MYOB Advanced Quick Guide

Bank Transaction Process

Cloud Solutions
for Bigger Business

MYOB® Advanced Live

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Introduction

This quick guide discusses how bank transactions can be processed within MYOB Advanced Business. The document will discuss all the master data required as well as how to import and processing bank transactions.

The document will also discuss how to match payments made and received to invoices outstanding as well as how to create payments for outstanding invoices and how to write off any balances if required.

Master Data Settings

This section will now discuss all the master data required to work successfully with importing and processing bank transactions.

Finance General Ledger

Before you start you will need to have a general ledger account defined in your chart of accounts to report on cash movements in the business, general ledger accounts are created in menu path [Finance \ General Ledger \ Configuration \ Manage \ Chart of Accounts].

> Note: For a general ledger account to be linked to a cash account it is required to specify the currency that the cash will be held in.

Finance Cash Management

Cash Accounts

After the general ledger account has been created you can create a cash account and link the general ledger code to it, the cash account does have a number of mandatory fields and if you wish to do a bank reconciliation of the cash account a numbering sequence will need to be defined and linked.

Cash accounts are created in menu path [Finance \ Cash Management \ Work Area \ Manage \ Cash Accounts].

Payment Methods

Now that the cash account is defined you need to specify modes of how money can come in and out of the cash account, these could be methods such as cash received or cheque payments received or written. You may wish to create an ABA file to pay your suppliers and upload the ABA file into an online account from your banking provider.

Payment methods are created in menu path [Finance \ Cash Management \ Configuration \ Setup \ Payment Methods].

In this screen you can create your payment method and choose to make visible to AP only, AR only or both AP and AR. Also the payment method can be linked to which cash accounts that are authorized to use it.

Entry Types

Payment methods define how money is moved in or out of the cash account but entry types determine the purpose of the move, was it a receipt of cash or a disbarment of cash and what drove this occurrence a payment to a supplier or was it interest received.

Entry types are created in menu path [Finance \ Cash Management \ Configuration \ Setup \ Entry Types].

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Bank Transaction Rules

In order to create financial documents when processing bank transactions that are non-existing in the database you will need to create bank transaction rules.

Bank Transaction Rules are created in menu path [Finance \ Cash Management \ Configuration \ Setup \ Bank Transaction Rules]

Below is a bank transaction rule to create customer payments from importing a bank statement. In the screen the bank transaction rule is linked to the cash account 10030 and the entry type Payment.

Bank Statement Setting

Within menu path [Finance \ Cash Management \ Configuration \ Setup \ Cash management preferences] the tab Bank statements is where you can specify receipt and disbursement date matching days. Also the date range relevance and the relevance weights calculations can also be set.

The only statement import service available is the OFXStatementReader, if you wish to import Excel based files then this is also possible.

General Settings	Bank Statement Settings

Disbursement Date Matching

Days before bank transaction date:	5
Days after bank transaction date:	2

Receipt Date Matching

Days before bank transaction date:	5
Days after bank transaction date:	2

Weights for Relevance Calculation

Ref. Nbr. Weight:	70.00	%:	70.00
Doc. Date Weight:	20.00	%:	20.00
Doc. Payee Weight:	10.00	%:	10.00

Date Range for Relevance Calculation

Payment Clearing Average Delay:	0.00
Estimated Deviation (days):	5.00

Import Settings

☐ Ignore Currency Check on Bank Statement Import

☑ Import Bank Statement to single Cash Account

Statement Import Service:	PX.Objects.CA.OFXStatementReader

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Finance Accounts Receivables

If you would like to write off any customer balances during the processing of bank transactions a reason code is required for the balance write off. Reason codes can be created in menu path [Finance \ Accounts Receivable \ Configuration \ Setup \ Reason Codes].

The final step is to identify and mark those customers who you are willing to allow write offs and specify the write off limit amount.

Uploading Bank Transactions

Bank Transactions contained in a MS Excel file can be uploaded into MYOB Advanced through menu path [Finance \ Cash Management \ Work Area \ Enter \ Import Transactions].

In this screen you need to select the cash account that you are importing transactions for and enter the statement credentials such as start and end date as well as starting and closing balance.

Using the highlighted upload button below will allow an upload from a MS Excel file.

When selecting the upload button the file needs to be selected using the Choose File option.

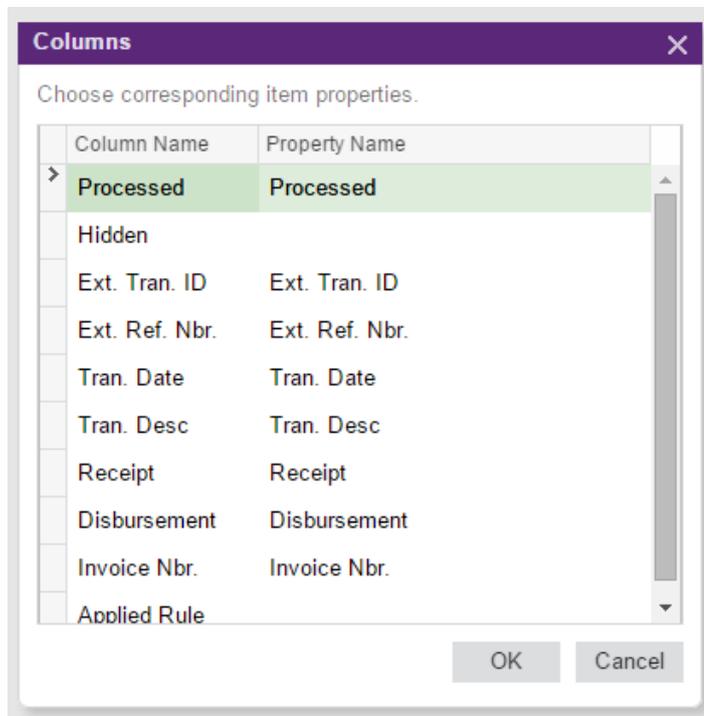The end user is then required to locate the file, select the file and press the option open.
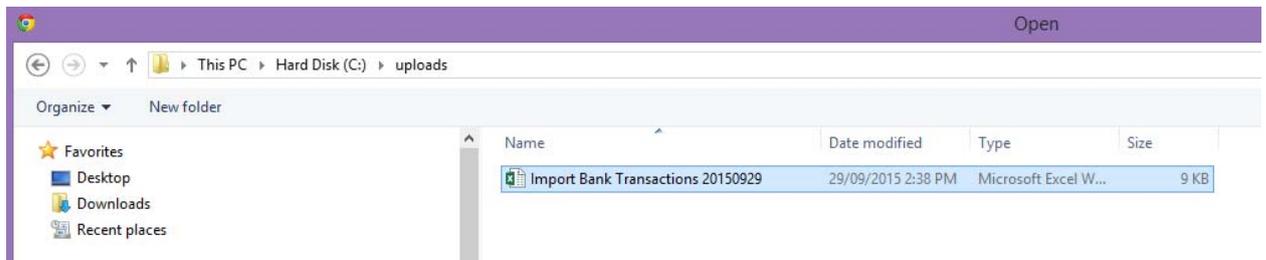
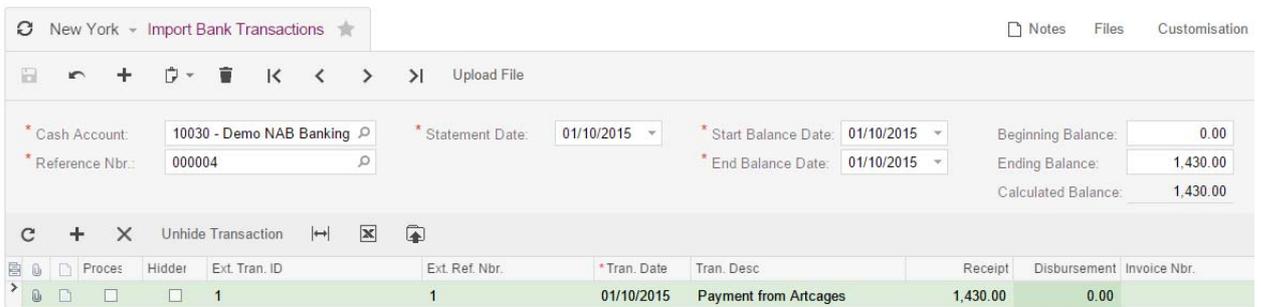And then finally select the option upload.

Once this option is selected the common settings need to be applied.
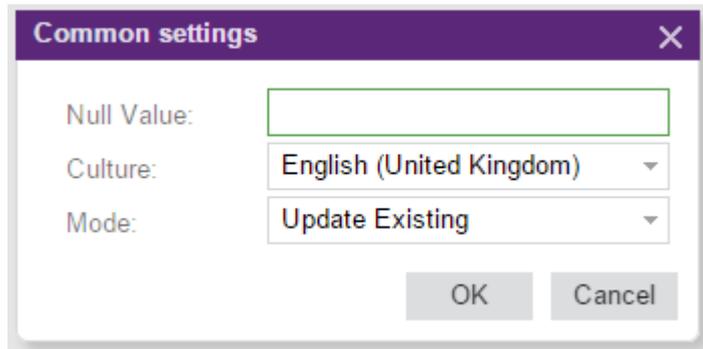
The final step is to map the columns from the MS Excel file to that of the bank import transactions screen and press OK.

And once the records been imported the record then needs to be saved to be given a reference number.

The next step in the process is now that the records have been imported they need to be matched to the documents that they are paying.

Matching Process

This document will show you 2 matching processes, one whereby a customer is paying their outstanding invoice in full and a second whereby the customer is partially paying their invoice and the remaining balance will be written off.

Matching Customer Payments

In this example the data that was imported previously will be matched to its accompanying outstanding invoice.

Menu path [Finance \ Cash Management \ Work Area \ Enter \ Process Bank Transactions] is how to start the process of matching imported bank transactions in MYOB Advanced.

In this screen the end user is firstly required to select the cash account that they would like to process bank transactions for.

To do this select the magnifying glass and search for the cash account or simply type the correct value directly into the field.
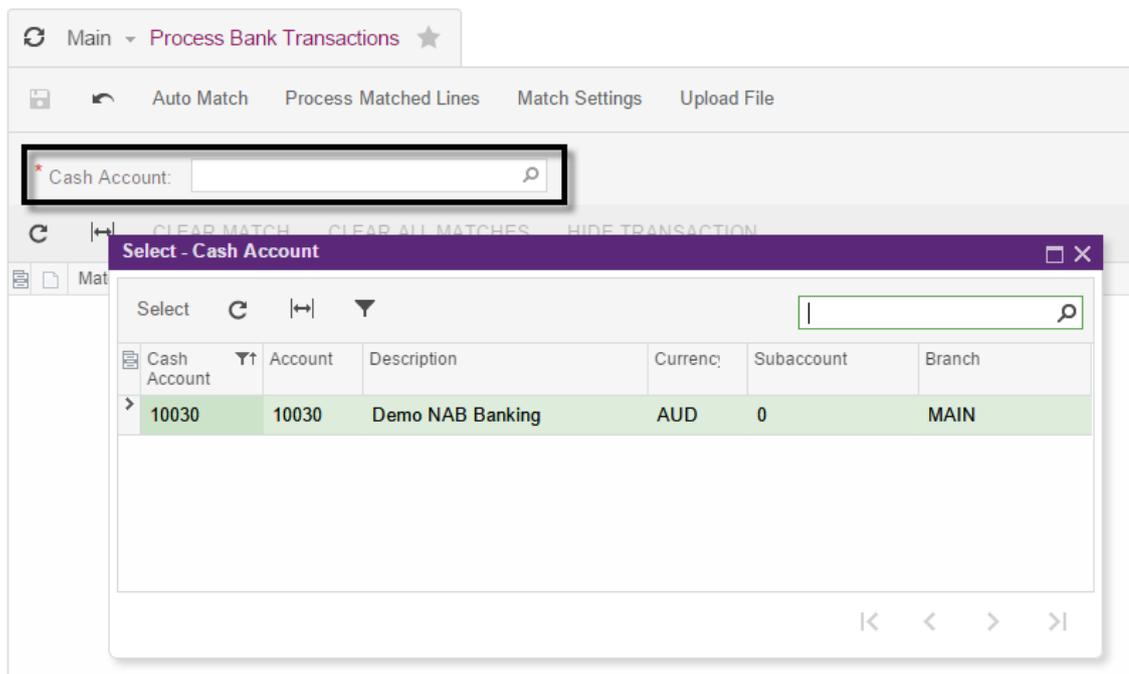

Once the cash account has been selected on the left hand side of the screen you will see all the unmatched transactions.
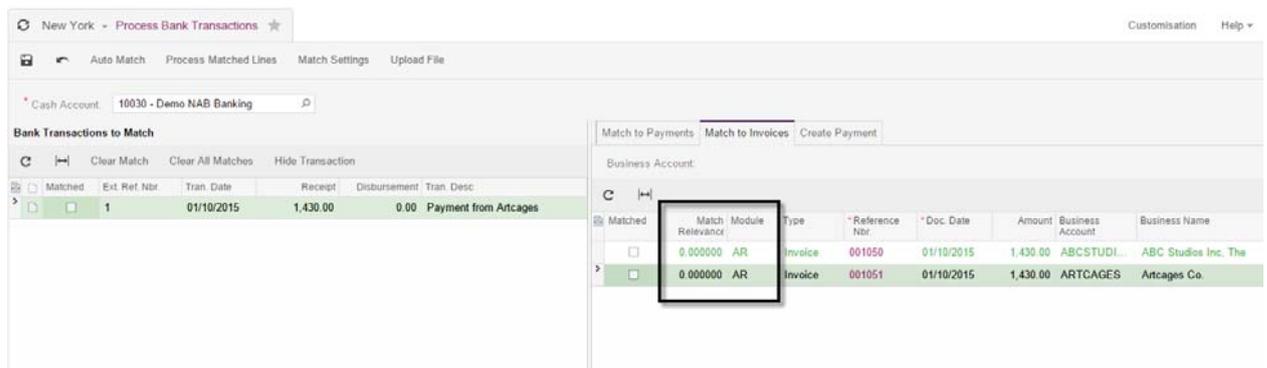
In the screen above MYOB Advanced shows a zero value for the column match relevance which means the imported transaction did not meet any of the criteria from the weight settings of reference number (70% weighting), Document date (20% weighting) and Document Payee (10% weight) defined in the Bank Statement Settings within the Cash Management Preferences.

In this case the dollar value is used to return possible values to be considered and to be matched.
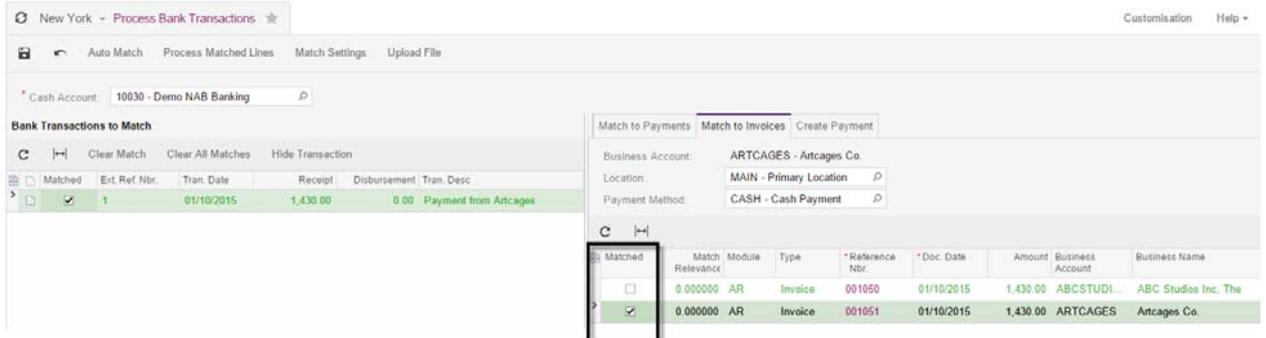

In this case the imported transaction description gives a clear indication whom this payment is received from. In this case the end user just needs to select the correct transaction and place a tick into the matched column in the Match to Invoices tab.

> Note: If this payment of $1430 referred to one or more invoices then the tab Create Payment would be used, this will be discussed in the next example.

This will result in a tick appearing in the column Matched on the right hand side. To complete the process the end user needs to select the option Process Matched Lines.
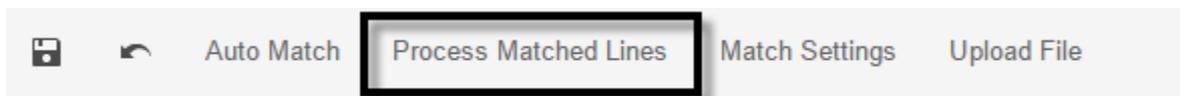
Once the operation has been completed successfully a green tick will appear in the header and also next to the imported transaction line.
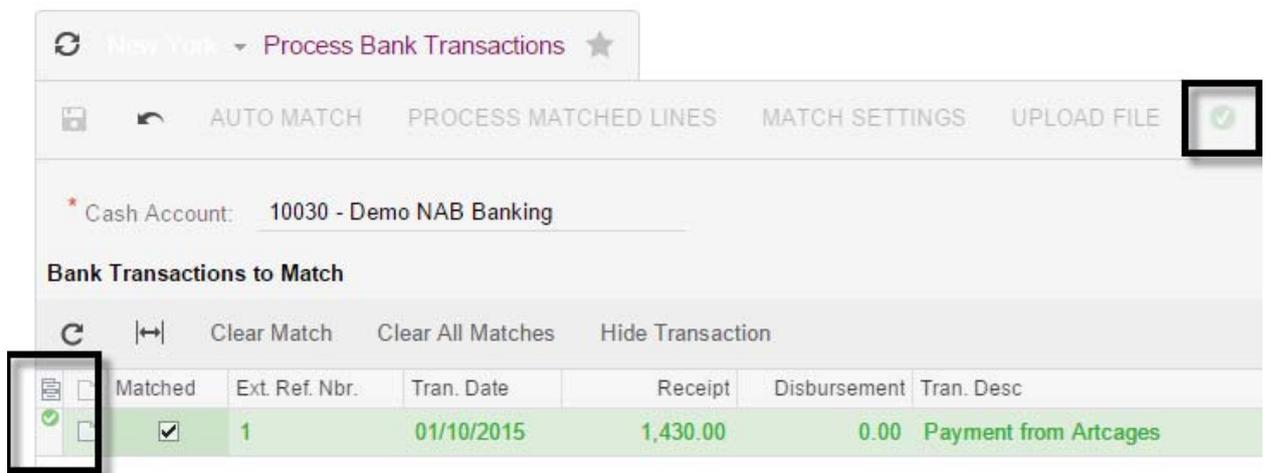
The processing of the bank transaction has created the payment document and also applied the amount to close off the outstanding invoice.

Matching Customer Payments and Writing off a Remaining Balance

In this example the following invoice for $110 will be partially paid and the remaining $5 balance will be written off during the processing of the bank transaction.

The payment has similarly been entered through a bank import as shown below.

As the imported transaction has not met any of the matching criteria and did not meet the total of any outstanding invoices it would return no value as shown below.

To create the payment record the end user would click on the tab Create Payment.

The next step is to select the option Create.

When selecting the option create the end user is prompted to choose the module that this transaction belongs to. By selecting AP or AR you are also required to provide a business account.

Match to Payments	Match to Invoices	Create Payment		
☑ Create				
Applied Rule:			Total Amount:	105.00
	Clear Rule	Create Rule	Application Amount:	0.00
Module:	AR	▼	Unapplied Balance:	105.00
Business Account:	20153WO	🔍	Write-Off Amount:	0.00
Location:	MAIN - Primary Location	🔍		
Payment Method:	CASH - Cash Payment	🔍		
Invoice Nbr.:				
Tran. Desc:	Payment			

C + ✕ Load Documents ↦| ✖

Document Type	*Reference Nbr.	Amount Paid	Balance	Balance Write-Off	Write-Off Reason Code	Date

Note: If the end user is unsure of where the money came from the best option is to use the module CA and choose an entry type that allows reclassification of payments.

The option Load Documents will populate the Grid below with all the outstanding documents on the account whereas the Plus option will allow the end user to search for the relevant document to apply the payment to.

☑ Create				
Applied Rule:			Total Amount:	105.00
	Clear Rule	Create Rule	Application Amount:	0.00
Module:	AR	▼	Unapplied Balance:	105.00
Business Account:	20153WO	🔍	Write-Off Amount:	0.00
Location:	MAIN - Primary Location	🔍		
Payment Method:	CASH - Cash Payment	🔍		
Invoice Nbr.:				
Tran. Desc:	Payment			

C + ✕ Load Documents ↦| ✖

Document Type	*Reference Nbr.	Amount Paid	Balance	Balanc Write-Off	Write-Off Reason Code	Date	Curre

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In the screen below the invoice amount was $110 but the payment received was $105. MYOB Advanced allows the end user to either leave the $5 as an outstanding balance or at this point in time the $5 balance can be written off.
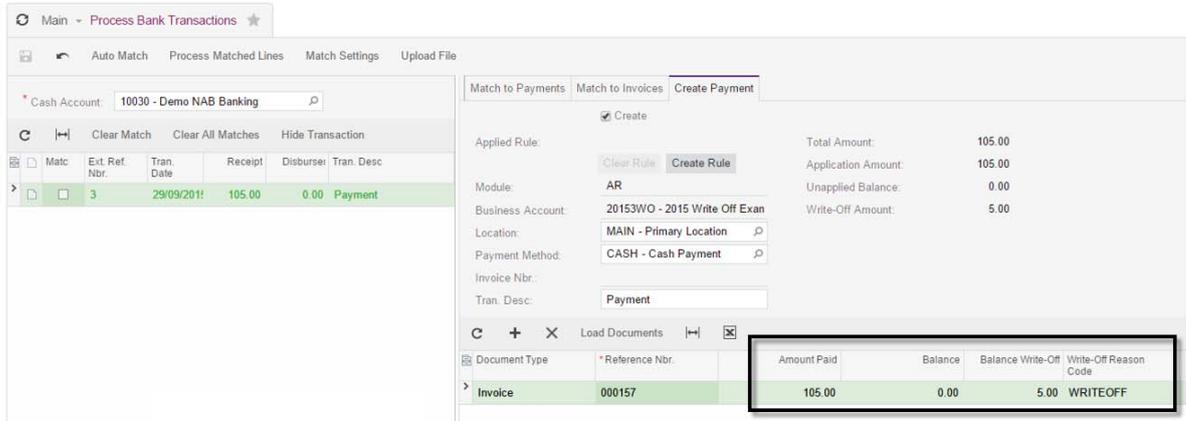
To complete the process the option processed matched lines in the header needs to be selected.
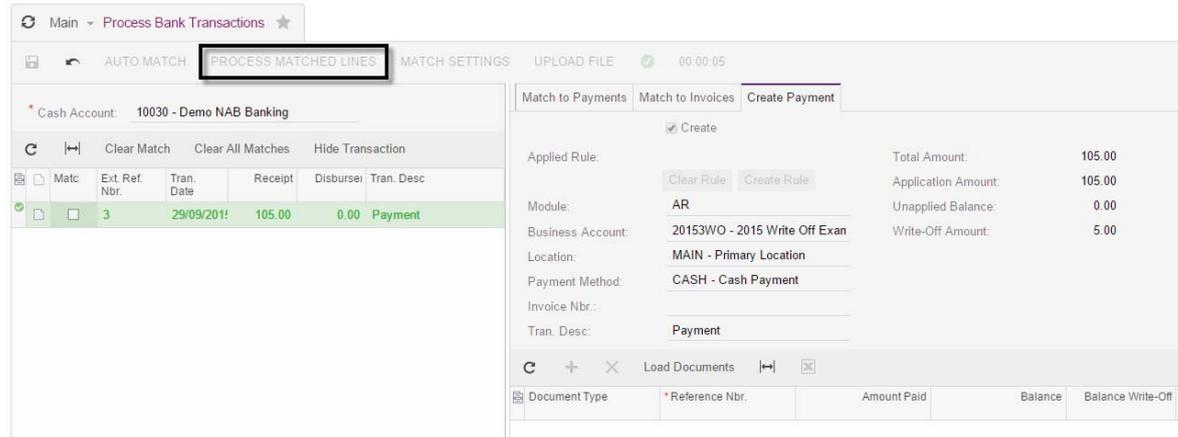
When returning to the invoice, the status has now changed to closed and reference to the payment can be found on the applications tab.