MYOB to Xero Migration – Essential Reading

We can migrate the following MYOB program versions:
- AccountRight Live
- AccountRight Enterprise depending on how it has been used (AU only)
- All other AccountRight versions
- AccountEdge (an additional fee will apply)

We <u>do not</u> migrate the following MYOB program versions or files:
- MYOB Essentials
- If the file includes:
  - Multi-currency or multi-location files
  - negative inventory
  - >800MB
  - WET/WEG
- if a tax code greater than 10% has been used in transactions. If tax codes are used that are greater than 10% then the only way, we are able to convert this file is if you can remove this particular tax code from the MYOB file. You will also need to change the tax rate both on the Tax Codes list, and on any transactions associated with this code.

File Preparation
The cleaner your file – the smoother your migration to Xero.

What NOT to do prior to migration
1. Do not start a Xero subscription. We will create a new Xero subscription for you. NOTE: We cannot convert to a trial version of Xero.
2. **DO NOT ROLL YOUR FILE.** If you have already rolled your MYOB file DO NOT ATTEMPT TO ROLL BACK AGAIN.
3. Do NOT change any account types in MYOB prior to migration.

ESSENTIAL File Preparation:
- See below for transaction types that typically cause issues
- Check the MYOB File Name and the Name in the MYOB File setup must be unique: suggest church name and town/suburb (eg St Philips Presbyterian, Glebe). Note that there are similar church names across Australia, but unlikely in your location.
- Ensure MYOB is set to the correct GST accounting basis (cash or accrual) [Go to Set up, company information, BAS information].
- Reconcile Accounts Receivable/Accounts Payable - review the AR/AP detailed reports and ensure all invoices/bills and credit notes are current.
- Apply all credit notes unless current.

The Migration process is a "basic migration", which means it cannot migrate all the details of all the data and all the functionality of MYOB as you were using MYOB. Every user of MYOB has variations of their application.

OPTIONAL File Preparation:
- Check that the balances in all reconciled bank accounts and credit cards match the bank statements as of the last reconciliation date.
- Confirm that the Accounts Receivable/Accounts Payable reconciliation report balance matches the balance in the General Ledger.
- NB any Non-Standard Tax codes may need to be adjusted
- Ensure all clearing accounts are reconciled to NIL.
- Ensure all bank transactions you want converted are coded.
- Run a verification of the MYOB file (File > Verify Company File). We may be able to fix errors for an additional fee
- Check that all employees have an accurate Superannuation USI/SPIN

Transaction types that typically cause issues

If the following transaction types occur extensively, we may only be able to provide a service with no or reduced history. In some instances, it may prevent us from being able to complete the migration at all. If this occurs, we will endeavour to advise you as soon as possible.

1. **Manual journals to control accounts** – Xero does not allow journals to control accounts. Where we encounter these transactions, we use the migration clearing account to replicate these journals in Xero. However extensive use of journaling to control accounts is outside the scope of our migration service and we will advise if we encounter this in your file and the options available.

2. **Tracked inventory** – Xero does not manage tracked inventory the same way as MYOB does. We use monthly manual journals to balance these transactions out. However, if we encounter a large volume of complex tracked inventory transactions it falls outside the migration service. We will advise if we encounter this in your file and the options available.

3. **Multiple Accounts Receivable / Accounts Payable accounts** – Xero only allows for one system Account for each Accounts Receivable / Accounts Payable. Where possible we will merge multiple Accounts Receivable / Payable accounts to conform with Xero's functionality. However, if there are many, or complex, AR / AP accounts in the source file we will not be able to complete the migration.

4. **Transactions greater than 1,000 lines**

5. **Any integrated add-ons** – Add on's bring data into accounting files in different ways. If you have an add on which posts a manual journal to accounts receivable of accounts payable for instance this will be an issue for the migration.

6. **GST set up as a bank account** – In some accounting packages there is the ability to set GST Collected and GST Paid up as Bank Accounts / Credit Cards. In Xero this action cannot be replicated, and GST bank accounts cannot be set up as the system account for GST.

7. **Trade Debtors/Trade Creditors accounts linked to bank accounts** – In some accounting packages you have the ability to set up bank accounts as the system account for Accounts Receivable / Accounts Payable. In Xero this action cannot be replicated, and bank accounts cannot be set up as the system account for Accounts Receivable / Accounts Payable.

8. **INP used as both 0% and 10%** – In some accounting packages you have the ability to set up and use INP as 0% and 10%. If INP has been used in the source file for both 0% and 10% then we cannot complete the migration.

Job / Classes / Categories

- Jobs, Classes and Categories come across in all migrations if there are less than 100.
- We can migration up to 500 Jobs / Classes / Categories *for an additional fee*.
- If there are more than 500 Jobs / Classes / Categories in the source data, then the transactions will convert but without the Jobs / Classes / Categories.
- For MYOB files we use the total of Jobs (active, inactive and header Jobs) + Categories to calculate the total number of Jobs / Categories.
- Tracking associated with payroll is not converted.
- If you have a large number >500 it is recommended to use a marketplace App or the Projects function in Xero may provide improved functionality.
- If you have more than 500 active / inactive, we recommend that you remove the extra ones in the source file to ensure jobs are converted.
- If a file has more than 500 then the file is converted but Jobs / Classes / Categories are not.

Payroll

During the migration, Xero does not allow us to bring in the detailed payroll information as you would expect to see in Xero. Instead, we bring through the employees opening balances so that income statements can be created out of Xero easily at the end of the financial year. Actual payroll payments will be entered as "paid off" bills which represent the actual payments and transactions processed in your file

Payslips will not be converted to Xero
We do not bring across historical payslips into Xero. You will need to refer to the source accounting file for prior payslips and payment summaries.

Payroll - What Converts
Migrations include payroll set up if active in the source accounting file.

<u>Employees:</u>
We generally bring across the following employees:
- Employees who are active as at the start of the payroll year OR
- Employees who are inactive but meet the following:
    - There is a payroll calendar set up for the employee
    - There is an amount in the PAYG for the employee
- All employee's set-up but never paid

Please note - if you have terminated an employee in the current payroll year they will still come across as active, you will need to make them inactive.

Employee data that will come across:
- Contact details
- Employment details
- Tax declaration details
- Leave
- Bank account details and
- Pay template

Pay Setup:
Payroll is prepared with:
- All pay items (excluding employer deductions)
- Employee details
- Pay templates
- Pay cycles
- Opening balances (this displays the year to date amounts of what each employee has been paid)

Using this information, you will be able to create your payment summaries/STP Finalisations in Xero for the current financial year.

Any items that contain the word 'allowance' will be set up in Xero as an allowance.
EG. Laundry Allowance = Will convert as an Allowance   Laundry per week = Will convert as Ordinary Time Earnings
We recommend that payroll settings and employee information be reviewed following a migration including entitlement.

Notes:
- We do not bring across any employer expenses.

- Xero's limitation is set to 200 paid employees over the previous month. The migration brings over, all employees. If you have more than 200 paid employees' payroll will not be converted. If we receive a file with more than 200 paid employees, we will convert the accounting data in your file and create a premium subscription (100 employees).

- Long service leave is not converted.

- Our migration does not handle the complexities associated with future-dated leave. If you have employees that have future dated leave you will need to review and possibly amend the opening balances for leave.

- Xero pay items can only be associated with one expense account. If you have used various expense accounts in your source file, then you will need to review/add post migrations.

- These adjustments are not included in the migration fee.

Post Migration Payroll Recommendations

Please find a list of items to keep an eye on post-migration:

- We recommend that you check your payroll section in Xero to make sure it is up-to-date with current agreements.

- If you are processing a mid-month migration you may need to calculate the superannuation manually.

- You might have to do a manual calculation for the pay as you go withholding amounts on your first BAS.

Single Touch Payroll (STP)
Will need to be set up in Xero as each accounting system has a different method for this. This not included in the migration fee.

Superannuation Fund is Missing in Xero
Where possible we bring across superannuation funds for employees.
If a super fund is missing it will be because we didn't have enough details or there was more than one SPIN/USI number in the source file. An example is the super fund AMP, which can be one of nine different super funds depending on the spin number. Self-Managed Super Funds will not come across as there is no equivalent fund in Xero. Superannuation fund settings will need to be checked. This not included in the migration fee.

Invoice formats, Payslip & Other Templates
Templates are NOT brought across to Xero for the following reasons:

- MYOB templates are not contained in the MYOB file itself

- Other products are inconsistent in how they treat templates so we can't bring them across.

- If used, these will need to be redone in Xero.

- The recreation of Invoice formats etc is not included within the migration fee

Contacts

Jet Bookkeeping Australia Pty Ltd	
alexander@jetbookkeeping.com.au	Edit
Contact Person	Alexander Kohl
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Mobile	+61-0421-077752
Postal Address	PO Box 197 Noosa Heads QLS 4567 Australia
Street Address	9/11 Sunshine Beach Noosa Heads QLD 4567 Australia
Website	http://www.jetbookkeeping.com....

Contact details with addresses sorted into Postal and Street in Xero.

We check every phone number and make sure the mobile number ends up in the mobile field. We also check each address for variations of PO Box and automatically move it into the postal address fields.

If you have duplicate contacts in the source data, we will add an identifier to the name so that each contact will still appear in Xero.

Contacts with more than one email address will only have one email address converted as Xero only allows for one email per contact.

If you have contacts that are marked as inactive, they will still be converted as they may have transactions associated with them. Simply archive these contacts in Xero following migration.

Other Notes about Contacts
- BSB and Account numbers are converted for suppliers, this information is not converted for customers.
- Payment terms, bank account names and Statement Text are NOT converted.
- Contact Card ID is converted as Contact Account number in Xero.
- Contact custom fields such as Contact Logs and Memos are not available in Xero so do not come across in the migration.
- 'Sales and purchase account codes for contacts' – the default income and standard purchase account codes for contacts do not come across

Invoices & Purchases
Service Sales quotes & orders will be replaced by draft invoices.
Quotes dated prior to your selected migration history start date will not be converted.
Purchase Orders will be converted into Purchase Orders in Xero.

Recurring Transactions
Recurring Invoices, bills, scheduled payments and recurring manual journals.
Recurring transactions are not migrated. The information will need to be entered into Xero following migration.
The setup or re-creation of recurring transactions is not included within the migration fee.

Chart of Accounts
All accounts including bank accounts come across in the migration regardless of their status. This is because there may be transactions associated with these accounts. If you have accounts that you do not want to use, you can archive them in Xero following migration.
Header accounts will come into Xero as another GL account and you may need to customise reports in Xero post migration to reflect the appearance of the source file report.

IMPORTANT NOTES:
1. If your Chart of Accounts contains over 700 accounts the Credit Cards and Paypal accounts will convert as bank accounts
2. Please ensure that there are no duplicate names in the Chart of Accounts.

Account Numbers
- Account numbers are as per the source data file with the hyphen removed (if there was one). Account numbers are restricted to 10 characters in Xero, so will be truncated. If you have Account numbers longer than 10 digits you will need to edit them to 10 or less unique numbers.

- The Xero account description is limited to a field length of 150 characters. Where the description exceeds Xero limits, it will be truncated with a number suffix.
- Where there are no Account numbers in the source file, we will fill in the Chart of Accounts with system generated numbers. You can then update in Xero post migration.

Other Issues

Attachments
- Invoices or other documents attached within the source file do not migrate. Only actual transactions will convert.

Bank Rules
- These do not carry over. Simply set your Bank Rules up in Xero following migration.

Billable Expenses
- During the migration we cannot allocate Billable expenses against Clients in Xero. As a result, this information needs to be updated post migration.

Budgets
- These do not come across as part of a migration.

Document numbers
- Leading zeroes are removed from document numbers eg invoices, bills etc

Estimates
- Estimates will not be converted.

Fixed asset Registers
- Fixed Asset Registers do not come across during the migration.

Invoice numbers
- Due to the data mapping process there may be some discrepancies. Generally leading zeros are acceptable and are converted.

Notes
- Note field and descriptions are not converted.

Sales and purchase accounts for contacts
- Standard income and standard purchase accounts for contacts currently do not come across as part of the migration.

Time billing / Activities
- Time-billing / Activities information will not be converted into Xero.

Reports
Benkorp will create detailed Balance Sheet and Profit & Loss reports based on your chart of accounts