNTRIGHT V19

- 1 In your AccountRight software, go to the **File** menu, choose **Import Data** and then choose **Transaction Journals**.
- 2 In the **Import File Format** field, select **Comma-separated**.
- 3 In the **First Record** is field select **Data Record**.
- 4 Click **Continue**.
- 5 Browse to the Payroll.txt file, which will be located in the folder specified in the **Payroll Options > Accounting** window.
- 6 Click **Open**.
- 7 Select **Match All** and click **Import**. The imported journal can be found in AccountRight as a general journal.

TO MANUALLY IMPORT JOURNALS INTO ACCOUNTRIGHT V2013 AND LATER

- 1 In your AccountRight software, go to the **File** menu and choose **Import/Export Assistant**.
- 2 Click **Import data** and click **Next**.
- 3 In the **Import** field, select **Transaction Journals**.
- 4 Click **Browse** and locate the Payroll.txt file you exported from MYOB Payroll. Click **Next**.
- 5 Select the **Commas** and **Data** options. Click **Next**.
- 6 Match the fields, or click **Auto Match** to match the fields that have the same names. Click **Next**.
- 7 If you want to make a backup of your AccountRight company file, click **Back up**, otherwise click **Import**.
- 8 Click **Close**. The imported journal can be found in your AccountRight company file as a general journal.

Backing up and restoring your data

To protect your business information and ensure you have a copy of everything if you need it, you should back up your MYOB Payroll data regularly. We recommend you make multiple backups and store copies off-site.

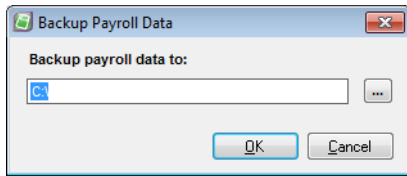
MYOB Payroll enables you to create a compressed backup version of your payroll file (known as a .zip file) which can be copied to a network location or an external storage device such as a DVD or memory stick. We also recommend that you perform repairs on your file before you back up. This may fix errors in the file you may not be aware of. See, 'Repairing the payroll file' on page 108.

How often should I back up? It's up to you how often you backup your data. However, should your current file become corrupt, and you have to restore your latest backup, you will need to enter everything since that backup was made.

In addition to regular backups as you use MYOB Payroll, you might also want to make monthly, quarterly and annual backups. These can also serve as archives for each period, should you need to access data or run a report again.

TO BACK UP YOUR PAYROLL FILE

- 1 Go to the **File** menu and choose **Backup**. The **Backing Up Payroll Data** window appears.



- 2 Click on the ellipsis button [...] to choose where you want to save your payroll data.

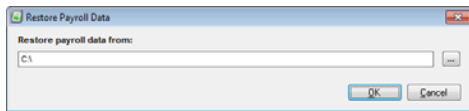
NOTE: Backup filename Each backup created has a unique name. The filename format is 'MYOBPayroll', followed by the company file name, then the date and time (e.g. MYOBPayrollBackup- Company Name - 20110216164314.zip). This means you can make multiple backups to the same location, such as a network, and know which file is the latest.

- 3 Click **OK**.
- 4 If your backup has been successful the **Backup Data** window is displayed.
- 5 Click **OK**.

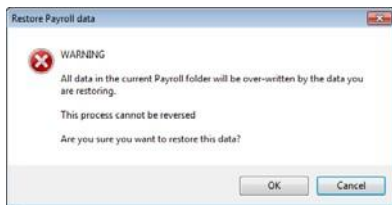
TO RESTORE A BACKUP

You can easily restore a backup copy of your MYOB Payroll file. Note that restoring a backup replaces the current payroll file you have open. If you want to retain this version, you need to make a backup of this file before restoring.

- 1 Go to the **File** menu and choose **Restore**. The **Restore Payroll Data** window appears.



- 2 Locate your backup file by clicking the ellipsis button (...) to browse for the location.
- 3 Click **OK**. The window appears asking you to confirm that you want to restore the file.



- 4 Click **OK** to confirm.
- 5 Click **OK** when the restore is complete.

Repairing the payroll file

If you are working on your file and there is a power outage, or your computer suffers damage while your payroll file is in use, your payroll file may become damaged. Repairing your file by rebuilding the index and rebuilding the payroll list can help.

TO REBUILD THE INDEX FILES

Index files are used to find or link records in the various databases of the program. In some circumstances, such as a power failure during data entry, index files may become corrupted and need to be rebuilt. If your software displays errors while trying to read payroll files or if transactions which are known to exist cannot be found, then use this option to rebuild the indexes.

- ❖ Go to the **Tools** menu and **Reindex Data Files**. The index is rebuilt.

TO REBUILD THE PAYROLL LIST

Select this option if you have copied a payroll to your program folder by using Windows Explorer. That way, MYOB Payroll can recognise the payroll file as belonging to its program.

- ❖ Go to the **Tools** menu and select **Rebuild Payroll List**. You have successfully rebuilt your payroll file list.

Managing passwords

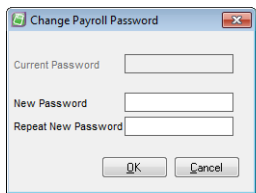
You can use MYOB Payroll without setting a password. However, it is recommended that a password be used if there is the possibility the payroll file may be accessed by other persons.

If you need to ensure that only an authorised person should have access to your data, you can specify a password that must be entered before MYOB Payroll can open your payroll file.

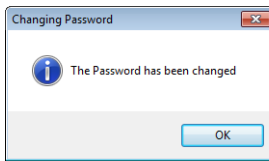
TO CREATE THE PASSWORD

You can create a password of up to ten alphanumeric characters. Passwords are not case-sensitive.

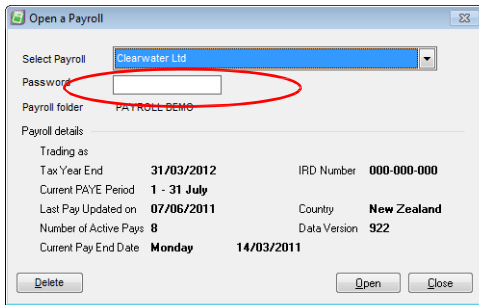
- 1 Go to the **Tools** menu and choose **Change Password**. The **Change Password** window appears.



- 2 Enter the password you wish to use in the **New Password** field.
- 3 Re-enter the same password in the **Repeat New Password** field and click **OK**. The following message is displayed.



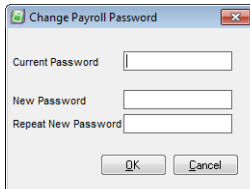
Your payroll file is now password protected. The next time you open this payroll file you will need to enter the password in the **Open** window.



TO CHANGE THE PASSWORD

You can change your password at any time. You can use up to up to ten characters.

- 1 Go to the **Setup** menu and choose **Change Password**. The **Change Password** window is displayed.



- 2 Enter the current password in the **Current Password** field.
- 3 Enter the new password you want to use in the **New Password** field.
- 4 Re-enter the new password again in the **Repeat New Password** field.
- 5 Click **OK**. A confirmation message appears.
- 6 Click **OK**. Your password has been changed.

The next time try to open this payroll file you will need to enter your new password in the **Open** window.

TO DELETE THE PASSWORD

- 1 Go to the **Setup** menu and choose **Change Password**. The **Change Password** window is displayed.
- 2 Enter the current password in the **Current Password** field.
- 3 Leave the **New Password** and **Repeat New Password** fields blank.
- 4 Click **OK** to remove the correct password.
- 5 When prompted, confirm the password change. The password has been removed.

Entering pay history

MYOB Payroll can use historical pay information to correctly calculate the annual leave pay rate.

If converting from an existing system, historical pay information is entered using the **Enter History** option (available from the **Tools** menu). Pay history needs to be entered for each employee and for each separate pay they have received in the prior 12 months. It should not be entered as a lump sum amount. This information is only used for the calculation of annual leave and does not appear on PAYE reports.

Date	Employee	Gross	Taxable All.	Pre Tax Ded.	Taxes	Non Tax All.	Post Tax Ded.	Payments
11/01/2012	KARAJ	1236.79	0.00	0.00	233.89	0.00	0.00	1002.90
11/01/2012	BR0WNB	1479.82	0.00	0.00	281.45	0.00	0.00	1198.37
11/01/2012	HAJZ	1131.31	0.00	0.00	201.32	0.00	0.00	929.99
11/02/2012	KARAJ	1236.79	0.00	0.00	233.89	0.00	0.00	1002.90
11/02/2012	BR0WNB	1479.82	0.00	0.00	281.45	0.00	0.00	1198.37
11/02/12	HAJZ	1131.31	0.00	0.00	201.32	0.00	0.00	929.99

To make it easier to setup existing staff when converting from another payroll system, an option to import pay history or create pay history by replicating an entered pay (up to 24 months) is now included.

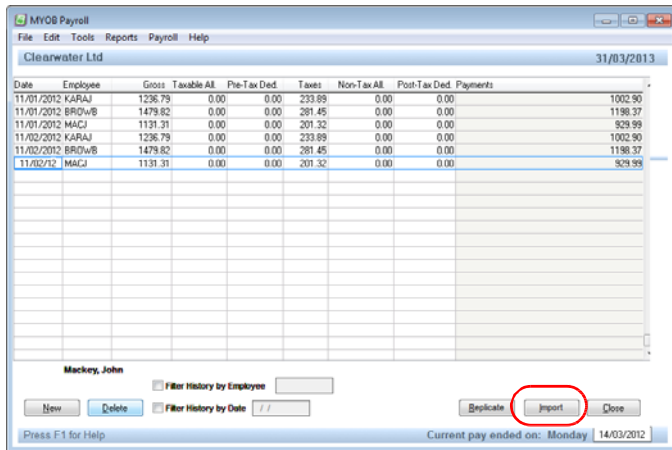
You can also import pay history from a spreadsheet that has the following format.

	A	B	C	D	E	F	G	H	I	J
1	Employee Name	Employee Code	Period End Date	Gross Earnings	Taxable Allow.	Pre-Tax Deductns	PAYE	Non-Taxable Allow.	Post-Tax Deductns	Net Wages
2	Bill Brown	BROWNB	31/10/2010	1236.79	0	0	356.12	0	13.54	867.13
3	Bill Brown	BROWNB	30/11/2010	1236.79	0	0	356.12	0	13.54	867.13
4	Bill Brown	BROWNB	31/12/2010	1236.79	0	0	356.12	0	13.54	867.13
5	Bill Brown	BROWNB	31/01/2011	1236.79	0	0	356.12	0	13.54	867.13
6										

A spreadsheet template has been provided with your software CD.

TO IMPORT PAY HISTORY FROM A SPREADSHEET

- 1 Make sure the employee has been added to MYOB Payroll and the employee code is correct.
- 2 Go to the **Tools** menu and choose **Enter History**. The **Enter History** window appears.



- 3 Click **Import**. The **Import History** window appears.
- 4 Click the ellipsis button to locate the Excel spreadsheet file you want to import.
- 5 Select the file and click **Import**.

If any errors are encountered, a message will appear giving you the option of viewing the error details. You might need to check that the format used in the spreadsheet is correct and import the file again.

TO REPLICATE AN ENTERED PAY

Replicating a pay is an easy way to enter history for multiple pay periods for the same amount.

- 1 Go to the **Tools** menu and choose **Enter History**. The **Enter History** window appears.
- 2 Enter a pay manually, select it then click **Replicate**. The **Replicate History** window appears.



- 3 Enter the date range you want to repeat this pay for. The pay frequency is based on the employee's settings (**Employment Details** tab).
- 4 Click **OK**. The selected pay will be repeated for the dates entered, where pays are missing.

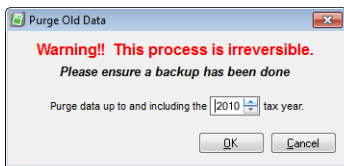
Purge old data

If you want to reduce the size of the file you currently work in, you can purge data that you no longer need.

This option allows you to optimise your data file by deleting old records that are no longer used, such as ex-employees, inactive pay codes and departments, maintenance records and completed reminders. The process is irreversible, so you need to make a backup of your file before you purge.

TO PURGE OLD DATA

- 1 Go to the **Tools** menu and select **Purge Old Data**. The **Purge Old Data** window appears.



- 2 Set the tax year and click **OK**. Data up to, and including, the selected year will be purged. Data cannot be purged for the current tax year and two years prior.
- 3 You will be asked to confirm the data purge. Click **Yes** to confirm.

Consolidate payrolls

The ability to consolidate payrolls allows you to combine data from two or more current payrolls into one single payroll.

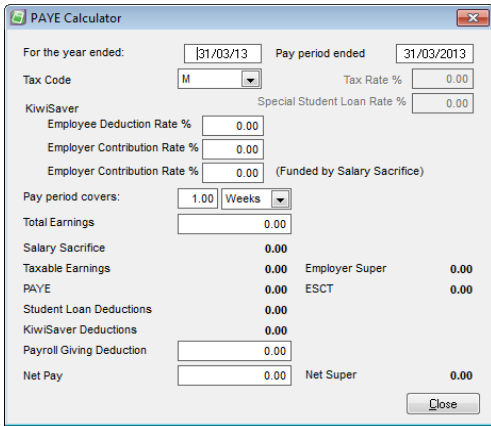
Consolidated payrolls can be used in the following situations:

- Combining divisions of one company that are in separate payrolls (usually for IR-Filing).
- When two businesses merge together into one company, to bring all employees into the one payroll.
- Change of ownership.

Information on setting up and using consolidated payrolls is outlined in more detail in MYOB Payroll help.

PAYE calculator

Select **PAYE Calculator** from the **Tools** menu. The **PAYE Calculator** window appears.



Select the appropriate tax code from the drop-down list, enter the period covered and the taxable earnings. The PAYE will be calculated automatically.

You can calculate PAYE for previous years as well by changing the year ended date. The list of tax codes will be updated accordingly.

Note that when back-calculating PAYE for previous years, the KiwiSaver rates will not be reset.

Glossary

A

account code The account code is what identifies an account. In MYOB Payroll, you can set up integration with a GL account code. An example of an account code is '908/05', which is a subcode of master account '908'.

There are master accounts and subcodes; the master account is used to group accounts (subcodes) together.

ACC The Accident Compensation Corporation (ACC) administers New Zealand's accident compensation scheme, which provides accident insurance for all New Zealand citizens, residents and temporary visitors to New Zealand. In return, people do not have the right to sue for personal injury, other than for exemplary damages; www.acc.govt.nz

annual leave An entitlement to at least three weeks paid leave after working continuously for the same employer for 12 months.

audit trail A list of the changes that have occurred in MYOB Payroll.

B

back pay A payment given to a person when they receive a back-dated pay increase.

Bank Account The number identifying the bank, branch, customer number and account number that payments are made to or from.

Bank File A file containing Direct Credit transactions that is transmitted to your bank to pay your people, deductions, superannuation and processing fees.

Bank Schedule A report produced with every payroll that lists all payments made from the organisation's bank account.

Banking Date The date that the payroll funds are taken out of the company's bank account to pay staff. This is one (working) day before pay day.

balance The sum of all the money added to and subtracted from an account.

C

Casual A person who receives Casual Holiday Pay payments each pay, as opposed to a Permanent employee who accrues an annual leave entitlement.

consolidate Combine two or more payroll files

compulsory shutdown A specific period where the firm closes, e.g. Christmas/New Year. In these cases, a common anniversary for updating leave entitlements would be used.

Costcentre Payroll transactions may be charged against cost centres to provide various costing reports to help you manage and analyse payroll costs.

CSD Child support is money paid by parents who are not living with their children, to help financially support their children. The scheme is administered by Inland Revenue.

D

data file This is the file (or, more correctly, the set of files) that stores all the information about the different companies and the transactions you enter for them.

Direct Credit An entry in a Bank File.

double-entry accounting A method of bookkeeping in which every entry is balanced by another entry. Correct double-entry accounting always provides a balanced set of books; that is, the total value of your asset accounts will equal the total value of your liability and equity accounts. Your accountant's MYOB Accountants Office software uses double-entry bookkeeping.

F

financial year The 12-month period you use to define your accounting year. MYOB Payroll works in the current financial year.

Final Pay A person is given a final pay when they leave the organisation and their personal file is made inactive.

G

general ledger This is where your accountant brings all your account information together—sales, purchases, cash in, cash out. Your accountant generates your financial statements—balance sheet and profit and loss (income) statement—from the general ledger.

Gross Pay The total dollar value of all payments, including leave, made to a person or included in a payroll. This excludes processing fees and superannuation subsidies.

GST Goods and services tax (GST) is a tax on the supply of most goods and services in New Zealand. It is generally charged at a rate of 15%.

H

holiday pay An accrual of leave based on a percentage of the employees gross earnings. May be paid to casual employees or when preparing a final pay.

I

IR344 The Monthly schedule Amendments form required by Inland Revenue to amend schedules for previous months that have already been sent.

IR345 The (bi)-monthly return to Inland Revenue providing details of the tax payments made to Inland Revenue. Also see ir346.

IR346 For organisations that pay SSCWT. The (bi)-monthly return to Inland Revenue providing details of the tax payments made to Inland Revenue. Also see IR345.

IR348 The monthly Schedule to Inland Revenue providing details of all employee payments and tax deductions. This can also be filed electronically as an ir-File.

IRD Number The Tax Number used by Inland Revenue to uniquely identify every taxpayer.

IRD Inland Revenue is the government department responsible for administering New Zealand's tax system; www.ird.govt.nz.

ir-File The electronic return to Inland Revenue providing details of all employee payments and tax deductions. This can also be filed on a paper schedule: the ir348 form.

J

journals A transaction type. In MYOB Payroll, journals can be exported to an integrated GL program.

L

Large Employer (As defined by Inland Revenue) An organisation that paid over \$100,000 in tax payments in the previous tax year. A large organisation makes tax payments bi-monthly.

Leave Accrual A calculation performed in every payroll that calculates the proportion of a leave entitlement that is currently due to a person. The entitlement accrues during the year and is given to the person on their leave anniversary.

Leave Anniversary The date when a person is given a leave entitlement.

Leave Balance The current amount of leave that a person has available to be taken.

Leave Entitlement A person's allocation of a particular type of leave.

Leave in Lieu Leave given to a person in Lieu of payment for additional time worked, typically out-of-hours or on a public holiday.

Leave Liability The outstanding dollar value of some leave.

Leave Taken Leave that a person has used.

Leave An entitlement given to people allowing them to take time off work.

(For leave-related terms, see also the glossary on [page 69](#))

Liability account code The credit side of payroll expense journals, usually the default payroll code set in Options > Integration tab, however can be any tax, deduction or payment pay code.

N

Net Pay Gross Pay less Tax Deductions.

P

Pay Day The date that the payroll payments are available in people's bank accounts.

PAYE Income tax for salary and wage earners that is deducted by the organisation each payroll and paid to Inland Revenue.

Payment Money paid to a person, part of their Gross Pay.

Payroll Letter of Credit An agreement between the Organisation and its bank guaranteeing that payroll funds will be available for direct debiting under the Direct Debit Authority.

Pay slip Advice to a person providing a summary of their Payments, Deductions and other information for a pay period.

S

Small Employer (As defined by Inland Revenue). An organisation that paid less than \$100,000 in tax payments in the previous tax year. A small organisation makes tax payments monthly.

SLD (Student Loan Deductions) Student Loan Deductions are loan repayments made to Inland Revenue by people who borrowed money to pay for their tertiary education. The repayments are on included in the Tax Remittance and Tax Schedule.

Sick Leave After working for an employer for a minimum of six months, you are entitled to at least five days paid Sick Leave. Sick Leave can be used for domestic leave (caring for spouse etc.).

SSCWT A tax deduction taken from a Superannuation Subsidy.

statutory days officially recognised days that employees are entitled to paid leave on, if it is a day they normally work. This is in addition to their annual leave entitlements.

Superannuation Deduction A deduction from a person's pay that is paid into a superannuation scheme. Also refer to Superannuation Subsidy.

Superannuation Subsidy A benefit, separate to a person's Gross Pay, that is paid by the into a superannuation scheme.

T

Take Home Pay Gross pay less all deductions.

Tax Arrears Outstanding money owed by a person to Inland Revenue.

Tax Code A code that determines what and how much tax is deducted.

Tax Deduction A deduction made to Inland Revenue. This includes PAYE, SLD, CSD and WT.

Tax Payment Tax money paid to Inland Revenue, (as supported by a Tax Remittance).

Tax Remittance A schedule providing details of a tax payment to Inland Revenue. Printed on an IR 345 or IR 346 form.

Tax Schedule A monthly return to Inland Revenue providing details on individual person's tax deductions. Either printed on an IR 348 schedule or submitted as an ir-File.

Timesheet The collection of individual payroll transactions for a person that determines the payments and deductions to be made.

Transaction An individual entry on a timesheet that describes the quantity, cost centre, rate and amount to be paid or deducted.

W

WT Withholding tax is deducted from payments to people who are not employees but work for the organisation on a contract-for-services basis.

Y

year end The end of your payroll year, e.g. in NZ this is 31st March.

Z

zip file A compressed file, that needs to be extracted before it can be used.

Index

Symbols

*.zip files [106](#)

A

ACC

definition [115](#)
entitlements [65](#)

accumulators

overview [70](#)
adding [71](#)
deleting [71](#)
employee setup [59](#)
setting up pay codes [43](#)
using [71](#)

active pay [79](#)

Alternative Holiday [64](#)

definition [69](#)

analysis

using specific liability account
codes [40](#)

Annual Leave rate

calculating [63](#)
definition [69](#)

apprentice hours

report [98](#)
setting up employees [48](#)
setting up pay codes [43](#)

assistance, obtaining [9](#)

Automatic re-confirmation of payroll data file [25](#)

Average weekly earnings definition [69](#)

B

backing up the data file [107](#)

backups

definition [106](#)
performing [107](#)
*.zip file format [106](#)

bank accounts

multiple for single employee
[41](#)

Bereavement Leave

definition [69](#)

bonus

making a one-off payment [82](#)
taxing correctly [80](#)

buttons: definition [14](#)

C

Calculate Default Pays

overview [77](#)
frequency [78](#)

cash wages

denominations [22](#)

checkboxes

definition [14](#)

Clear Defaults button [82](#)

Clearwater Ltd, tutorial example [12](#)

columns

changing order of [51](#)

command centres

definition [13](#)
Maintenance [31](#)
Process Pays [87](#)

compulsory deductions [56](#)

consolidating payroll files [112](#)

contact details

alternative [53](#)
next of kin [53](#)
your firm [21](#)

contract reference details [47](#)

converting

existing payroll system [16](#)

cost analysis

splitting between costcentres
[52](#)
using pay codes [40](#)

costcentres [32](#)

adding [33](#)
deleting [33](#)
maintaining [32](#)
split analysis [52](#)

court fine deductions [56](#)

Current Employees report [98](#)

customer support, obtaining [9](#)

D

data file

definition [27](#)
protecting [27](#)
reindexing [108](#)
restoring from a backup [107](#)

payroll file

definition [27](#)

dates

employee finish [48](#)
employee start [48](#)

defaults

calculating default pays [77](#)
employee pay codes [50](#)

Department List [98](#)

departments

adding [33](#)

default department [32](#)
deleting [33](#)
employees' default [48](#)
maintaining [32](#)

direct credit

configuring [24](#)
setting up pay codes [40](#)

E

Earnings Certificate [101](#)

educational resources
example company [12](#)

Employee Addresses [99](#)

Employee Audit report [100](#)

Employee Balances report [99](#)

Employee Holidays report [100](#)

Employee Leave in Lieu [100](#)

Employee Sick Leave [100](#)

Employee Statistics [98](#)

employees

Accumulators tab [59](#), [60](#)
adding [46](#)
Annual Leave & Holiday Pay tab [62](#)
bank account [49](#)
code setup [46](#)
Compulsory Deductions tab [56](#)
copying [46](#)
department [48](#)
editing if active pay exists [45](#)
Employment Details tab [48](#)
finish date [48](#)
IRD number [48](#)
Leave Details tab [61](#)
locating [45](#)
maintaining [45](#)
Next of Kin tab [53](#)
Other Leave tab [63](#)
Pay Defaults / Totals tab [50](#)
Pay History tab [55](#)
pay rates [49](#)
Personal Details tab [47](#)
Qualifications & Notes tab [54](#)
tax code [48](#)

Employer Monthly Schedule (IR 348) [97](#)

location saved to [24](#)

employment agreement
what to review [65](#)

End of Year processing [103](#)

YTD reports [103](#)

Enter Pays

overview [78](#)
adding a default pay code [80](#)

adding a message to the pay slip [80](#)

clear all active pays [84](#)
clearing active pays [81](#)
displaying leave details [80](#)
final pay calculation [82](#)
hotkeys [80](#)
overriding the tax rate [80](#)
printing pay slip [81](#)
splitting for cost analysis [81](#)

Enter Timesheets

overview [75](#)
adding [76](#)
deleting [76](#)
editing [76](#)
options [80](#)

EOY

see End of Year processing [103](#)

Excel

opening pay history in [102](#)

exporting

pay history to a spreadsheet [102](#)

exporting payroll journals

specifying liability account codes [40](#)

F

F1 online help [10](#)

fields: definition [14](#)

final pays

overview [82](#)
automatically calculating [82](#)

finalising pays

direct credit files [91](#)
GL journals [91](#)
pay periods [91](#)

G

general ledger code

departments/costcentres [32](#),

[33](#)

getting around MYOB Payroll [12](#)

Getting Started guide [9](#)

H

help

IRD Assistance [11](#)
online help [10](#)
support website [10](#)
training services [10](#)

help, obtaining [9](#)

history

entering pays [110](#)

Holiday Accruals report [98](#)

hotkeys [14](#)

I

Import Timesheets

overview [74](#)

index files, rebuilding when damaged [108](#)

installation [9](#)

integrating

available account codes [33](#)
creating journals [104](#)
departments/costcentres GL code [32](#), [33](#)
with MYOB AccountRight files on a network [28](#)
with MYOB AccountRight files on the desktop [28](#)
with MYOB AccountRight files online [28](#)
with MYOB business software [27](#)

IRD deductions [56](#)

IRD number

employee [48](#)

IRD Remittance Advice [97](#)

IRD Schedule [101](#)

IR-File

location saved to [24](#)

ir-Filing

KED and EMS files [97](#)

J

journals

- creating [104](#)
- importing into MYOB
 - Accountants Office [105](#)
 - importing into MYOB

accounting software [106](#)

K

KED file [97](#)

- KiwiSaver [56](#) Employer
- Superannuation report [100](#)
 - KED file [97](#)

L

learning tools [10](#)

leave

- overview [61](#)
- ACC [65](#)
- accruing holiday pay [61](#)
- anniversary settings [23](#)
- Annual Leave & Holiday Pay tab [62](#)

annual leave entitlement [61](#)
Bereavement Leave [69](#)

- casual employees [61](#)
- compulsory shutdowns [66](#)
- employee finishing [67](#)
- employee rights [69](#)
- entering annual leave due details [63](#)
- general information [65](#)
- glossary [69](#)
- keeping records [67](#)

Leave-in-lieu [64](#)
manually updating holiday

- anniversaries [61](#)
- Other Leave tab [63](#)
- parental leave [64](#)
- Parental Leave Details report [100](#)
- printing details on pay slips [23](#)
- public holidays [67](#)
- resources [65](#)

- Sick Leave entitlement [63](#)
- start and finish dates [49](#)
- statutory days [67](#)

Leave rate calculation [66](#)

Leave-in-lieu [64](#)

lists: *definition* [15](#)

M

Maintenance Audit [98](#)

Maintenance command centre [31](#)

menus, using [13](#)

MYOB Payroll

- exiting [26](#)
- launching [11](#)
- methods of accessing functions [12](#)
- registering and installing [9](#)

MyStaffInfo

- password-protecting payslips [23](#)

N

navigating

- accessing functions [12](#)

O

old payroll

- converting [16](#)

one-off pay [82](#)

Ordinary weekly pay

- definition [70](#)

Sick Leave [63](#)

pay

- active pay [79](#)
- calculating default pays [77](#)
- calculating final pay [82](#)
- editing pay details [79](#)
- entering pays manually [78](#)
- finalising [90](#)
- processing [87](#)

rounding [48](#)

Pay Audit Trail [98](#)

pay code

- description [35](#)
- length of code [35](#)

Pay Code Totals report [98](#)

pay codes

- Accumulators tab [43](#)
- add to all employees [35](#)
- adding [34](#)
- default pay codes [34](#)
- editing [36](#)
- employee cost analysis split [52](#)
- Employer Super tab [39](#)
- General tab [37](#)
- maintaining [34](#)
- Other tab [40](#)
- Time Off In Lieu [68](#)
- Totals tab [44](#)
- types [35](#)

pay frequency

- employee details [48](#)

pay slip

- password-protecting [23](#)

pay slips

- adding a common message [84](#)
- printing [84](#)

reprinting for prior pay [55](#)

PAYE

- pay frequency [22](#)
- PAYE Calculator [113](#)

PAYE period

- changing [92](#)

paying employees

- direct credit details [24](#)

payroll

- creating a blank payroll [20](#)

P

parental leave [64](#)

password [108](#)

- creating [108](#)
- deleting [110](#)

editing [109](#)

password-protecting payslips [23](#)

creating using historical data [16](#)

deleting a payroll [26](#)

managing multiple payrolls [27](#)

opening an existing payroll [26](#)

payroll file

adding a password [108](#)

backing up [107](#)

consolidating [112](#)

- preparing to create [15](#)
- restoring from a backup [107](#)
- Payroll Selection window** [26](#)
- Period Reports** [99](#)
- preferences**
 - Accounting Integration [23](#)
 - Contact Details [21](#)
 - General Details [22](#)
 - Leave Details [23](#)
 - setting up initially [15](#)
 - System Options [25](#)
 - updating [21](#)
- Print Pay Slips**
 - overview [84](#)
- Print Timesheets**
 - overview [77](#)
- Process Pays command centre**
 - [87](#)
- processing pays**
 - required tasks [87](#)
- Purge Old Data** [112](#)

R

- radio buttons:** *definition* [14](#)
- registration** [9](#)
- Relevant Daily pay**
 - definition [70](#)
 - diagram [66](#)
- reports**
 - overview [93](#)
 - current pay details not included [97](#)
 - detailed report descriptions [97](#)
 - employee filter [94](#)
 - Employer Superannuation report [100](#)
 - page setup [95](#)
 - Parental Leave Details report [100](#)
 - Pay Summary [88](#)
 - Payment Schedules [89](#)
 - printer selection [95](#)
 - printing options [94](#)
 - summary of reports [95](#)
 - to print when processing pays [88](#)
 - when to print [95](#)
- resources**
 - example payroll [12](#)

- IRD publications [11](#)
- restorations**
 - definition* [106](#)
 - performing [107](#)
- restoring the payroll file** [107](#)

S

- salary**
 - entering an annual salary [49](#)
 - Hours per Year setting [22](#)
 - Standard Hours per Day setting [22](#)
- Sick Leave**
 - definition [70](#)
- Special Leave** [70](#)
- Split Default button** [52](#)
- split pay**
 - "Cannot change quantity of Split" message [79](#)
 - types [52](#)
- Split pay types**
 - description of types [79](#)
- spreadsheet**
 - creating a spreadsheet of pay information [102](#)
- STC tax rate**
 - how to enter [49](#)
- superannuation**
 - Employer Superannuation report [100](#)
 - overview [39](#)
 - pay code details [39](#)

T

- tabs:** *definition* [14](#)
- tax code**
 - employee details [48](#)
 - Special Tax Code (STC) tax rate, how to enter [49](#)
- Tax Override button** [80](#)
- technical support, obtaining** [9](#)
- Time Off In Lieu** [68](#)
- Timesheets**
 - editing imported Timesheets [75](#)

- entering manually [75](#)
- file format [74](#)
- importing [74](#)
- importing errors [74](#)
- printing [77](#)
- Timesheet entry options [75](#)

U

- unpaid leave**
 - managing [69](#)

W

- Welcome to MYOB Payroll window** [11](#)
- WINZ deductions** [56](#)

Z

- *.zip files** [106](#)