

This support note is suitable for:

Accounting

Accounting Plus

Premier

AccountEdge

Premier Enterprise

Introduction

Using MYOB, you have the ability to produce a remittance advice for debit bills (negative bills) when they are applied to open Bills.

How do I setup MYOB for creating a remittance advice for a debit settlement?

All that's needed is a new asset account with banking privileges.

1. Go to the **Accounts** command centre and click **Account List**.
2. Select the **Asset** tab and click **New**.
3. Make sure you select **Bank** in the **Account Type** drop-down menu.
4. Give the account a unique number that suits your account list.
5. Name the account Debit Settlements Clearing Account.
6. Click **OK**.

The window on the following page shows the setup of the Debit Settlements Clearing account.

Edit Accounts

Profile | Details | Banking | Budgets | History

1-1150 Debit Settlements Clearing Current Balance ⇄: \$0.00

Header Account Inactive Account

Detail Account

Account Classification: Asset

Account Type: Bank

Account Number: 1 - 1150

Account Name: Debit Settlements Clearing

Opening Balance: \$0.00

What steps are taken to create a remittance advice for debit settlements?

Step 1 Create the debit note

Create the debit note for the supplier by way of a negative **Bill**. If the debit is received for the return of stock, an **Item** type **Bill** must be used.

The window below shows a debit note (negative **Bill**).

Purchases - New Service

BILL

Supplier: CashLow Traders Terms: Net 30th after EOM Tax Inclusive

Ship to: Clearwater Pty. Ltd.
25 Spring Street
Blackburn
VIC 3130

Purchase #: DR00001
Date: 01/01/2005
Supplier Inv#:

Description	Acct#	Amount	Job	Tax
	5-1100	-\$155.00		GST

Subtotal: -\$155.00
Freight: \$0.00 GST

Tax: -\$14.09
Total Amount: -\$155.00

Comment:
Ship Via:
Promised Date:

Journal Memo: Debit Note; CashLow Traders Paid Today: \$0.00

Already Printed or Sent Balance Due: -\$155.00

Step 2 Refund the debit note using the Debit Settlements Clearing account

This step will post a deposit to the Debit Settlements Clearing account. The deposit will then be used to apply a payment against a **Bill(s)**.

1. Go to the **Purchases** command centre, click **Purchases Register** then click the **Returns & Debits** tab.
2. Highlight the Debit note.
3. Click **Receive Refund**.
4. Click the **Deposit to Account** option then select the Debit Settlements Clearing account in the adjacent Account field.
5. Enter the **Date** then click **Record**.

The window below shows the refund transaction.

<input checked="" type="radio"/> Deposit to Account: 1-1150 Debit Settlements Clearing Balance ⇄: \$0.00	
<input type="radio"/> Group with Undeposited Funds:	
Supplier ⇄: CashLow Traders	ID #: CR000067
Amount Received: \$155.00	Date: 01/01/2005
Payment Method: Cash <input type="button" value="Details..."/>	
Memo: CashLow Traders: Debit from DR00001	

Step 3 Pay the Bill(s) using the Settlements Clearing account

This step will record a withdrawal from the Debit Settlements Clearing account, offsetting the deposit from the previous step.

1. Go to the **Purchases** command centre and click **Pay Bills**.
2. Select the **Supplier's Card**.
3. Click the **Pay From Account** option then enter the Debit Settlements Clearing account in the adjacent Account field.
4. Enter the **Memo, Cheque #, Date** and **Amount** which is the value of the debit note - \$155.00.
5. Enter the **Amount Applied** against an open **Bill(s)**.
6. Check the transaction then click **Record**.

The window on the following page shows the **Pay Bills** transaction.

Pay from Account: 1-1150 Debit Settlements Clearing Balance ⇄: \$155.00
 Group with Electronic Payments:

Supplier ⇄: CashLow Traders
 Payee ▼: CashLow Traders
 Cheque No.: 2
 Date: 01/01/2005
 Amount: \$155.00
 One Hundred and Fifty Five Dollars and 0 Cents
 Memo: Application of Debit note DR00001
Clearwater Fly Ltd.

Purchase #	Status	Date	Amount	Discount	Total Owed	Amount Applied
00000082	⇄ Open	25/06/2004	\$472.61		\$472.61	\$155.00

Include Closed Purchases
 Already Printed

Total Applied: \$155.00
 Finance Charge: \$0.00
 Total Paid: \$155.00
 Out of Balance: \$0.00

Step 4 Print the remittance advice

There are two methods of printing a supplier remittance advice.

Method #1 – Using Print Cheques

1. Go to the **Purchases** command centre and click **Print Cheques**.
2. Enter the Debit Settlements Clearing account in the **Selected Cheque Account** field.
3. Set the other parameters to capture the **Pay Bills** payment for which the remittance advice is to be printed.
4. Click **OK**.
5. Make sure there is a check mark against the **Pay Bills** payment and then click **Print**.

Method #2 – Using the Payments - Supplier Payment History report.

1. Go to the **Reports** menu, click **Index to Reports** and click the **Purchases**.
2. Highlight the **Payments – Supplier Payments History** report then click **Customise**.
3. Set the report parameters to capture the **Pay Bills** payment for which the remittance advice is to be printed.
4. Click **Display** and check the report.
5. Now you can **Print** the report or click the **Send To** button and **fax, email** or save the report to **Disk**.

For more detailed information on creating supplier remittance slips, please refer to our support note titled *0705 Supplier Payment Advice*.

Disclaimer: This information is of a generic nature. For specific advice regarding your particular circumstances please seek assistance from your Accountant, the Australian Taxation Office or your IT Consultant as appropriate.