MYOB Exo Business

Calculating line totals, discounts and GST

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Introduction

This document serves as a guide detailing the alignment of Job Costing calculations with Debtor Invoicing within MYOB Exo Business without making any changes to the latter. To ensure clarity and consistency in the formulas used for these financial calculations, this document outlines the calculations utilised by MYOB Exo Business.

As we had issues with rounding calculations which have been resolved in version 2023.2; to ensure that there is common understanding of the calculations we have listed different scenarios below.

Calculation methods

Line totals calculation method

MYOB Exo Business uses the following formula to calculate line totals for each item:

```
Line Total = Qty * (Round(SellPrice, Precision) * (1 -
DiscountRate / 100))
Then
Round(Line Total, 2)
```

The software calculates accurate line totals for each line item by taking into account the quantity (Qty), selling price (SellPrice), and discount rate (DiscountRate) provided as input.

Discount application method

Users can specify discount rates for individual items within MYOB Exo Business. The software computes the discounted amount using the formula:

```
Discount Amount = Round(SellPrice, Precision) * (DiscountRate
/ 100)
```

The discounted amount is seamlessly incorporated into the line totals.

GST computation methods

MYOB Exo Business supports both Inclusive and Exclusive methods for GST computation.

Inclusive method

For items with inclusive prices, the software calculates the GST amount using the formula:

```
GST on Selling Price = Unrounded SellPrice * (1 - (1 / (1 +
GSTRate / 100)))
Then
Round(GST, 2)
```

The line total, inclusive of GST, is obtained by adding the GST on the selling price to any applicable discounted amount.

Exclusive method

For items with exclusive prices, the software calculates the GST amount using the formula:

```
GST on Selling Price = (Unrounded SellPrice) * (GSTRate / 100)
Then
Round(GST, 2)
```

The line total, inclusive of GST, is generated by adding the selling price and the GST on the selling price to any applicable discounted amount.

Total GST calculation method

MYOB Exo Business automatically sums up all line item's GST values to calculate the total GST for the entire invoice. This method ensures accurate and consistent GST reporting.

Rounding

When calculating GST, MYOB Exo Business utilises selling prices before any rounding adjustments. After the GST calculation, the GST amount is rounded to two decimal places to ensure precision in the final GST value.

However, during the discount calculation, selling prices are rounded to the nearest decimal place specified in the configuration settings.

Subsequently, line totals are determined after the discount calculation, resulting in an unrounded "new sell price". The line total is then obtained by multiplying this "new sell price" with the quantity and rounding the final result to two decimal places.

Conclusion

This document has provided an overview of the calculations utilised to achieve this enhancement. By implementing the necessary adjustments to ensure uniformity between Job Costing calculations and Debtor Invoicing, users can now navigate the software with confidence.