

Working with Currency Conversions

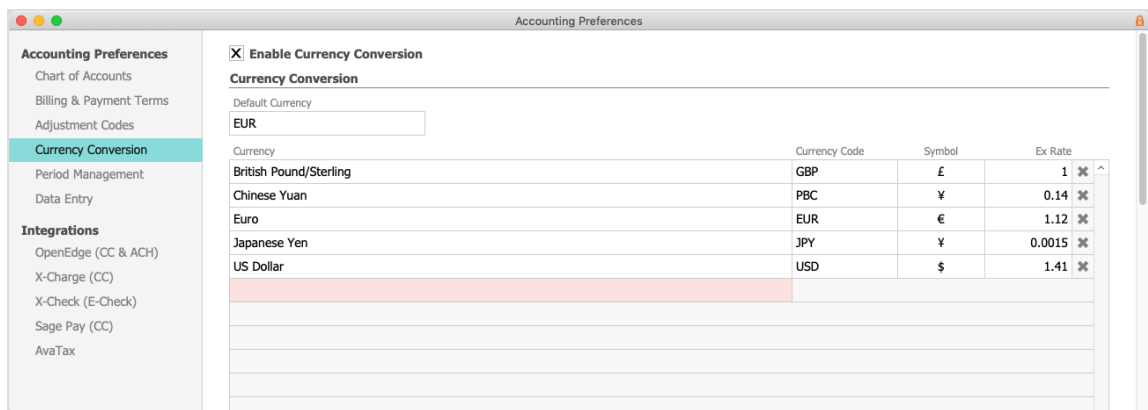
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When dealing with international currencies, you should always coordinate with the customer or vendor to agree on the exchange rates for your transactions. Many international transactions are handled as wire transfers, with the banks involved handling the currency conversions. However, aACE also enables you to use various methods to account for currency conversions.

Note: Because business transactions can proceed slowly, a currency exchange rate may fluctuate significantly between the start and finish of a transaction. Before you enable Currency Conversions, implement company policies for when exchange rates in aACE will be updated.

Accounting Preferences

Out-of-the-box, aACE supports basic currency conversion. Your system administrator can enable this preference (Menu > Accounting > Preferences > Currency Conversion), and may also need to update your order layout settings to show fields related to international transactions. These exchange rates are static values entered manually.



The Currency Conversion preference applies globally. When the flag is marked, the related fields will be included on all affected records (e.g. orders, invoices, customer receipts, purchase orders, purchases, disbursements, related printouts, etc). Note: For purchase records created from a PO, the PO drives the currency exchange rate.

Purchase Orders

Record: 3 of 3

New Edit Delete Print Actions

Purchase Order: 50066 **China Brushworks International** **10/16/19** **PENDING**

Purchase Order Details Management Notices Emails Docs

Vendor: China Brushworks **Contact >** Ming Xiu

Ship To: aACME Education **Drop Ship** **Ship To Contact >**

Supplies: PBC **Ex Rate:** .14

Payment Terms: Net 30 **Required By:** 10/16/19 **Est. Expected:**

Description:

Additional Info:

Comments and Next Steps:

PO Items **RFQ Management**

Line Item Code	Description	Order	Job	Dept	Cases	Qty	Unit Cost	Unit Cost	Total	Total
1 > Se-B-G4	Goat hair			AI		25	4.00	0.56	100.00	14.00
2 > Se-B-H	1/2"			AI		20	5.00	0.70	100.00	14.00
3 > Se-B-R1	Rabbit			AI		40	1.00	0.14	40.00	5.60
4 > Se-B-WB2	White			AI		35	2.00	0.28	70.00	9.80

Subtotal 310.00 **43.40**

Shipping/Freight 0.00 **0.00**

Tax 0% 0.00 **0.00**

Total 310.00 **43.40**

Payment Due 0.00

Dept: AI Assigned By: Scot Hanson Assigned To: Denise James Tracking Status: Cancel Save

Line Item Code

If you do not want the full currency conversion features implemented, you can instead create an Other-type line item code (LIC) to be used for currency fluctuation expenses on individual transactions:

Line Item Codes

Record: 1 of 1

New Edit Delete Print Actions

Line Item Code: CURR Currency Fluctuation **ACTIVE**

Line Item Code 1 Notice Emails Docs

General Info

Type: Misc **Rate Type:** Fixed Price **Rate Value:** 0.00 **VDS:** V

Est Unit Cost: 0.00 **Price:** 0.00 **Comm Type:** Not Applicable **Comm Value:** VCS

Accounting Setup Exclude from Commissions

Revenue Account > 4001 Uncategorized Sales **Cost Account >** 5001 Cost of Sales

Department > aACME, Inc. (AI)

Order Item Notes

To be used for all currency exchange rate differences.

Barcode Input: CODE50123

Custom Prices **Offices**

Rate Card	Default	Rate Type	Rate Value	VDS	Price	Default	Comm Type	Comm Value	VCS

Preferences

Show in entry list. Causes the code to appear in order, estimate, quote, and invoice value lists. **Send notice when ordered.** Sends 'Line Item Code Ordered' notice when an order or PO is opened.

Enable AvaTax. Sends order and invoice items to AvaTax. Optional code: _____

When you learn that exchange rates will affect a transaction significantly, you can use this LIC. For example, from a purchase record's detail view, click Actions > Credit/Adjust Purchase, add the LIC as a purchase item, then enter an amount to cover the currency change:

The screenshot displays a software interface for managing purchase records. At the top, the record is identified as 'Purchase: 50064' and 'Credit/Adjust Pur #50063' dated '10/16/19' with a status of 'PENDING'. Below this, the 'Adjustment Details' section includes fields for 'Vendor' (China Brushworks), 'Description', and 'Payment Comments'. The 'Purchase Items' table lists five items, with the fifth item, 'CURR' (Currency Fluctuation), highlighted with a green circle. The table shows a quantity of 1, a unit cost of -184.00, and a total of -184.00. A summary table at the bottom right shows a subtotal of 51.00, freight of 0.00, shipping of 0.00, tax of 0.00, and a total of 51.00. The interface also includes a footer with user information and a 'Save' button.

Line	Item Code	GL Acct	Description	Purchase Order	Job	Dept	Qty	Unit Cost	Total	Freight
1	Se-B-H	1301	1/2" Hake Brush	50067		AI	15	5.00	75.00	0.00
2	Se-B-G4	1301	Goat hair bamboo brush size 4	50067		AI	20	4.00	80.00	0.00
3	Se-B-WB2	1301	White bristle bamboo brush size	50067		AI	25	2.00	50.00	0.00
4	Se-B-R1	1301	Rabbit hair bamboo brush size 1	50067		AI	30	1.00	30.00	0.00
5	CURR	5001	Currency Fluctuation	50067		AI	1	-184.00	-184.00	0.00

Subtotal	51.00	0.00
Freight	0.00	
Shipping Exp	0.00	
Tax	0%	0.00
Total	51.00	