



# What is Payroll?

Payroll is the process of calculating and paying employee salaries or wages, including:

- Basic salary or hourly wages
- Allowances and overtime
- Tax deductions
- Superannuation contributions

👉 In MYOB, payroll ensures employees are paid correctly and payroll records are maintained accurately.



# Why Payroll is Important

Processing payroll in MYOB helps you to:

- ✓ Pay employees on time
- ✓ Calculate tax and deductions accurately
- ✓ Record salary expenses correctly
- ✓ Generate payslips and payroll reports
- ✓ Comply with legal and statutory requirements

Incorrect payroll can lead to employee dissatisfaction and compliance issues.



# What Payroll Includes in MYOB

Payroll processing may include:

- Gross pay calculation
  - Tax and other deductions
  - Net pay calculation
  - Employer contributions (superannuation)
- 📌 All calculations depend on correct employee setup.



# Steps to Process Payroll in MYOB

## 1 Open Myob

Open your MYOB company file

## 2 Go to Payroll

From the main menu, click Payroll.

## 3 Go to pay runs

click on pay runs

## 4 Create pay run

Click on Create pay run button

## 5 Select Pay Period

Enter:

- Pay period start and end dates
- Pay frequency (weekly / fortnightly / monthly)

## 6 Choose Employees

Select the employee(s) to be paid.

## 7 Review Earnings

Check:

Salary or hourly wages

Overtime

Allowances (if applicable)

## 8 Review Deductions & Tax

Verify:

- Tax deductions
- Other deductions (if any)

## 9 Check Net Pay

Confirm the final amount payable to employees.

## 10 Record Payroll

Click Record / Save Pay Run.



# What Happens After Processing Payroll?

After payroll is recorded:

- Salary expense is recorded
- Employee balances are updated
- Payslips can be generated
- Payroll reports are updated

**X Common Mistakes to Avoid**

- Incorrect pay period dates
- Wrong pay rate or hours
- Missing deductions
- Recording payroll twice

## **Important Concept (Theory Tip)**

Payroll expense is recorded only when payroll is processed

Creating employees alone does not record any expense