

## MYOB Advanced: How to set up an allocation in the Finance Module

### Overview

Allocations is a process that is performed in a general ledger and reallocates the costs in accordance with a set of rules set.

Handling allocations manually can be time-consuming and error prone. By using MYOB Advanced, you can create and maintain allocation templates (which define how the allocations are to be performed) and perform allocations automatically based on your definitions.

### Step 1 - Create the template

In Finance > Profiles > Allocations click on the + to create a new allocation.

Enter in the Description tab a description (60 characters long) of the allocation and save.

The screenshot shows the 'Allocation' form in MYOB Advanced. At the top, there is a toolbar with icons for 'Save & Close', 'New', 'Refresh', 'Delete', 'Copy', 'Paste', and navigation arrows. Below the toolbar, the form fields are as follows:

- Allocation ID:** A text input field with a search icon on the right.
- \* Description:** A text input field.
- Active:** A checked checkbox.
- Tabs:** 'Allocation' (selected), 'Source Accounts', 'Destination Accounts', and 'Allocation History'.
- Start Period:** A dropdown menu showing '05-2021'.
- End Period:** A dropdown menu showing '12-2021'.
- Recurring:** A checked checkbox.
- Allocation Method:** A dropdown menu showing 'By Account PTD'.
- Distribution Method:** A dropdown menu showing 'By Percent'.
- \* Allocation Ledger:** A dropdown menu showing 'ACTUAL - Actual'.
- \* Source Ledger:** A dropdown menu showing 'ACTUAL - Actual'.
- Base Ledger:** A text input field.
- Sort Order:** A text input field showing '1'.
- \* Last Revision Date:** A dropdown menu showing '6/11/2020'.

In the allocation tab enter the start period and end period.

If the allocation is recurring that is, it should be applied each year for each of the specified periods, tick the box.

The allocation method is how the amount is collected from the source accounts.

- *By Account PTD*: The period-to-date amount is collected from the source accounts.
- *From Prev. GL Allocation*: The amount accumulated since the last allocation is collected from the source accounts.

Distributions Method is the method that the amount collected (above) is to be distributed:

- *By Percent*: The source amount is distributed among destination accounts by percentages, which are specified on the **Destination Accounts** tab of this form. The distributed amounts total is 100 percent.
- *By Weight*: The amount is distributed among the destination accounts by user-defined coefficients, which are specified on the **Destination Accounts** tab of this form.
- *By Dest. Account PTD*: The amount is distributed among the destination branches proportionally to period-to-date balances of the destination accounts in the allocation ledger or proportionally to PTD balances of the base accounts of the base branches in the base ledger if this ledger is specified or in the allocation ledger if no base ledger is specified.
- *By Dest. Account YTD*: The amount is distributed among the destination branches proportionally to year-to-date balances of the destination accounts in the allocation ledger or proportionally to YTD balances of the base accounts of the base branches in the base ledger if this ledger is specified or in the allocation ledger if no base ledger is specified.

The Allocation and Source ledger are usually the Actual.

Sort Order is the order it should be allocated so if several accounts are distributed in order, then 1 ,2 3 should be used otherwise just 1.

The revision date defaults to today's date but can be changed.

## Step 2 - Determine the Source Accounts

The source accounts are defined by the account and sub account and more than one account can be designated however the % amount of all the accounts needs to be assigned to the value of 100% e.g. if two accounts allocated then 50% needs to be assigned for both accounts.

Allocation ID: 000010  Active  
 \* Description: 40006-JC2+8

Allocation | Source Accounts | Destination Accounts | Allocation History

* Account	* Subaccount	Contra Account	Contra Subaccount	Amount Limit	Percentage Limit
> 40006	JC2+8			0.00	100.00

Or two accounts

Allocations ☆

Allocation ID: 000010  Active  
 \* Description: 40006-JC2+8

Allocation | Source Accounts | Destination Accounts | Allocation History

* Account	* Subaccount	Contra Account	Contra Subaccount	Amount Limit	Percentage Limit
40006	JC2+8			0.00	50.00
40006	JC2			0.00	50.00

### Step 3- Destination Accounts are allocated.

This is where the accounts go to. Again, there can be numerous accounts but the weight or % needs to total 100.

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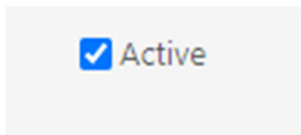
Allocation ID: 000010  Active

\* Description: 40006-JC2+8

Allocation | Source Accounts | **Destination Accounts** | Allocation History

*Account	*Subaccount	Weight/Perce
> 40006	2GC	50.000000
40006	4SC	50.000000

Once the template has been set up ensure that the allocation is clicked to become Active.



The Allocation History sheet is the list of journals created once the report has been run.

Allocation ID: 000188  Active

\* Description: 52202 - JC1+8

Allocation | Source Accounts | Destination Accounts | **Allocation History**

Module	Batch Number	Ledger	Transaction Date	Post Period	Status	Control Total
> GL	026900	ACTUAL	31/10/2020	04-2021	Posted	309.20