

# Training Document – Foreign Currency



In this lesson you will learn about using the Accredo system.

After completing this lesson you will be able to:

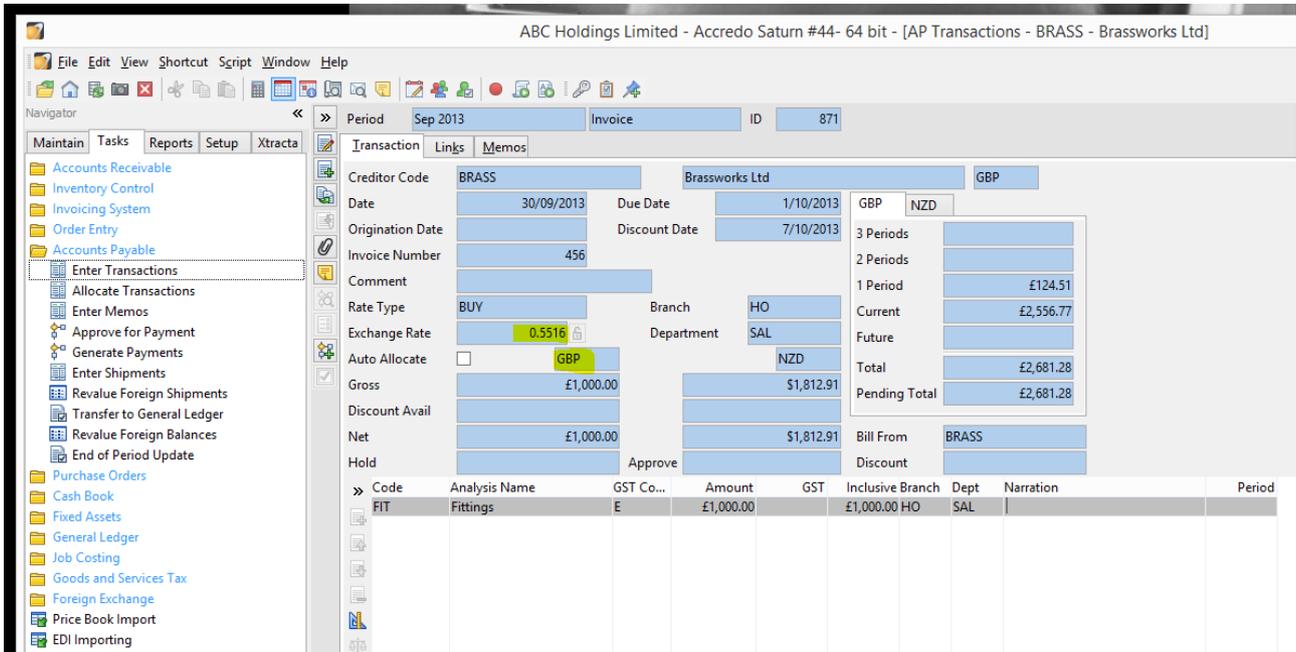
- Process a foreign currency transaction
- Understand the general ledger transactions involved

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# Enter Foreign Currency Invoice (Using AP Invoice not PO/Shipments)

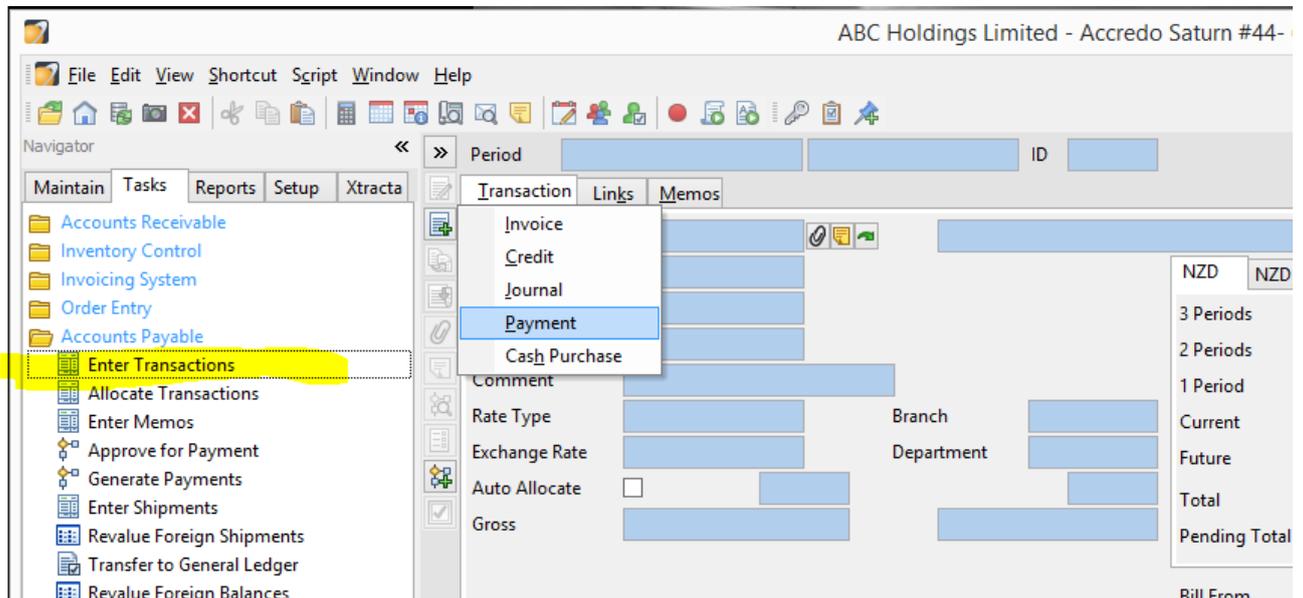
- Tasks / Accounts Payable / Enter Transactions
- Select type - Invoice



**Rate on Invoice:** Should equal the rate as it stood at the invoice date.

Exception: If you purchased currency in *advance* and knew what you would pay it at use that rate instead and hit lock.

When the payment is made – Tasks\_Accounts Payable\_Payment



**Rate on Payment:** Should equal the rate the bank gave you for the date of the payment, can be calculated to get it right if you can't find it. = Amount of Foreign Currency / Amount of NZ currency.

**Allocation:** Allocate all FX transactions as they are paid - this completes the accounting entry for variances. No rate entry is required.

Enter the correct exchange rate at the time the payment was made – Note: to the right hand side you can see the NZD equivalent

Change the payment method to Manual Cheque and click the Bank Through button to show that the payment has been made via direct credit. This will flow through onto your bank reconciliation.

ABC Holdings Limited - Accredo Saturn #44- 64 bit - [AP Transactions - BRASS - B

File Edit View Shortcut Script Window Help

Navigator

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Accounts Receivable  
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Enter Transactions  
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Enter Memos  
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Revalue Foreign Balances  
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Job Costing  
Goods and Services Tax  
Foreign Exchange  
Price Book Import  
EDI Importing

Period Sep 2013 Payment ID

Transaction Links Memos

Creditor Code BRASS Brassworks Ltd GBP

Date 30/09/2013

Origination Date

Reference

Comment

Rate Type BUY Branch HO

Exchange Rate 0.6000 Department SAL

Auto Allocate  GBP NZD

Gross £1,000.00 \$1,666.67

Discount

Payment Amount £1,000.00 \$1,666.67

Payment Method Manual Cheque

Payment Ref 0

CB Banking

Bank Through

Bank Account BRITAIN Currency GBP

Banking Amount £1,000.00 Rate Type BUY

+ Bank Charges Exchange Rate 0.6000

Payee Name BRASSWORKS LTD

	GBP	NZD
3 Periods		
2 Periods		
1 Period		£124.51
Current		£2,556.77
Future		
Total		£2,681.28
Pending Total		£1,681.28

Bill From

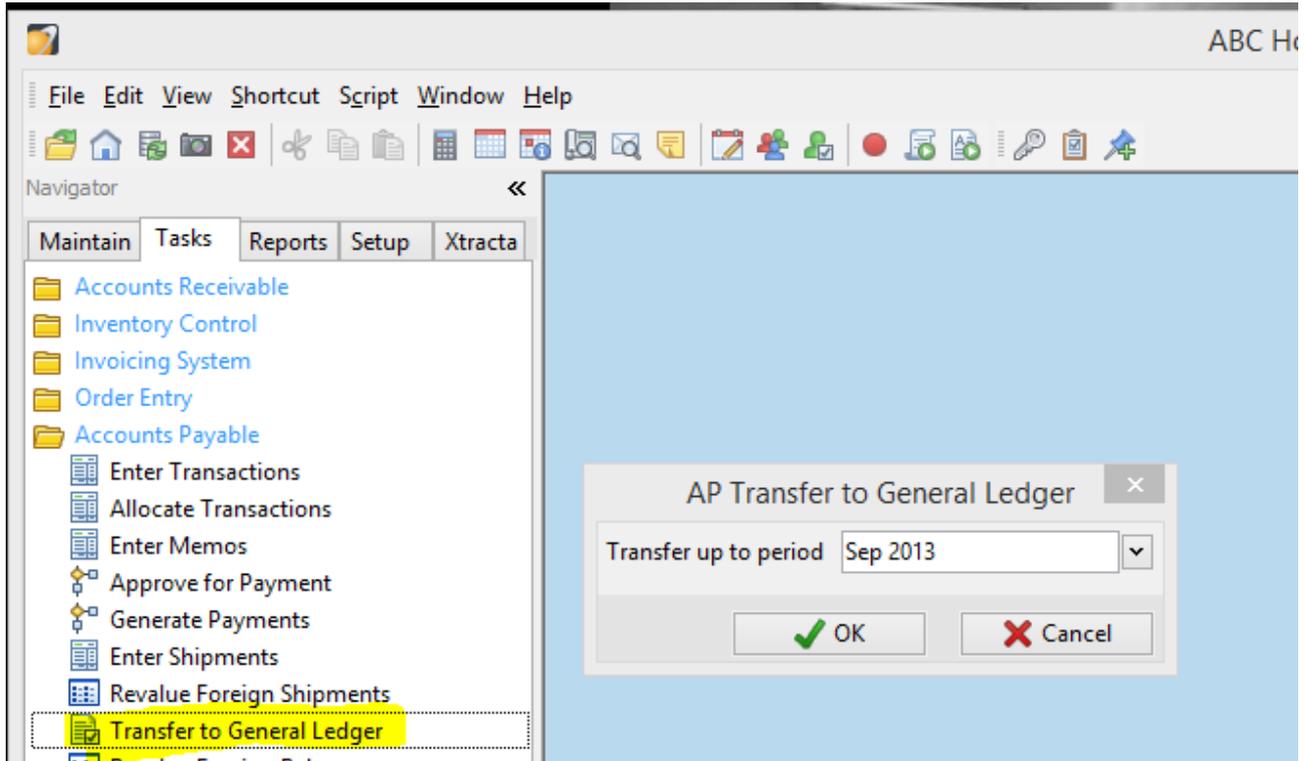
Allocate the payment

Confirm

Allocate immediately?

Yes No Cancel

When you do the Accounts Payable transfer to General Ledger



The following Module batches will be created

ABC Holdings Limited - Accredo Saturn #44- 64 bit - [GL Batches Transferred]

Batch Details	Source	Status	Period	Class
218 Accounts Payable	AP	Unposted	Sep 2013	Module Batch
219 Accounts Payable Exchange Variation	AP	Unposted	Sep 2013	Module Batch

ABC Holdings Limited - Accredo Saturn #44- 64 bit - [GL Enter Transaction Batch]

Period: Sep 2013 | Batch ID: 218 | Source Module: AP

Class: Module Batch  
 Details: Accounts Payable  
 Status: Unposted

Company: ABC | Source Currency: NZD  
 Source ID: | Exch. Rate IE: 1.0000  
 Exch. Rate ALC: 1.0000

Account	Branch	Dept	Debit	Credit	Date Reference	Comment	Account Name	Narration
9520.000	HO	SAL		\$1,812.91	30/09/2013 456	BRASS - Invoice	Sundry Creditors	
2200.000	HO	SAL	\$1,812.91		30/09/2013 456	BRASS - FIT	Purchases	
9520.000	HO	SAL	\$1,666.67		30/09/2013 0	BRASS - Payment	Sundry Creditors	
9920.000	HO	SAL		\$1,666.67	30/09/2013 0	BRASS - Payment	Creditors Clearing Account	

A Realised Gain or Loss on Exchange will occur depending on whether the exchange rate has moved up or down between the times the invoice was entered and the time that the actual payment was made through the bank

Account	Branch	Dept	Debit	Credit	Date Reference	Comment	Account Name	Narration
2270.000	HO	SAL		\$146.24	30/09/2013	GBP - BRASS - Realised	Realised Gain Loss on Exchange	
9520.000	HO	SAL	\$146.24		30/09/2013	GBP - BRASS - Realised	Sundry Creditors	

**Rate for End of Month Revaluation:** Only affects unpaid & unlocked invoices, Should equal the rate on the last day of the month. This makes sure Foreign Creditors have a reasonable value.

### Changing Base Currency Customers or Creditors to Foreign Currency

You cannot change the currency code for Customer or Creditors that have Transactions. If you have accounts in Accredo that you want to change to be foreign currency accounts you will need to setup new accounts with the correct currency and Journal the outstanding balance from the old account to the new one, then fully allocate all transactions for the old account and make it inactive.

# Contact

For further information or for assistance with Accredo please do get in touch with us.

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