

Training Document – Foreign Currency



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

After completing this lesson you will be able to:

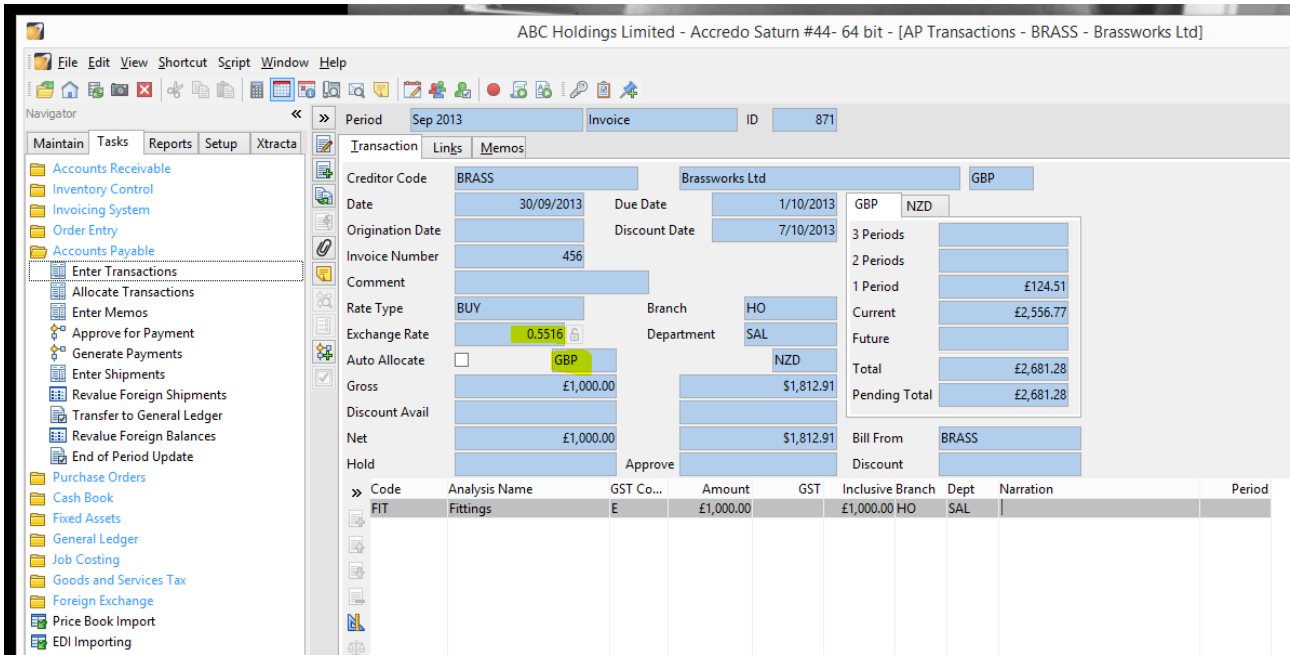
- Process a foreign currency transaction
- Understand the general ledger transactions involved

Contents

Enter Foreign Currency Invoice (Using AP Invoice not PO/Shipments).....	3
Contact.....	7

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

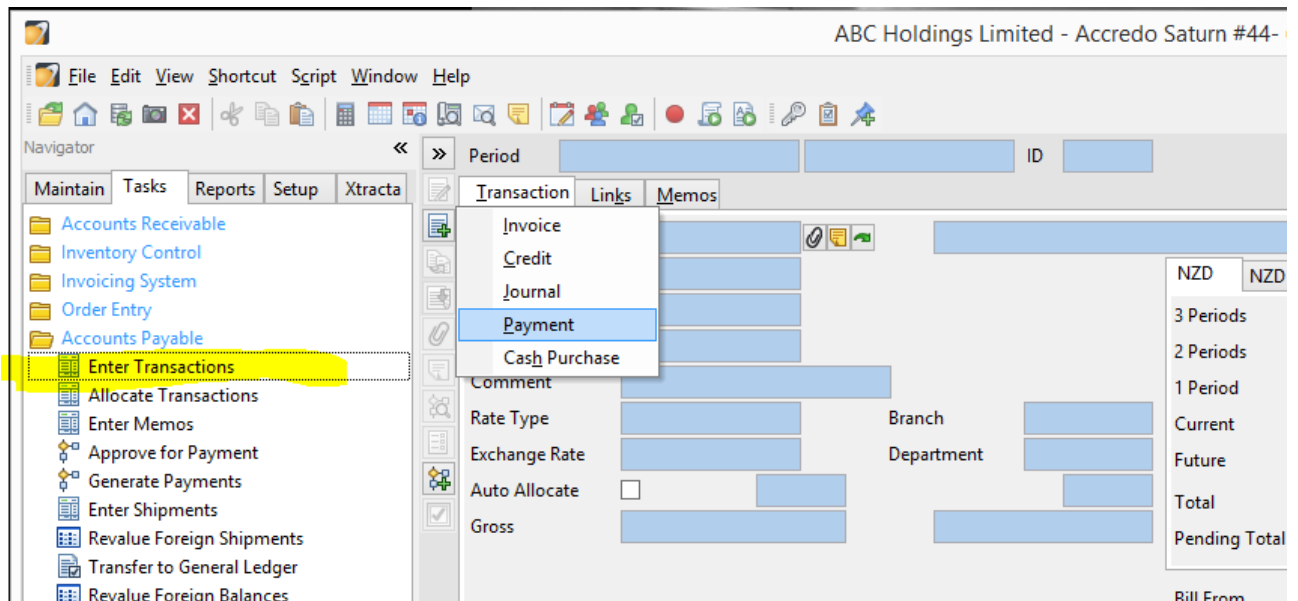
- Tasks / Accounts Payable / Enter Transactions
- Select type - Invoice



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

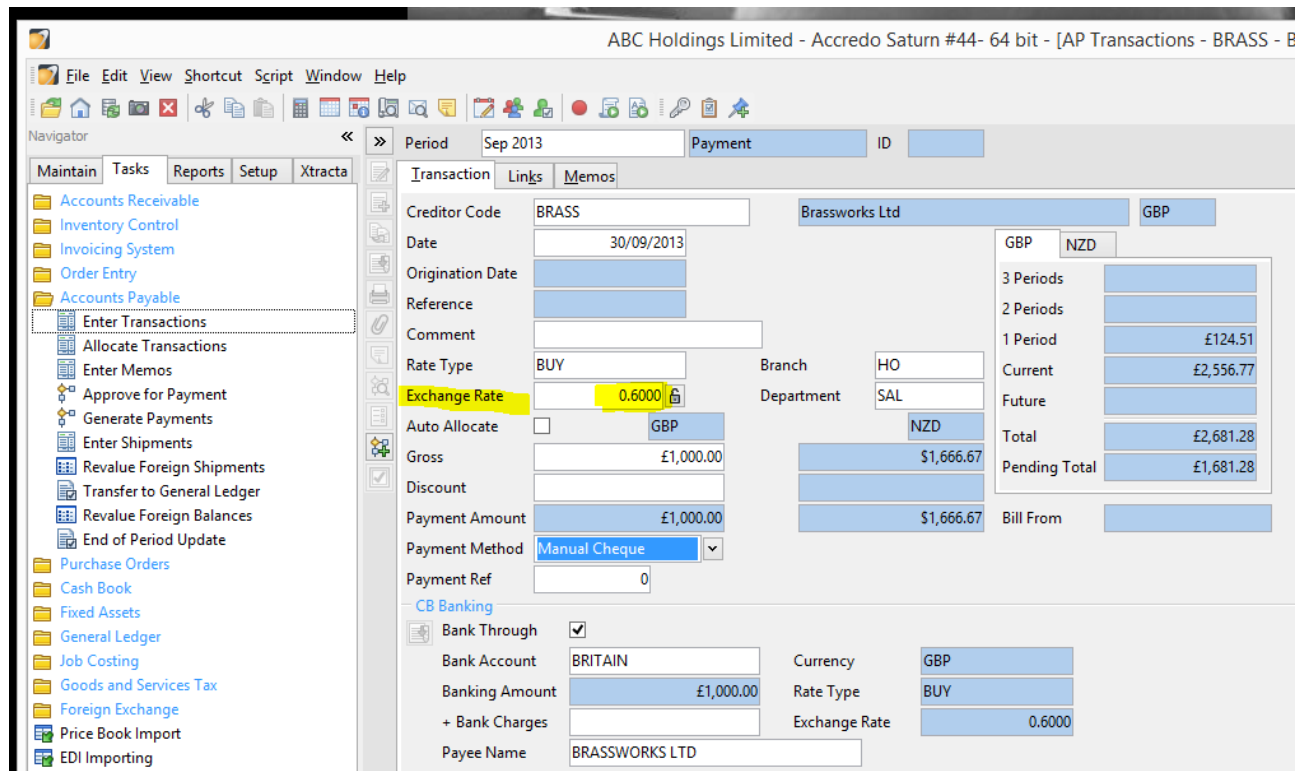


Rate on Payment: Should equal the rate the bank gave you for the date of the payment, can be calculated to get it right if you can't find it. = Amount of Foreign Currency / Amount of NZ currency.

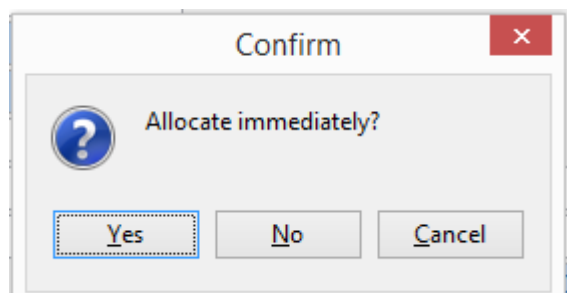
Allocation: Allocate all FX transactions as they are paid - this completes the accounting entry for variances. No rate entry is required.

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

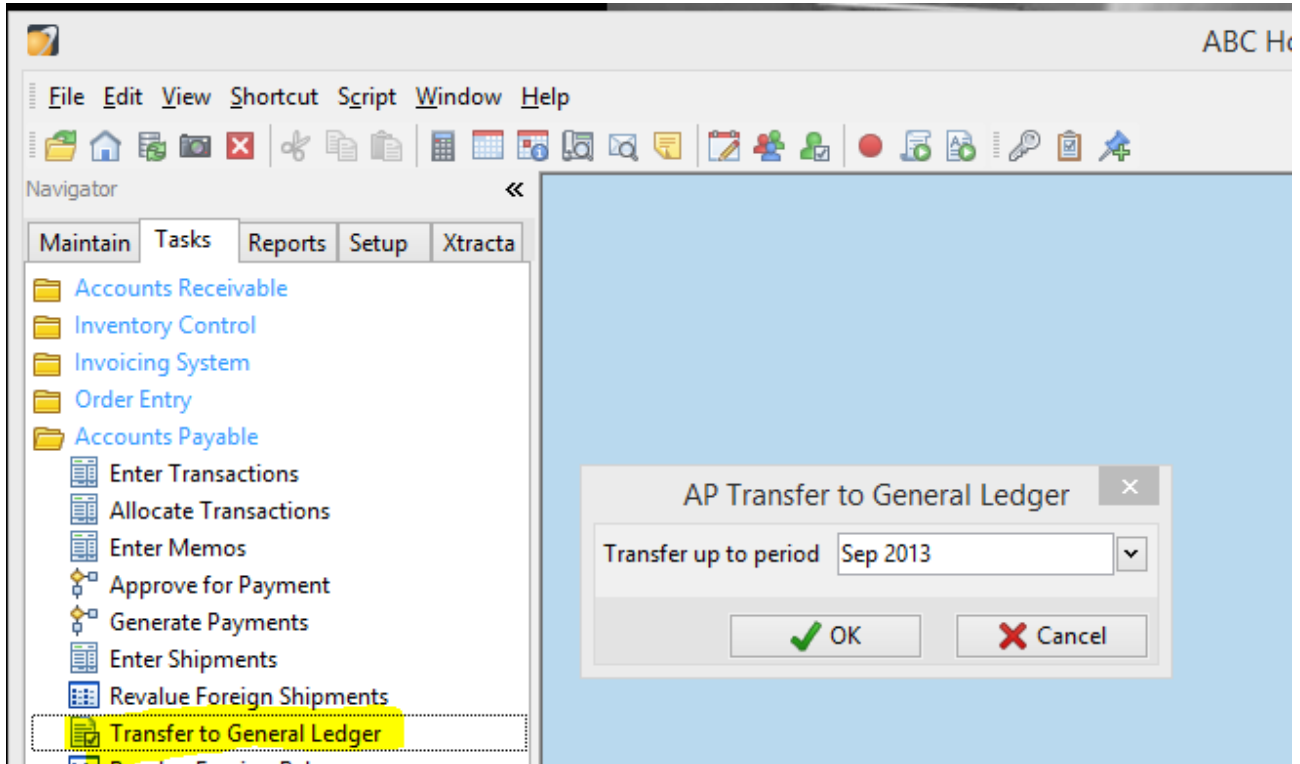
Change the payment method to Manual Cheque and click the Bank Through button to show that the payment has been made via direct credit. This will flow through onto your bank reconciliation.



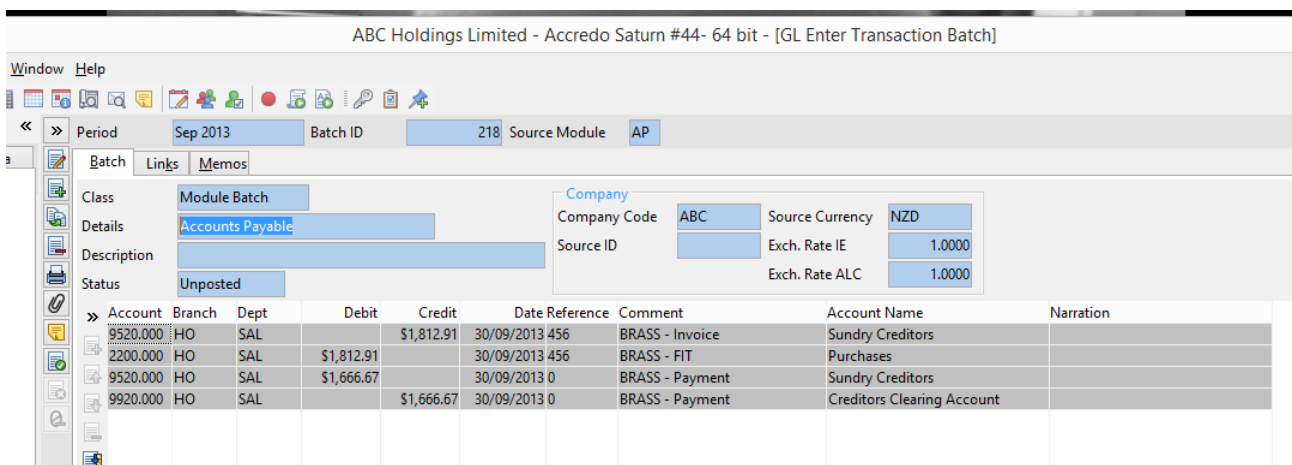
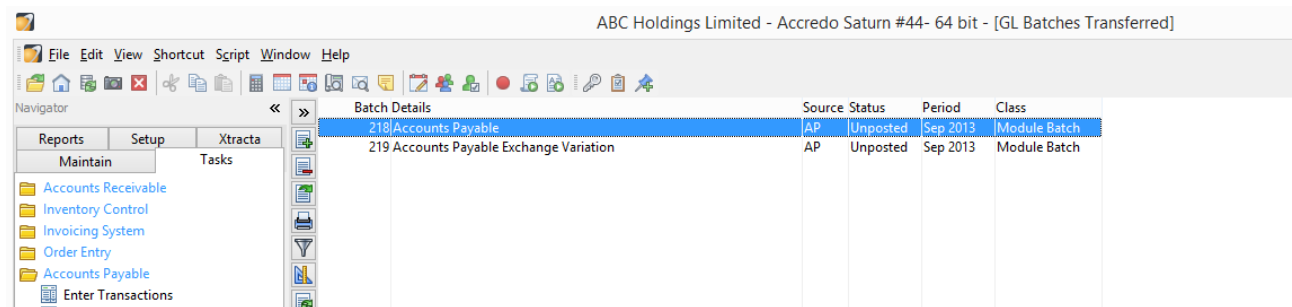
Allocate the payment



When you do the Accounts Payable transfer to General Ledger



The following Module batches will be created



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

The screenshot shows a software interface for a batch entry. At the top, it displays 'Period: Sep 2013', 'Batch ID: 219', and 'Source Module: AP'. Below this, there are tabs for 'Batch', 'Links', and 'Memos'. The main area is divided into 'Class' (Module Batch), 'Details' (Accounts Payable Exchange Variation), and 'Status' (Unposted). To the right, a 'Company' section shows 'Company Code: ABC', 'Source Currency: NZD', and exchange rates for 'Exch. Rate IE' and 'Exch. Rate ALC' both set to 1.0000. Below this is a table of journal entries:

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.

Offices

New Zealand (+64)

Tauranga..... 07 544 4488

Wellington..... 04 282 1534

Email Helpdesk@ZealSystems.co.nz

Australia (+61)

Melbourne..... 03 9016 3410

Sydney..... 02 9098 0996

Brisbane..... 07 3088 4989

Email Helpdesk@ZealSystems.com.au