



# Country Solution Hungary

IFSCLOUD25R1

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## Note:

The capabilities described in the Country Solution Document are included in the set of functionalities added in an initial solution, which can be useful in demos but most probably will not satisfy global customers' demands for going live. In IFS Cloud for Hungary, we have included the following solutions. See Table of Contents.

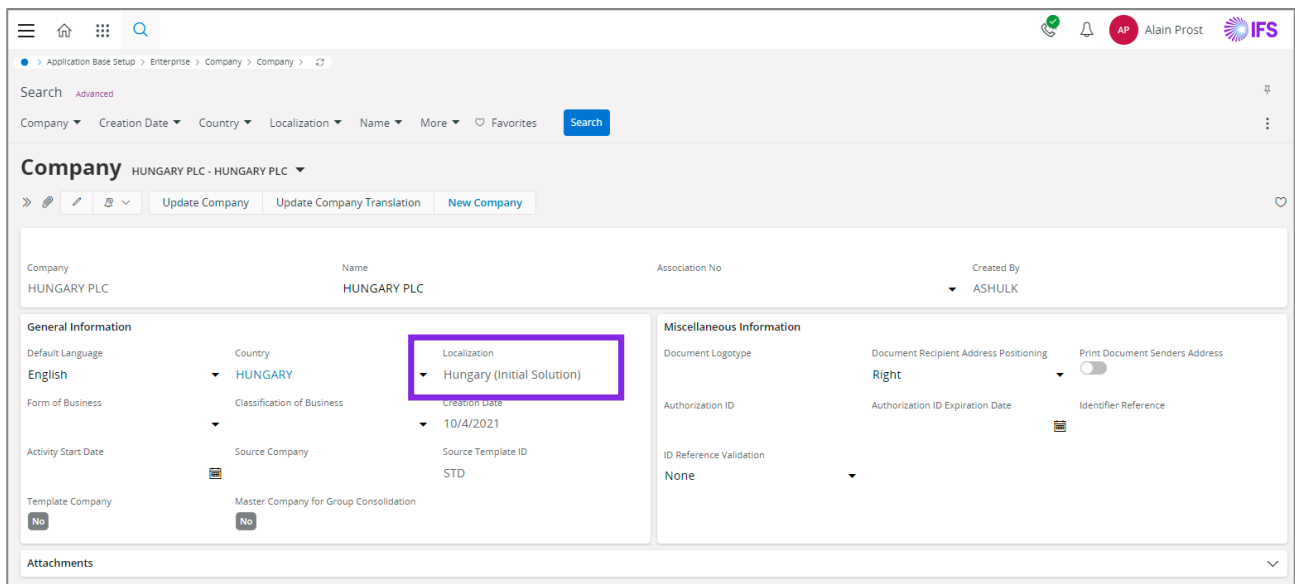
# 1 Company Set-up

## 1.1 Overview

In order to utilize the Hungarian functionality, the company must be set up as using the Hungarian localization. This is defined in the **Company** page.

## 1.2 Define localization

- Open the **Company** page.
- Search for the company.
- Select “Hungary” in the drop-down list in the Localization field and Save. Note that this cannot be changed once transactions are created for the company.



The screenshot displays the 'Company' page in the IFS system for 'HUNGARY PLC'. The page is divided into several sections:

- Header:** Includes navigation icons, a search bar, and user information (Alain Prost).
- Search:** A search bar with filters for Company, Creation Date, Country, Localization, Name, and More.
- Company Details:** Shows 'HUNGARY PLC' with fields for Name, Association No, and Created By (ASHULK).
- General Information:** Contains fields for Default Language (English), Country (HUNGARY), Form of Business, Activity Start Date, Template Company (No), and Master Company for Group Consolidation (No).
- Localization:** A dropdown menu is open, showing 'Hungary (Initial Solution)' selected. This field is highlighted with a red box.
- Miscellaneous Information:** Includes fields for Document Logotype, Document Recipient Address Positioning (Right), Print Document Senders Address (toggle), Authorization ID, Authorization ID Expiration Date, Identifier Reference, and ID Reference Validation (None).
- Attachments:** A section at the bottom for managing attachments.

## 1.3 Select Localization functionality

Specify which functionality to use.

- Open the **Localization Control Center** sub-menu under Company.
- The localization selected in the previous step is displayed in the **Localization Control Center** field and cannot be changed.
- All functionality available for Hungary is presented in the list. Enable/disable the functionality based on the requirements for the company enabling the radio buttons. Note that some functionality is mandatory and cannot be disabled.



## 2 Currency Rate Date and Voucher Date Extended Capabilities for Outgoing Invoices

### 2.1 Overview of Legal Requirements

According to legal regulations in countries like Hungary, Czech Republic, Slovakia, or Poland, the date of posting of debit sales invoices, as well as currency rates used for posting, should be based either on invoice date or on the delivery date, depending on the type of transaction.

Also, according to legal regulations in Poland, prepayment-based invoices should be posted with the date of the payment which is the base for the invoice.

### 2.2 Solution Overview

#### Process Overview

Standard invoicing flow is used in the solution:



#### Solution Summary

A new field, **Delivery Date** is added to handle delivery dates on project invoices.

The handling of the default value of the **Latest Ship Date** field on prepayment-based invoices is modified so that the payment date could be the base for posting the invoice.

New fields, **Voucher Date Base**, **Currency Rate Base**, and **Tax Currency Rate Base**, are added to define the base for voucher date, currency rate, and tax currency rate for invoices. The fields are added to customer order invoices, instant invoices, and project invoices. Either invoice date or delivery date can be the base for voucher date and currency rates.

New fields are added on company and customer levels as sources of default values for new fields on invoices mentioned above.

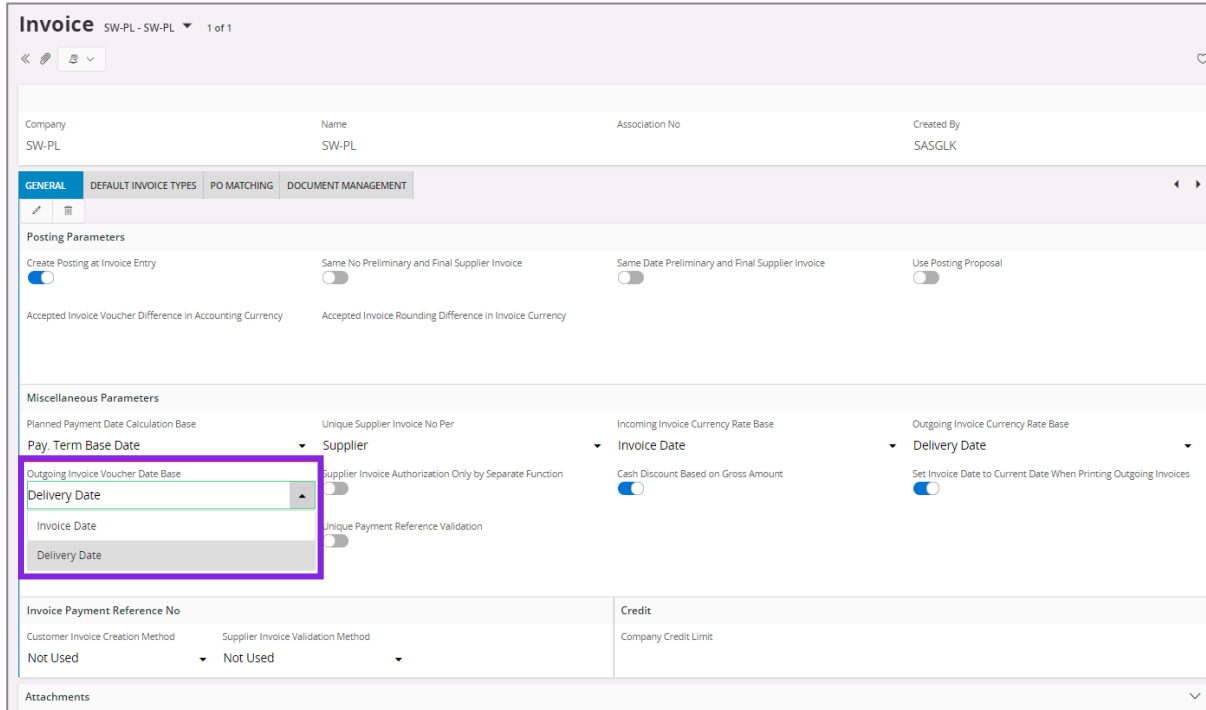
### 2.3 Prerequisites

The company must be set up to use Hungary localization, see the [Company Set up](#) chapter and the “Currency Rate Date and Voucher Date Extended Capabilities for Outgoing Invoices” parameter must be enabled on the *Company/Localization Control Center* tab.

## 2.4 Set up Basic Data

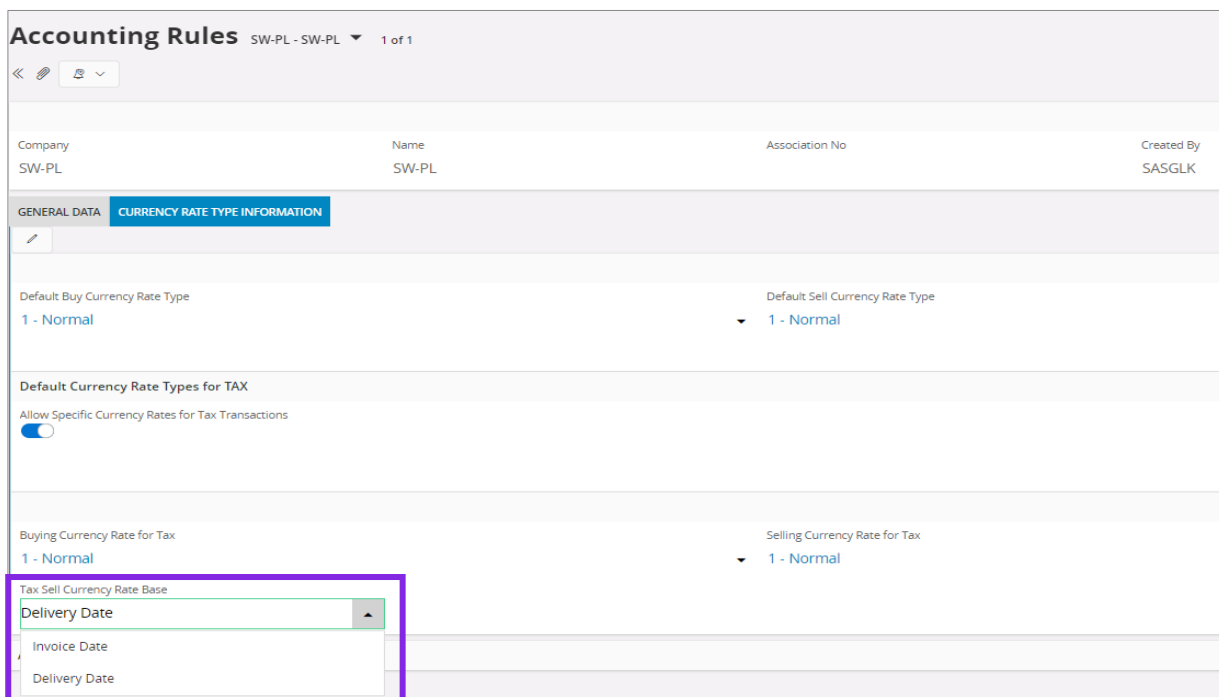
### Settings on Company level

A new field, **Outgoing Invoice Voucher Date Base** is added on the **Company/Invoice/General** tab. Available values are **Invoice Date** and **Delivery Date**.



The screenshot shows the 'Invoice' configuration page for company 'SW-PL'. The 'GENERAL' tab is selected. Under 'Posting Parameters', there are several toggle switches. Under 'Miscellaneous Parameters', the 'Outgoing Invoice Voucher Date Base' dropdown menu is open, showing 'Delivery Date' as the selected option. Other options in the dropdown include 'Invoice Date' and 'Delivery Date'.

New field **Tax Sell Currency Rate Base** is added in the **Company/Accounting Rules/Currency Rate Type Information** tab. The field is enabled when the **Allow Specific Currency Rates for Tax Transactions** option is enabled. Available values are **Invoice Date** and **Delivery Date**.

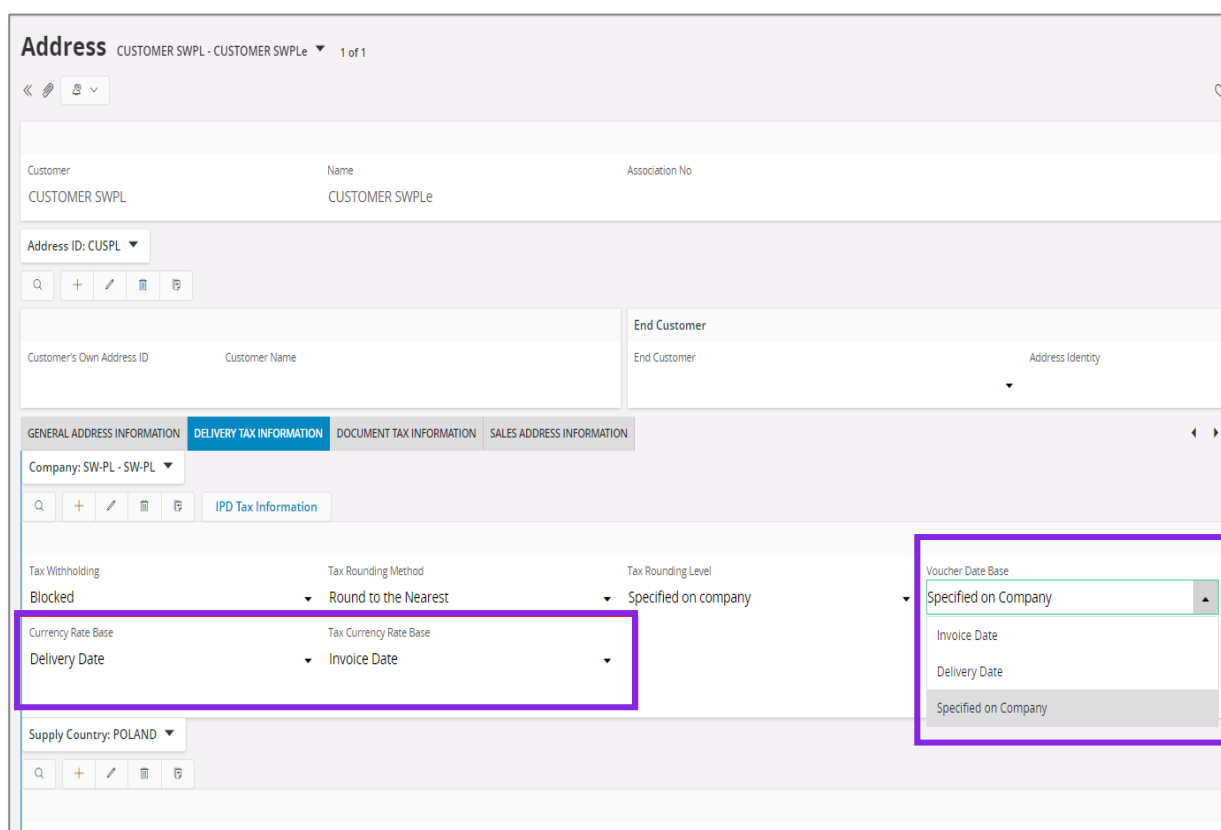


The screenshot shows the 'Accounting Rules' configuration page for company 'SW-PL'. The 'CURRENCY RATE TYPE INFORMATION' tab is selected. Under 'Default Currency Rate Types for TAX', the 'Allow Specific Currency Rates for Tax Transactions' toggle is enabled. The 'Tax Sell Currency Rate Base' dropdown menu is open, showing 'Delivery Date' as the selected option. Other options in the dropdown include 'Invoice Date' and 'Delivery Date'.

Note: Apart from the new fields mentioned above, the standard **Outgoing Invoice Currency Rate Base** field on the **Company/Invoice/General** tab is used in this solution and it has to be set according to the needs.

## Settings on Customer level

The following fields are added on the **Customer/Address/Delivery Tax Information** tab: **Voucher Date Base**, **Currency Rate Base**, **Tax Currency Rate Base**. Available values for these fields are **Invoice Date**, **Delivery Date**, and **Specified on Company**.



The screenshot shows the 'Address' tab for 'CUSTOMER SWPL - CUSTOMER SWPL'. The 'DELIVERY TAX INFORMATION' sub-tab is selected. The 'Currency Rate Base' and 'Delivery Date' fields are highlighted with a purple box. The 'Voucher Date Base' dropdown is also highlighted with a purple box, showing options: 'Specified on Company', 'Invoice Date', 'Delivery Date', and 'Specified on Company'.

## 2.5 New Fields on Invoices

### 2.5.1 CUSTOMER ORDER INVOICE

New fields: **Voucher Date Base**, **Currency Rate Base**, and **Tax Currency Rate Base** are added on the **Customer Invoice/General** tab. Available values for these fields are **Invoice Date** and **Delivery Date**.

Note: In the customer order invoice, the **Latest Ship Date** field plays the role of the delivery date. Delivery Date setting means that the value of the **Latest Ship Date** field will be taken as a base for the voucher date or currency rate.

The **Currency Rate** and **Tax Currency Rate** fields are based on the value of either the **Invoice Date** or **Latest Ship Date** fields, depending on the setting of the **Currency Rate Base** and **Tax Currency Rate Base** fields.



### Customer Invoice

CUSTOMER SWPL - CUSTOMER SWPL - 200700004 - CUSTORDDEB - D550344
5 of 24+
Posted Auth

Share
Credit/Correction Invoice
Posting
Installation Plan and Discounts
Notes

| Customer No  | Customer Address Na... | Series ID | Invoice No | Company | Site | Invoice Created | Order Created |
|--------------|------------------------|-----------|------------|---------|------|-----------------|---------------|
| CUSTOMER ... | CUSTOMER SWPL          | ZK        | 200700004  | SW-PL   | SWPL | 17/07/2021      | 17/07/2021    |

#### Amounts

| Currency | Gross Amt | Net Amt | Tax Amt | Currency Rate | Tax Currency Rate |
|----------|-----------|---------|---------|---------------|-------------------|
| USD      | 293.30    | 279.33  | 13.97   | 7.16          | 7.16              |

LINES

GENERAL

HISTORY

Invoice Type

CUSTORDDEB - Customer Order Invoice, Debit

Invoice Address

CUSPL

Printed Date

17/07/2021

Our Reference

NL NICOLAS LECLERCQ

Customer Reference Name

Customer Branch

Invoice Date

17/07/2021

Preliminary Invoice No

204701

Customer Reference

Branch

Jinsui Status

Non Jinsui

#### Indicators

|                      |    |                            |    |
|----------------------|----|----------------------------|----|
| Price Adjustment     | No | Advance/Prepayment Invoice | No |
| Use Price Incl Tax   | No | Notes                      | No |
| Correction Exist     | No | Correction Invoice         | No |
| Correction Reason ID |    | Correction Reason          |    |

#### Payment

|                    |              |                   |            |
|--------------------|--------------|-------------------|------------|
| Pay Term Base Date | 17/07/2021   | Due Date          | 27/07/2021 |
| Payment Terms      | 10 - 10 Days | Payment Reference |            |

#### Delivery

|                            |                   |                         |                  |
|----------------------------|-------------------|-------------------------|------------------|
| Delivery Address           | CUSPL             | Latest Ship Date        | 01/09/2021       |
| Wanted Delivery Date       | 02/09/2021, 02:00 | Ship Via                | IFS APPLICATIONS |
| Delivery Terms Description | IFS APPLICATIONS  | Delivery Terms Location |                  |
| Forwarder ID               |                   | Label Note              |                  |

#### References

| Currency Rate and Voucher Base Date |                    |                        |
|-------------------------------------|--------------------|------------------------|
| Voucher Date Base                   | Currency Rate Base | Tax Currency Rate Base |
| Delivery Date                       | Invoice Date       | Invoice Date           |

#### Invoice Text

## 2.5.2 INSTANT INVOICE

New fields **Voucher Date Base**, **Currency Rate Base** and **Tax Currency Rate Base** are added on the **Instant Invoice/General** tab. Available values for these fields are "Invoice Date" and "Delivery Date".

The **Currency Rate** and **Tax Currency Rate** fields are based on the value of either the **Invoice Date** or **Delivery Date** fields, depending on the setting of the **Currency Rate Base** and **Tax Currency Rate Base** fields.

### Instant Invoice

FP - 200700009
PostedAuth

< + - 📄 🔍 🔖
More Information Installation Plan and Discounts Pre Posting Reprint Original Reprint Modified

|  |                          |                           |                                    |                                     |                            |
|--|--------------------------|---------------------------|------------------------------------|-------------------------------------|----------------------------|
| Customer<br><b>CS</b> CUSTOMER SWPL - CUSTOMER ... | Invoice Type<br>FP       | Series ID<br>FP           | Invoice No<br>200700009            | Project ID                          | Invoice Date<br>01/08/2021 |
| Delivery Date<br>01/09/2021                        | Invoice Address<br>CUSPL | Delivery Address<br>CUSPL | Notes<br>No                        | Advance Invoice<br>No               | Invoice Fee<br>No          |
| Preposting<br>No                                   | Currency<br>USD          | Currency Rate<br>9.1      | Voucher Date Base<br>Delivery Date | Currency Rate Base<br>Delivery Date | Correction Invoice<br>No   |
| Tax Currency Rate Base<br>Delivery Date            | Gross Amount<br>3622.50  | Net Amount<br>3450.00     | Tax Amount<br>172.50               | Correction Exists<br>No             |                            |

#### Payment and Tax Information

|                                  |                               |                        |                |                    |
|----------------------------------|-------------------------------|------------------------|----------------|--------------------|
| Pay Term Base Date<br>01/08/2021 | Payment Terms<br>10 - 10 Days | Due Date<br>11/08/2021 | Payment Method | Payment Address ID |
| Supply Country<br>POLAND         | Tax Liability<br>TAX          |                        |                |                    |

#### More Information

|                      |  |                       |
|----------------------|--|-----------------------|
| Payment Reference    | Payer<br><b>CS</b> CUSTOMER SWPL - CUSTOMER... | Language<br>English   |
| Transfer Status      | Tax Currency Rate<br>70.3                      | Our Reference         |
| Customer Reference   | Creator Reference                              | Signature<br>SASGLK   |
| Order Date           | Order No                                       | Ref Invoice Series ID |
| Ref Invoice No       | Correction Reason ID                           | Correction Reason     |
| Branch               | Customer Branch                                | Deduction Group       |
| Deduction Amount     | Invoice Text ID                                | Invoice Text          |
| Additional Reference |  |                       |

Cancel

### 2.5.3 PROJECT INVOICE

A new field, **Delivery Date**, is added on the **Project Invoice/General** tab. When an invoice is created, the field gets the same value as the Invoice Date. It can be modified when the invoice is in state **Preliminary**.

New fields: **Voucher Date Base**, **Currency Rate Base**, and **Tax Currency Rate Base** are added on the **Project Invoice/General** tab. Available values for these fields are **Invoice Date** and **Delivery Date**.



For all other invoices, currency rates and voucher dates are handled in a standard way. In particular, for correction invoices, as well as for credit customer order and project invoices, the **Voucher Date Base**, **Currency Rate Base**, and **Tax Currency Rate Base** fields are always set to hidden.

### 2.6.2 CREATE INVOICE

When a debit customer invoice (customer order invoice, instant invoice, and project invoice) is created then the **Voucher Date Base**, **Currency Rate Base**, and **Tax Currency Rate Base** fields get default values based on settings on the customer level. Fields that are set to **Specified on Company** on the customer level get values based on settings on the company level.

Note: When the **Currency Rate Base** field on the customer level is set to **Specified on Company**, then the **Currency Rate Base** field on invoices for this customer will get the default value based on the setting of the standard **Outgoing Invoice Currency Rate Base** field for the company.

When a prepayment-based invoice is created the **Latest Ship Date** field gets a default value equal to the date of payment. In the standard solution, this field is empty when an invoice is created.

### 2.6.3 MODIFY INVOICE

Values of the **Voucher Date Base**, **Currency Rate Base**, and **Tax Currency Rate Base** fields can be modified when the debit invoice is in the **Preliminary** state with the following exceptions:

- The **Tax Currency Rate Base** field can be modified only when the **Allow Specific Currency Rates for Tax Transactions** option for the company is enabled.
- On instant invoice the **Currency Rate Base** and the **Tax Currency Rate Base** fields can be modified only before the invoice line is entered.

Whenever the **Currency Rate Base** or the **Tax Currency Rate Base** fields get modified, values in the **Currency Rate** or the **Tax Currency Rate** fields are updated accordingly.

### 2.6.4 PRINT AND POST INVOICE

When the invoice gets printed, then it will be posted with the voucher date based on the value in the **Voucher Date Base** field. If the **Voucher Date Base** field is set to **Invoice Date**, then the voucher date will be equal to the value of the **Invoice Date** field. If the **Voucher Date Base** field is set to **Delivery Date**, then the voucher date will be equal to the value of the **Delivery Date** field (or the **Latest Ship Date** field in the customer order invoice).

Note: The value of the **Voucher Date Base** field has no impact on the voucher date of invoices in the following cases:

- When the invoice is printed from the **Print Invoice** page with the **Use Voucher Date** option enabled.
- When the invoice is processed from the **Customer Invoices with Errors** page with the **Use Voucher Date** option enabled.
- When invoices are processed from the **Create Collective Vouchers** page.

## 2.7 Delimitations

- Manual customer invoices are not handled.
- Outgoing supplier invoices are not handled.

## 3 Access control inventory transactions and reservations

### 3.1 Overview of Legal Requirement

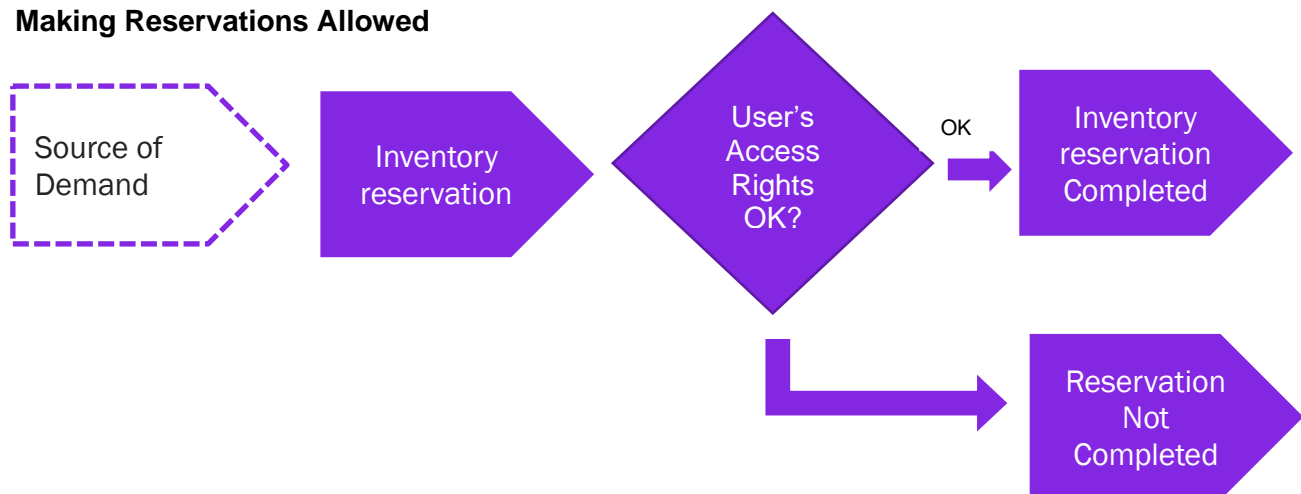
In Hungary, a warehouse manager or other personnel must be appointed by management as acting authority for material located in warehouses. This is a legal requirement. Due to this requirement, only authorized personnel may change the quantity and/or value of material in warehouses. Warehouse access authorization is required to prevent any inventory transactions or reservations from being executed by unauthorized personnel.

### 3.2 Solution

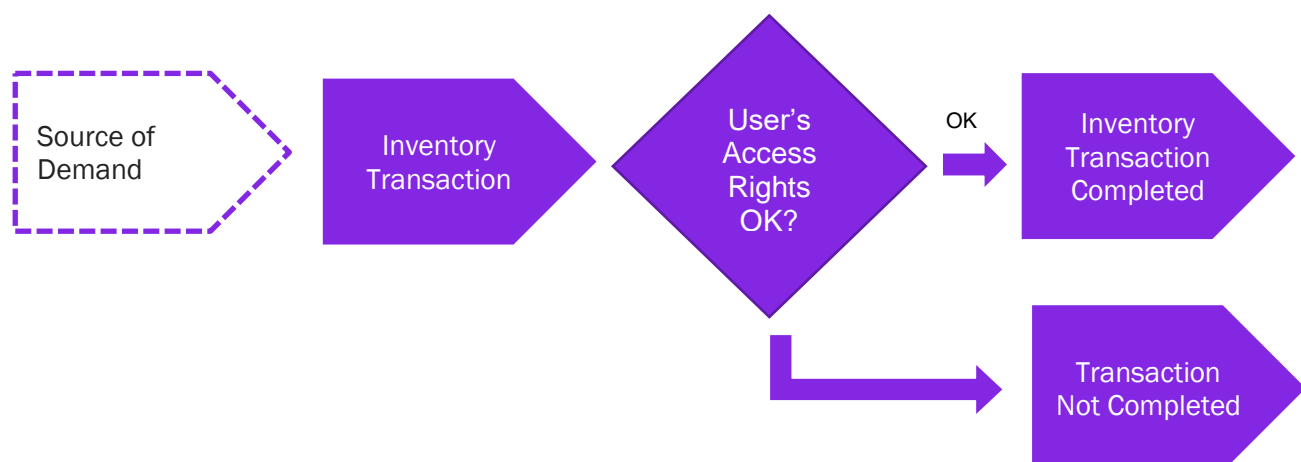
In the IFS Cloud standard version IFS Cloud users are connected to sites, and this connection determines the possibility of reserving inventory parts or conducting operations resulting in inventory transactions.

For IFS Hungarian Localization, an additional level of authority is added where IFS Cloud users are connected to warehouses and given the authority to perform inventory transactions and make reservations.

#### Making Reservations Allowed



#### Perform Transaction Allowed



Basic Data: A basic data page is added where the authority is set up per user over warehouses in a site. This page is **Warehouse Access**.

**Inventory transactions:** Controls are added when a user is saving inventory operations (e.g. receipt, scrap, pick, move, transfer between warehouses, revaluation, etc.):

- If access has been granted, the user can register the operation.
- If access has not been defined or has not granted, an error message is displayed, and the user cannot proceed.

**Reservations:** Controls are added when a user is reserving inventory parts (e.g. customer order, work order, shop order, material requisition):

- If access has been granted the user can reserve the quantity.
- If access has not been defined or not granted, an error message is displayed and the user cannot proceed.

### 3.3 Prerequisites

The company must be set up to use Hungarian localization.

#### Warehouse Access

Use the **Warehouse Access** page to give users access to make reservations and/or transactions. Users can be added to this page and the access can be controlled over inventory reservation and transaction as required. To control an inventory transaction, enable/disable the option in the column **Making Stock Reservation Allowed**. To control an inventory reservation, enable/disable the option in the column, **Making Stock Reservation Allowed**.

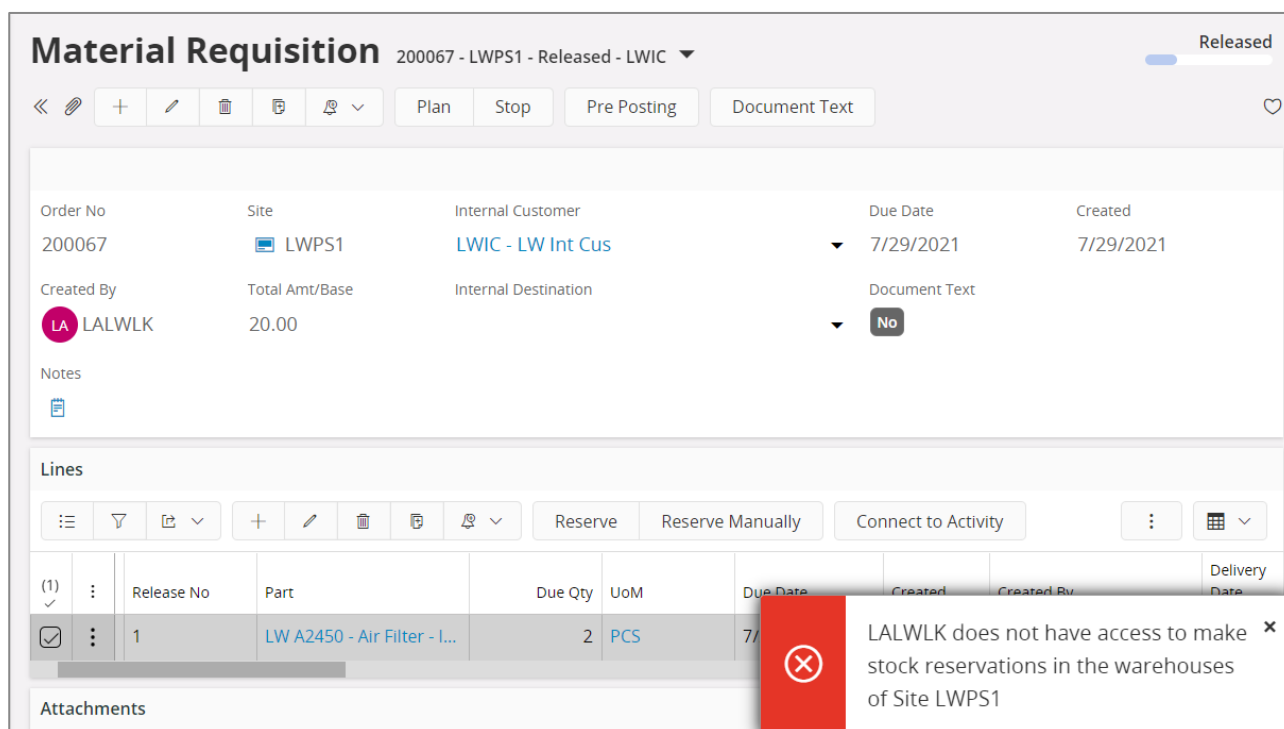
| Search <span>Advanced</span>  |   |                                 |                              |               |                                  |  |
|---|---|---------------------------------|------------------------------|---------------|----------------------------------|--|
| User: LALWLK Warehouse Performing Inventory Transaction Allowed More Favorites Clear Q Settings |   |                                 |                              |               |                                  |  |
| Warehouse Access  |   |                                 |                              |               |                                  |  |
| ✓   | : | User                            | Site                         | Warehouse     | Making Stock Reservation Allowed | Performing Inventory Transaction Allowed |
| <input type="checkbox"/>  | : | LW LALWLK - Lalitha Wijebandara | LPSS1 - Polish Supply Site-1 | WH-01 - WH-01 | Yes                              | No                                       |
| <input type="checkbox"/>  | : | LW LALWLK - Lalitha Wijebandara | LPDS1 - Polish Demand Site-1 | WH-01 - WH-01 | Yes                              | No                                       |
| <input type="checkbox"/>  | : | LW LALWLK - Lalitha Wijebandara | LWPS1 - LW Poland Site - 1   | WH-01 - WH-01 | No                               | Yes                                      |
| <input type="checkbox"/>  | : | LW LALWLK - Lalitha Wijebandara | LWPS1 - LW Poland Site - 1   | WH-02 - WH-02 | No                               | Yes                                      |

To save a record in the **Warehouse Access** page a user must have at least one option enabled out of the 2 controls, reservation, and transaction. A record with a user whose both **Making Stock Reservations Allowed** and **Performing Inventory Transactions Allowed** are disabled, is considered an invalid record that cannot be saved.

### 3.3.1 INVENTORY RESERVATION CONTROL

Controls are added when a user is reserving inventory parts (e.g. Customer Order, Work Order, Shop Order, Material Requisition, Pick by Choice):

- If access has been granted the user can reserve the quantity
- If access has not been defined or not granted an error message is displayed, and the user cannot proceed.



The screenshot shows the 'Material Requisition' interface for document 200067. The header indicates the status is 'Released'. The main form contains fields for Order No (200067), Site (LWPS1), Internal Customer (LWIC - LW Int Cus), Due Date (7/29/2021), Created (7/29/2021), Created By (LALWLK), Total Amt/Base (20.00), Internal Destination, and Document Text (No). Below the form is a 'Lines' table with one line item: Release No 1, Part LW A2450 - Air Filter - I..., Due Qty 2, UoM PCS, Due Date 7/29/2021. A red error message box is overlaid on the table, stating: 'LALWLK does not have access to make stock reservations in the warehouses of Site LWPS1'.

### 3.3.2 INVENTORY TRANSACTION CONTROL

Controls are added when a user is saving inventory operations (e.g. Receipt, Scrap, Pick, Move, Move Reserved Materials, Transfer between Warehouses, Revaluation, Attach to Handling Unit, Unattached from Handling Units, Pack According to Pack Instructions, Pack According to Handling Unit Capacity, etc):

- If access has been granted the user can register the operation
- If access has not been defined or not granted an error message is displayed and the user cannot proceed

## Receive Inventory Part

LW A2450 - Air Filter - Internal - LWPS1 - \* 1 of 3

<<
🔗
✎
🔔
▼
Create New Part Revision

---

**Part**  
LW A2450 - Air Filter - Internal

**Site**  
🏢 LWPS1

**Configuration Id**  
\*

**UoM**  
PCS

**Catch UoM**

**Unit Cost**  
10.00

**Print Barcode**  
☐

**Note**  
📄

---

☰
🔍
📄
▼
+
📄
🔔
▼
Print Barcode Labels
Print Serviceability Tag
📅
▼

| ⋮ | 🔗 | Quantity Received | On Hand Qty | Catch Quantity Received | On Hand Catch Qty | Expiration date | Location No | Handling Unit ID | Handling |
|---|---|-------------------|-------------|-------------------------|-------------------|-----------------|-------------|------------------|----------|
| ⋮ | 🔗 | 10                | 158         |                         |                   |                 | 📅 202376    | 0                |          |
| ✅ | ❌ |                   | 113         |                         |                   |                 |             |                  |          |

**Attachments**

❌ LALWLK does not have access to perform inventory transactions in Warehouse WH-01 of Site LWPS1

When moving parts directly into the new inventory, you should have access to both warehouses on each site. If access is not authorized, you will receive an error message.

When moving into transit at first (i.e., the goods are under transportation), you can put the material into transit, but you can move them from transit into the target location only if you have access to that target warehouse. If access is not authorized, you will receive an error message.

Note:

- You may grant a user access to a warehouse but not connect him to the site. In this case, the user cannot perform any transactions and/or reservations.
- If the user does not have warehouse access defined or the access is set to “No”, the user cannot perform Inventory transactions or/and reservations.
- If the company’s parameter is not enabled, the effect is that no access control will occur.

### 3.4 Automatic Reservation

With the automatic reservation, the system decides under IFS Cloud standard logic from which locations and in what order inventory parts are reserved. During automatic reservation, the Cloud will only reserve material from locations from/to which the user has access according to the Access Rights enabled in the **Warehouse Access** Page.

### 3.5 Exceptions in Access Rights

For changing inventory part locations between two sites, the user must be authorized to perform transactions in the warehouses of both sites. During the transportation of Parts to another site, two transactions are generated: INVM-OUT (direction -) and INVM-TRIN (direction 0). The second transaction, INVM-TRIN, refers to a target location. But, if the user is not granted access to the



Warehouse in the destination Site, the Part cannot be moved to a destination location, so that transactions cannot be completed.

### 3.6 Delimitations

None

## 4 Cash Account Currency Rate Method

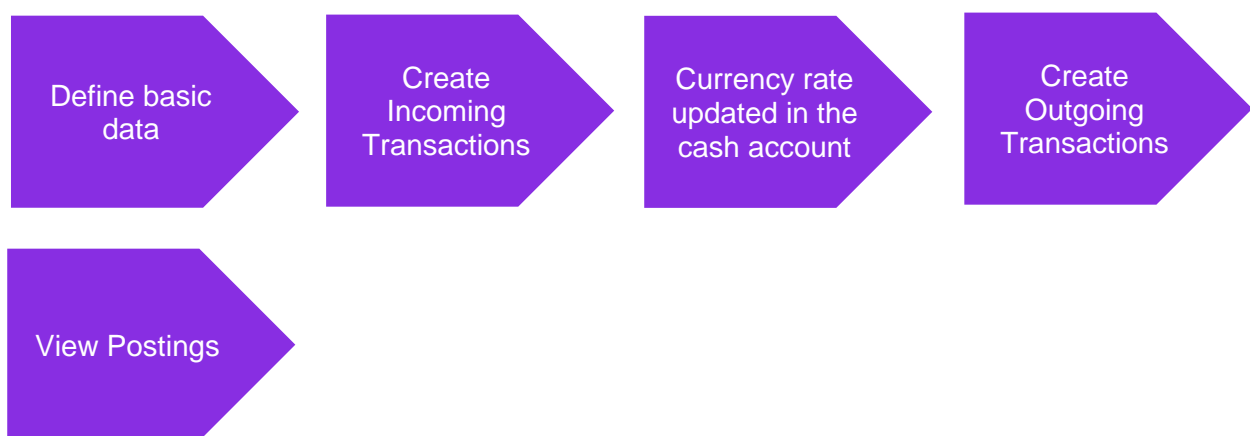
### 4.1 Overview of Legal Requirement

This requirement covers the different currency rate methods for bank and cash account movements in Hungary. In Hungary, at the outgoing payment moment, it is not needed to account for the differences between the invoice currency rate and payment currency rate.

The rate for the outgoing transaction is calculated based on the incoming transactions.

The different methods for calculating currency rates are weighted average (AVG) and FIFO.

### 4.2 Process Overview



Postings are created for the currency difference when the outgoing payment is approved.

## 4.3 Solution Overview

### Cash Account

| Short Name | Currency Rate Calculation Method | Handling of Negative Balance           | Two-step Currency Profit/Loss |
|------------|----------------------------------|--|-------------------------------|
| AVG-GBP    | Weighted Average                 | Currency Profit/Loss after each Inflow | No                            |
| AVG-USD    | Weighted Average                 | Currency Profit/Loss after each Inflow | Yes                           |

The column Currency Rate Calculation Method on the Cash Accounts page defines the method of currency rate calculation for outflow. It can have the following values:

- Weighted average
- First in, First Out

The column Handling of Negative Balance on the Cash Accounts page defines how the calculation is carried out in case the cash account has a negative balance. It can have the following values:

- Currency Profit/Loss after each inflow
- Aggregate Currency Profit/Loss

The Two-Step Currency Profit/Loss check box on the Cash Account page is enabled for editing. It controls how currency differences are posted. The details are explained below.

If the Two-Step Currency Profit/Loss check box is checked –

- The currency rate that is in the cash account queue will not be fetched to postings, instead, the currency rate that is given when approving the outgoing payment is fetched to the postings.

If the Two-Step Currency Profit/Loss check box is Unchecked –

- The currency rate, which is in the cash account queue, is fetched to the postings when the outgoing payment is approved.

New currency rate calculation methods are introduced when approving,

- Mixed Payments
- Cash Box Payments

## 4.4 Prerequisites

1. The company must be set up to use Hungary localization; see the Company Set-up chapter, and the **Cash Account Currency Rate Method** parameter must be enabled.
2. Cash accounts should be created.
  - On the **Cash Accounts** page, you can define the calculation method of the currency rate for cash accounts in foreign currency.
  - These columns are editable only when the Cash Account is not in accounting currency.
3. Cash Accounts should be linked to posting control PP1.
4. Posting controls PP80 (currency Gain) and PP79 (Currency loss) should be created. (This is only needed when the Two-Step Currency Profit/Loss check box is checked.
5. Customers and Suppliers should be created.

## 4.5 Weighted Average Method

In the AVG method, the average currency rate is calculated for the cash account using incoming transactions. The current balance of the cash account in transaction currency and accounting currency is calculated after each incoming transaction. It is used when calculating currency rates for outgoing transactions.

Balance in accounting currency divided by the balance in transactions currency calculates the currency rate for outgoing transactions. The currency rate of an outflow is updated with the historical average currency rate in the mixed payment line after the mixed payment is approved.

EXAMPLE:

|                                  |   |                      |
|----------------------------------|---|----------------------|
| Currency Rate Calculation Method | – | Weighted Average     |
| Handling of Negative balances    | – | Currency Profit/loss |
| Two step                         | – | Checked              |

| Inflow Amount In Transaction Currency | Inflow Currency Rate | Amount in Accounting Currency | Average Currency Rate |
|---------------------------------------|----------------------|-------------------------------|-----------------------|
|                                       |                      |                               |                       |
| 150                                   | 4.3                  | 645                           |                       |
| 100                                   | 4.2                  | 420                           |                       |
| 200                                   | 4                    | 800                           |                       |
|                                       |                      |                               |                       |
| 450                                   |                      | 1865                          | <b>4.14</b>           |

1. Create 3 manual customer invoices as below:

Manual Customer Invoices

New Manual Customer Invoice

| ✓                        | : |  | Customer                        | Series ID | Invoice No | Status     | Invoice Type | Invoice Date | Currency | Gross Amount | Net Amount | Tax Amount |
|--------------------------|---|--|---------------------------------|-----------|------------|------------|--------------|--------------|----------|--------------|------------|------------|
| <input type="checkbox"/> | : |  | <div>P</div> PL_CUS - PL_CUS FS |           | AJ1        | PostedAuth | FS           | 5/12/2021    | USD      | 150.00       | 150.00     | 0.00       |
| <input type="checkbox"/> | : |  | <div>P</div> PL_CUS - PL_CUS FS |           | AJ2        | PostedAuth | FS           | 5/12/2021    | USD      | 200.00       | 200.00     | 0.00       |
| <input type="checkbox"/> | : |  | <div>P</div> PL_CUS - PL_CUS FS |           | AJ3        | PostedAuth | FS           | 5/12/2021    | USD      | 100.00       | 100.00     | 0.00       |

2. Create a mixed payment, connect the previously created invoices with respective currency rates, and approve.

|                           |        |                          |
|---------------------------|--------|--------------------------|
| Debit                     | Credit | Debit Amount in Acc Curr |
| 450.00                    | 0.00   | 1865.00                  |
| Credit Amount in Acc Curr |        |                          |
| 0.00                      |        |                          |

Transaction Details

View Transactions

Notes

Cancel Matching

| (1)<br>✓                            | : | Amount | Currency Rate | Inv/Prepaym No | Lump Sum<br>Trans Number | Payment Transaction Type | Cash Account User Group | Bank Transaction |
|-------------------------------------|---|--------|---------------|----------------|--------------------------|--------------------------|-------------------------|------------------|
| <input checked="" type="checkbox"/> | : | 200.00 | 4             | AJ2            | 3                        | Enter Customer Payment   | *                       | *                |
| <input type="checkbox"/>            | : | 100.00 | 4.2           | AJ3            | 2                        | Enter Customer Payment   | *                       | *                |
| <input type="checkbox"/>            | : | 150.00 | 4.3           | AJ1            | 1                        | Enter Customer Payment   | *                       | *                |

3. Cash account should be updated.

Cash Account Queue - PL\_WA

| ✓                        | : | Currency Amount | Amount in Acc Curr | Currency Rate |
|--------------------------|---|-----------------|--------------------|---------------|
| <input type="checkbox"/> | : | 450.00          | 1865.00            | 4.1444        |

#### 4. Create a manual supplier invoice for 200.

**Manual Supplier Invoice** FZ - AJ1 #1 of 1 Posted

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)

| PO Reference                         | Receipt Reference         | Sub Contract Reference     | Invoice Advice Reference  | Project ID                      |
|--------------------------------------|---------------------------|----------------------------|---------------------------|---------------------------------|
| Supplier<br>P PL_SUP - PL_SUP        | Invoice Type<br>FZ        | Series ID<br>FZ            | Invoice No<br>AJ1         |                                 |
| Currency<br>USD                      | Currency Rate<br>5        | Invoice Date<br>5/12/2021  | Arrival Date<br>5/12/2021 | Pay Term Base Date<br>5/12/2021 |
| Payment Terms<br>0 - Due Immediately | Due Date<br>5/12/2021     | Plan Pay Date<br>5/12/2021 | Payment Reference         | Voucher Type Reference<br>I     |
| Voucher No Reference<br>2021000001   | Authorizer ID<br>*        | Notes<br>No                | Advance Invoice<br>No     | Period Allocation<br>No         |
| Received Attachments<br>No           | On Hold Installment<br>No | Posting Proposal<br>No     | Gross Amount<br>200.00    | Net Amount<br>200.00            |
|                                      |                           |                            |                           | Tax Amount<br>0.00              |

| Line Information |            |            |                          |             |
|------------------|------------|------------|--------------------------|-------------|
| Gross Amount     | Net Amount | Tax Amount | Non-deductible Tax Am... | Cost Amount |
| 200.00           | 200.00     | 0.00       | 0.00                     | 200.00      |

#### 5. Create a mixed payment with the currency rate 5 and connect the previously created invoice and approve.

**Transaction Balances**

| Cash Account | Statement No | Remaining Amount |
|--------------|--------------|------------------|
| AJTEST1      | 3            | 200.00           |

| Debit | Credit | Debit Amount in Acc Curr |
|-------|--------|--------------------------|
| 0.00  | 200.00 | 0.00                     |

Credit Amount in Acc Curr  
1000.00

**Transaction Details**

[Edit Transactions](#)
[Open Supplier Bills](#)
[Open Issued Checks](#)

| (1)                                 | : | Amount  | Currency Rate | Inv/Prepaym No | Lump Sum Trans Number | Payment Transaction Type | Cash Account User Group | Bank Transacti |
|-------------------------------------|---|---------|---------------|----------------|-----------------------|--------------------------|-------------------------|----------------|
| <input checked="" type="checkbox"/> | : | -200.00 | 5             | AJ1            | 1                     | Enter Supplier Payment   | *                       | *              |

## 6. View the postings for the mixed payment.

Mixed Payment Vouchers

PLN-COM - 2021000003 - 5/12/2021

1 of 1

<<

Company

Voucher Type

Voucher No

Voucher Date

PLN-COM

N

2021000003

5/12/2021

Accounting Year

Accounting Period

2021

5

Voucher Rows

| (1)<br>✓                            | : | Account                                 | Debit Amount<br>in Transaction<br>Currency | Credit Amount<br>in Transaction<br>Currency | Amount in<br>Transaction<br>Currency | Debit Amount<br>in Accounting<br>Currency | Credit Amount<br>in Accounting<br>Currency | Amount in<br>Accounting<br>Currency | Debit<br>in<br>C |
|-------------------------------------|---|---|--|---|--------------------------------------|---|--|-------------------------------------|------------------|
| <input type="checkbox"/>            | : | 13010 - Current banking account         |  | 200.00                                      | -200.00                              |   | 1000.00                                    | -1000.00                            |                  |
| <input type="checkbox"/>            | : | 21015 - Short-term domest.payabl.c...   | 200.00                                     |   | 200.00                               | 1000.00                                   |  | 1000.00                             |                  |
| <input type="checkbox"/>            | : | 13010 - Current banking account         | 0.00                                       |   | 0.00                                 | 171.12                                    |  | 171.12                              |                  |
| <input checked="" type="checkbox"/> | : | 3960 - Exch gain on receivables and ... |  | 0.00  | 0.00                                 |   | 171.12                                     | -171.12                             |                  |
| <input type="checkbox"/>            | : | 75030 - Positive currency differences   |  | 0.00  | 0.00                                 |   | 0.00                                       | 0.00                                |                  |

The calculation for the exchange gain is calculated as below,

| Amount in Transaction Currency |   |      | Amount in Accounting Currency |
|--------------------------------|---|------|-------------------------------|
|                                |   |      |                               |
| 200                            | * | 4.14 | 828.8                         |
| 200                            | * | 5    | 1000                          |
|                                |   |      |                               |
|                                |   |      | <b>171.12</b>                 |

Note - This is a positive currency difference (Currency Gain), posted with PP80. If there is a currency loss, then postings are posted with PP79 (Currency Loss)

In this scenario, the two-step Currency Profit/Loss check box is checked –

- The currency rate that is in the cash account queue will not be fetched to postings, instead, the currency rate that is given when approving the outgoing payment is fetched to the postings.

### Canceling mixed payment

- For the AVG method, cancelling the mixed payment is allowed.
- The warning message “There is an existing approved mixed payment with a later payment date. The wrong order of approval creates the wrong average currency rate. Do you want to proceed?” will be presented to the user when there is any approved mixed payment that has a later payment date.





3. Cash account will get updated as below:

| Cash Account Queue - PL_WA |                          |                 |                    |
|----------------------------|--------------------------|-----------------|--------------------|
| <input type="checkbox"/>   | <input type="checkbox"/> | Currency Amount | Amount in Acc Curr |
| <input type="checkbox"/>   | <input type="checkbox"/> | -490.00         | -2050.00           |
|                            |                          | Currency Rate   |                    |
|                            |                          | 4.18            |                    |

The calculation is done as below:

| Currency Amount | Amount in Accounting Currency | Currency Rate |
|-----------------|-------------------------------|---------------|
| -290            | -1450                         | 5             |
| -200            | -600                          | 3             |
| -490            | -2050                         | <b>4.18</b>   |

Postings are as below:

Mixed Payment Vouchers

PLN-COM - 2021000013 - 5/17/2021

1 of 1

<<

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Company

Voucher Type

Voucher No

Voucher Date

PLN-COM

N

2021000013

5/17/2021

Accounting Year

Accounting Period

2021

5

Voucher Rows

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|                          |   | Transaction Code | Account                               | Currency | Currency Rate | Conversion Factor | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency |
|--------------------------|---|------------------|---------------------------------------|----------|---------------|-------------------|--------------------------------------|---------------------------------------|
| <input type="checkbox"/> | ⋮ | PP1              | 13010 - Current banking account       | USD      | 3             | 1                 |                                      | 200.00                                |
| <input type="checkbox"/> | ⋮ | IP1              | 21015 - Short-term domest.payabl.c... | USD      | 3             | 1                 | 200.00                               |                                       |

Note – Even though the cash account shows a currency rate of 4.18, this will not be fetched to postings as the cash account balance is negative. Here, currency rates are posted based on the currency rate entered in the mixed payment.

How the functionality works - When there is a negative amount in the cash account – Creating an inflow

1. The cash account is already negative.

| Cash Account Queue - PL_WA |                          |                 |                    |
|----------------------------|--------------------------|-----------------|--------------------|
| <input type="checkbox"/>   | <input type="checkbox"/> | Currency Amount | Amount in Acc Curr |
| <input type="checkbox"/>   | <input type="checkbox"/> | -490.00         | -2050.00           |
| <input type="checkbox"/>   | <input type="checkbox"/> |                 | Currency Rate      |
| <input type="checkbox"/>   | <input type="checkbox"/> |                 | 4.18               |

2. Create a manual customer invoice for an amount of 100, Create a mixed payment and connect the same invoice with the currency rate 3.5, and approve.

Transaction Balances

Cash Account

Statement No

Remaining Amount

PL\_WA

526

0.00

Debit

Credit

Debit Amount in Acc Curr

100.00

0.00

350.00

Credit Amount in Acc Curr

0.00

Transaction Details

|                          |   |        |               |                |                          |                          |                         |                  |  |
|--------------------------|---|--------|---------------|----------------|--------------------------|--------------------------|-------------------------|------------------|--|
|                          |   |        |               |                |                          |                          |                         |                  |  |
| ✓                        | : | Amount | Currency Rate | Inv/Prepaym No | Lump Sum<br>Trans Number | Payment Transaction Type | Cash Account User Group | Bank Transaction |  |
| <input type="checkbox"/> | : | 100.00 | 3.5           | 9874           | 1                        | Enter Customer Payment   | *                       | *                |  |

3. View the cash account.

| Cash Account Queue - PL_WA |                          |                 |                    |
|----------------------------|--------------------------|-----------------|--------------------|
| <input type="checkbox"/>   | <input type="checkbox"/> | Currency Amount | Amount in Acc Curr |
| <input type="checkbox"/>   | <input type="checkbox"/> | -390.00         | -1632.00           |
| <input type="checkbox"/>   | <input type="checkbox"/> |                 | Currency Rate      |
| <input type="checkbox"/>   | <input type="checkbox"/> |                 | 4.18               |

Note – Cash account currency rate will not get updated, instead it will remain the same currency rate. This is because the cash account has a negative balance. when this balance is changed to positive, currency rates will be used proportionally.

## 4.7 Weighted Average Method – Handling of Negative Balance using Aggregate Currency Profit/Loss

Aggregate Currency Profit/Loss is one of the calculation methods of Handling of Negative Balance on the Cash Accounts page, It defines how the calculation is carried out in case the cash account has a negative balance.

This is when the cash account has a negative balance instead of a positive balance.

How the functionality works - When there is a negative amount in the cash account – Making an outflow.

1. Make the balance of the cash account negative.

| Cash Account Queue - PL_A                           |   |                 |                    |               |
|---|---|-----------------|--------------------|---------------|
| <div> <div>☰</div> <div>🔍</div> <div>📄</div> </div> |   |                 |                    |               |
| ✓   | : | Currency Amount | Amount in Acc Curr | Currency Rate |
| <input type="checkbox"/>                            | : | -1000.00        | -5000.00           | 5             |

2. Create a Manual supplier invoice for an amount of 3000, create a mixed payment, and connect the created manual supplier invoice with the currency rate 3 and approve.

Transaction Balances

|                           |              |                          |
|---------------------------|--------------|--------------------------|
| Cash Account              | Statement No | Remaining Amount         |
| PL_AGGREGATE              | 3            | 3000.00                  |
| Debit                     | Credit       | Debit Amount in Acc Curr |
| 0.00                      | 3000.00      | 0.00                     |
| Credit Amount in Acc Curr |              |                          |
| 9000.00                   |              |                          |

Transaction Details

Edit Transactions

Open Supplier Bills

Open Issued Checks

|       |   |          |               |                |                       |                          |                         |           |
|-------|---|----------|---------------|----------------|-----------------------|--------------------------|-------------------------|-----------|
| (1) ✓ | : | Amount   | Currency Rate | Inv/Prepaym No | Lump Sum Trans Number | Payment Transaction Type | Cash Account User Group | Bank Tran |
| ☑     | : | -3000.00 | 3             | 6220213        | 1                     | Enter Supplier Payment   | *                       | *         |





Calculation is as below:

| Inflow amount in Trans curr | Amount in Acc curr | Inflow curr rate |
|-----------------------------|--------------------|------------------|
| -4000                       | -14000             | 3.5              |
| 1500                        | 4500               | 3                |
|                             |                    |                  |
| <b>-2500</b>                | <b>-9500</b>       | <b>3.8</b>       |

#### 4. View vouchers.

### Mixed Payment Vouchers

PLN-COM - 2021000042 - 6/2/2021
1 of 1

<<
>>

Company

Voucher Type

Voucher No

Voucher Date

PLN-COM

N

2021000042

6/2/2021

Accounting Year

Accounting Period

2021

6

#### Voucher Rows

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| ✓                        | : | Tran... Code | Account                               | Currency | Curre... Rate | Conversion Factor | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency | Amount in Transaction Currency |
|--------------------------|---|--------------|---------------------------------------|----------|---------------|-------------------|--------------------------------------|---------------------------------------|--------------------------------|
| <input type="checkbox"/> | : | PP12         | 75140 - Negative currency differe...  | USD      | 3             | 1                 | 0.00                                 |                                       | 0.00                           |
| <input type="checkbox"/> | : | PP13         | 75030 - Positive currency differen... | USD      | 3             | 1                 |                                      | 0.00                                  | 0.00                           |
| <input type="checkbox"/> | : | IP1          | 21015 - Short-term domest.payab...    | USD      | 3             | 1                 | 3000.00                              |                                       | 3000.00                        |
| <input type="checkbox"/> | : | IP1          | 21015 - Short-term domest.payab...    | USD      | 3             | 1                 |                                      | 0.00                                  | 0.00                           |
| <input type="checkbox"/> | : | PP1          | 13010 - Current banking account       | USD      | 3             | 1                 |                                      | 3000.00                               | -3000.00                       |

## 4.8 FIFO Method

A FIFO queue is used to keep track of incoming transactions. When the cash account balance is greater than zero, then each incoming transaction is added to the FIFO queue. For outgoing transactions, the rows in the FIFO queue are consumed to compensate for the outflow amounts.

EXAMPLE:

Currency Rate Calculation Method – FIFO  
 Handling of Negative balances – Currency Profit/loss  
 Two-step – Unchecked

| Inflow amount in trans curr | Inflow curr rate | Amount in acc curr |
|-----------------------------|------------------|--------------------|
| 100                         | 4.3              | 430                |
| 150                         | 4                | 600                |
| 200                         | 4.2              | 840                |
|                             |                  |                    |
| <b>450</b>                  |                  | <b>1870</b>        |

1. Create 3 manual customer invoices as below using 3 different voucher dates, (Example – 18th, 20th, 24th)

Manual Customer Invoices

New Manual Customer Invoice

Customer

Series ID

Invoice No : AJ1PLN;AJ2PLN

More

Favorites

Clear

Q

Settings

| ✓                        | : | Date      | Customer          | Series ID | Invoice No | Status     | Invoice Type | Invoice Date | Currency | Gross Amount | Net Amount |
|--------------------------|---|-----------|-------------------|-----------|------------|------------|--------------|--------------|----------|--------------|------------|
| <input type="checkbox"/> | : | 5/24/2021 | P PL_CUS - PL_CUS | FS        | AJ1PLN     | PostedAuth | FS           | 5/24/2021    | USD      | 100.00       | 100.00     |
| <input type="checkbox"/> | : | 5/20/2021 | P PL_CUS - PL_CUS | FS        | AJ2PLN     | PostedAuth | FS           | 5/24/2021    | USD      | 150.00       | 150.00     |
| <input type="checkbox"/> | : | 5/18/2021 | P PL_CUS - PL_CUS | FS        | AJ4PLN     | PostedAuth | FS           | 5/24/2021    | USD      | 200.00       | 200.00     |

2. Create a mixed payment for each transaction separately, connect the created invoice with the respective voucher date and currency rate, and approve.

Note - The Order of voucher dates is important when approving mixed payments. According to the functionality, whichever transaction is approved in the mixed payment will be fetched to the cash account as the “first in,” irrespective of the payment date.

Therefore, according to the above example approve mixed payment according to the order 18<sup>th</sup>, 20<sup>th</sup> and 24<sup>th</sup>.

### 3. View the Cash Account.

Note – Unlike the Weighted average method, where an average currency rate was calculated, the FIFO method will keep transactions separate with the respective currency rates in the cash account.

| ✓                        |   | Currency Amount | Amount in Acc Curr | Original Amount | Original Amount in Acc Curr | Status     | Currency Rate | Payment Date |
|--------------------------|---|-----------------|--------------------|-----------------|-----------------------------|------------|---------------|--------------|
| <input type="checkbox"/> | ⋮ | 200.00          | 840.00             | 200.00          | 840.00                      | NotCleared | 4.2           | 5/20/2021    |
| <input type="checkbox"/> | ⋮ | 150.00          | 600.00             | 150.00          | 600.00                      | NotCleared | 4             | 5/18/2021    |
| <input type="checkbox"/> | ⋮ | 100.00          | 430.00             | 100.00          | 430.00                      | NotCleared | 4.3           | 5/24/2021    |

If a payment was made through mixed payment, the currency rate should be picked according to the FIFO method. The first transactions entered should be picked first as the outflow.

### 4. Create a manual supplier invoice for an amount of 280. Create a mixed payment and connect the created manual supplier invoice with the currency rate 4.3 and approve.

|                           |              |                          |
|---------------------------|--------------|--------------------------|
| Cash Account              | Statement No | Remaining Amount         |
| PL_FIFO                   | 3            | 0.00                     |
| Debit                     | Credit       | Debit Amount in Acc Curr |
| 0.00                      | 280.00       | 0.00                     |
| Credit Amount in Acc Curr |              |                          |
| 1160.00                   |              |                          |

| (1)                                 | ✓ | Amount  | Currency Rate | Inv/Prepaym No | Lump Sum Trans Number | Payment Transaction Type | Cash Account User Group | Bank Transact |
|-------------------------------------|---|---------|---------------|----------------|-----------------------|--------------------------|-------------------------|---------------|
| <input checked="" type="checkbox"/> | ⋮ | -280.00 |               | FIFOAJ1        | 1                     | Enter Supplier Payment   | *                       | *             |



## 5. View the postings of the mixed payment.

Mixed Payment Vouchers

PLN-COM - 2021000036 - 5/24/2021

1 of 1

<< >>

Company

Voucher Type

Voucher No

Voucher Date

PLN-COM

N

2021000036

5/24/2021

Accounting Year

Accounting Period

2021

5

Voucher Rows

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Currency rate is calculated as below,

| Currency Amount | Currency Rate | Amount in Accounting Currency |
|-----------------|---------------|-------------------------------|
|                 |               |                               |
| 100             | 4.3           | 430                           |
| 150             | 4             | 600                           |
| 30              | 4.2           | 126                           |
|                 |               |                               |
| 280             |               | <b>4.13</b>                   |

## Canceling mixed payment

- When the FIFO method is used, only the last mixed payment can be canceled.
- When trying to cancel other mixed payments, the user will be presented with an error message that says, "Only the last mixed payment can be canceled when the First In First Out method is used for a foreign currency cash account!"

## 4.9 FIFO Method – Handling of Negative Balance using Currency Profit/Loss after each inflow

Currency Profit/Loss after each inflow is one of the calculation methods of Handling of Negative Balance on the Cash Accounts page, It defines how the calculation is carried out in case the cash account has a negative balance.

This is when the cash account has a negative balance instead of a positive balance.

How the functionality works - When there is a negative amount in the cash account – Making an outflow.

1. The cash account is already negative.

| Cash Account Queue - FIFO_PL - 123456            |   |                 |                    |                 |                             |            |              |
|--|---|-----------------|--------------------|-----------------|-----------------------------|------------|--------------|
| <div> <div></div> <div></div> <div></div> </div> |   |                 |                    |                 |                             |            |              |
| ✓  | : | Currency Amount | Amount in Acc Curr | Original Amount | Original Amount in Acc Curr | Status     | Payment Date |
| <input type="checkbox"/>                         | : | -200.00         | -1000.00           | -200.00         | -1000.00                    | NotCleared | 5 6/9/2021   |

2. Create a manual supplier invoice for an amount of 500, Create a mixed payment and connect the created supplier invoice with the currency rate 8.

Mixed Payment

FIFO\_PL - 11 - 6/9/2021

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New Transaction

Approve

Print Mixed Payment

Note

GENERAL

TRANSACTIONS

Transaction Balances

|              |                          |                  |
|--------------|--------------------------|------------------|
| Cash Account | Statement No             | Remaining Amount |
| FIFO_PL      | 11                       | 500.00           |
| Credit       | Debit Amount in Acc Curr | Credit           |
| 500.00       | 0.00                     | 4000.00          |

Transaction Details

+

Edit Transactions

Open Supplier Bills

Open I

|                                     |   |         |               |                |                       |                          |
|-------------------------------------|---|---------|---------------|----------------|-----------------------|--------------------------|
| (1) ✓                               | : | Amount  | Currency Rate | Inv/Prepaym No | Lump Sum Trans Number | Payment Transaction Type |
| <input checked="" type="checkbox"/> | : | -500.00 | 8             | 89             | 1                     | Enter Supplier Payment   |

3. The cash account will be updated as below:

| Cash Account Queue - FIFO_PL - 123456 |                 |                    |                 |                             |            |               |              |
|---------------------------------------|-----------------|--------------------|-----------------|-----------------------------|------------|---------------|--------------|
|                                       |                 |                    |                 |                             |            |               |              |
|                                       | Currency Amount | Amount in Acc Curr | Original Amount | Original Amount in Acc Curr | Status     | Currency Rate | Payment Date |
| <input type="checkbox"/>              | -500.00         | -4000.00           | -500.00         | -4000.00                    | NotCleared | 8             | 6/9/2021     |
| <input type="checkbox"/>              | -200.00         | -1000.00           | -200.00         | -1000.00                    | NotCleared | 5             | 6/9/2021     |

- Cash account will get updated with the new transaction which will be shown in minus.

How the functionality works - When there is a negative amount in the cash account – Creating an inflow

1. Cash account is already negative.

| Cash Account Queue - FIFO_PL - 123456 |                 |                    |                 |                             |            |               |              |
|---------------------------------------|-----------------|--------------------|-----------------|-----------------------------|------------|---------------|--------------|
|                                       |                 |                    |                 |                             |            |               |              |
|                                       | Currency Amount | Amount in Acc Curr | Original Amount | Original Amount in Acc Curr | Status     | Currency Rate | Payment Date |
| <input type="checkbox"/>              | -500.00         | -4000.00           | -500.00         | -4000.00                    | NotCleared | 8             | 6/9/2021     |
| <input type="checkbox"/>              | -200.00         | -1000.00           | -200.00         | -1000.00                    | NotCleared | 5             | 6/9/2021     |

2. Create a customer payment for an amount of 1000 and connect the invoice using mixed payment and approve. Use currency rate 4.

3. Cash account is updated as below:

| Cash Account Queue - FIFO_PL - 123456 |                 |                    |                 |                             |            |               |              |
|---------------------------------------|-----------------|--------------------|-----------------|-----------------------------|------------|---------------|--------------|
|                                       |                 |                    |                 |                             |            |               |              |
|                                       | Currency Amount | Amount in Acc Curr | Original Amount | Original Amount in Acc Curr | Status     | Currency Rate | Payment Date |
| <input type="checkbox"/>              | 300.00          | 1200.00            | 300.00          | 1200.00                     | NotCleared | 4             | 6/9/2021     |
| <input type="checkbox"/>              | 0.00            | 0.00               | -500.00         | -4000.00                    | Cleared    | 8             | 6/9/2021     |
| <input type="checkbox"/>              | 0.00            | 0.00               | -200.00         | -1000.00                    | Cleared    | 5             | 6/9/2021     |

## 4.10 Delimitations

- Functionality is only supported in the accounting currency. When PP79/PP80 postings and corresponding PP1 postings are created as a result of differences calculated in the accounting currency in the company with parallel currency enabled, amounts in parallel currency are set to 0.
- You can only select the value in the Currency Rate Calculation Method field if the cash account is not in accounting currency and there are no transactions for the cash account.
- Cash accounts with a defined currency rate calculation method defined cannot be used in other payment windows (i.e., supplier payment, customer payment, netting, acknowledge automatic supplier payment, acknowledge direct debiting, etc.)
- In the case when FIFO method is used, only the last mixed payment can be canceled.

## 5 Currency Rate Date Extended Capabilities for Incoming Invoices

### 5.1 Requirement Overview

It is a requirement in Hungary, when registering supplier invoices, that the currency rate can be fetched based on the arrival date or delivery date of the invoice. It is also required that the tax currency rate be fetched based on another date.

### 5.2 Solution



- Define basic data.
  - Define currency rate date option for the company. Two options are added to the **Incoming Invoice Currency Rate Base** parameter in the **Application Base Setup/ Enterprise/ Company/ Company/ Invoice sub-menu/ General** tab.
  - Define the tax currency rate date option for the company. A parameter is introduced in the **Application Base Setup/ Enterprise/ Company/ Company/ Accounting Rules sub-menu/ Currency Rate Type Information** tab to set the tax buy currency rate base when specific tax currency rates are used.
  - Define currency rate date options for suppliers. Two parameters are introduced in the **Application Base Setup/ Enterprise/ Supplier/ Invoice sub-menu/ General** tab to set the invoice currency rate base and tax currency rate base per supplier.
- Enter manual supplier invoice.
  - Based on selected options for the supplier and company, the currency rate is fetched to the Manual Supplier Invoice.
- Post supplier invoice.

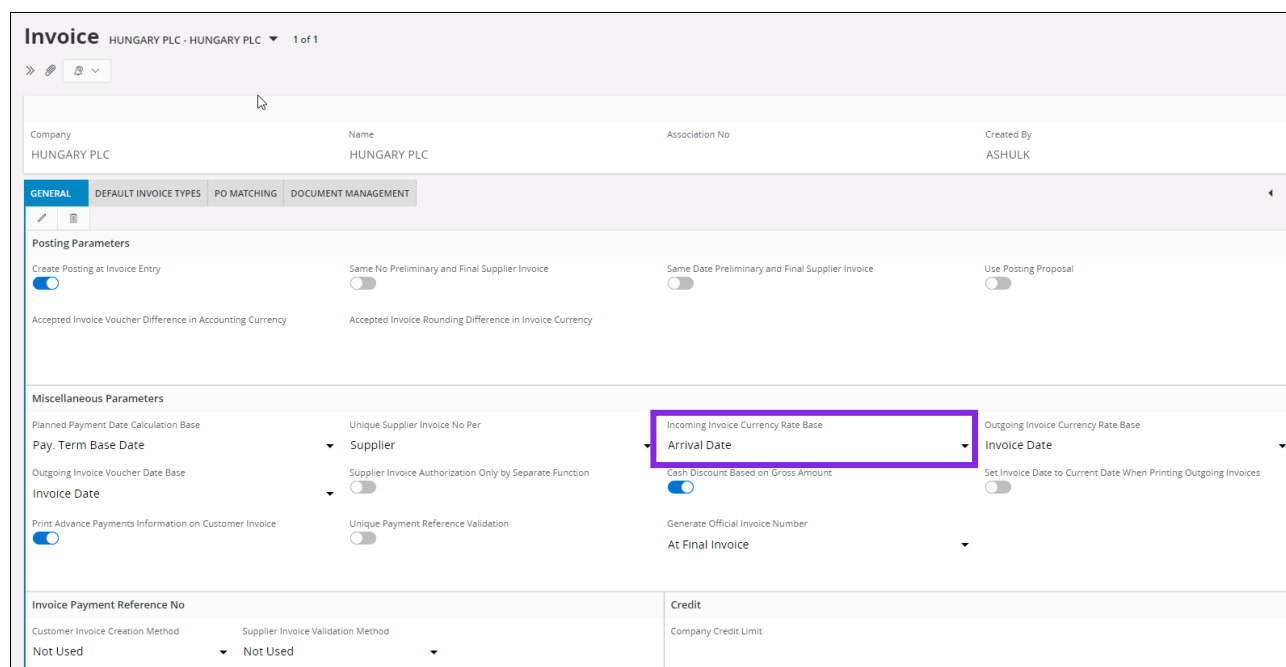
### 5.3 Prerequisites

The company must be set up to use Czech Republic localization, see the chapter Company Setup, and the parameter “**Currency Rate Date Extended Capabilities for Incoming Invoices**” must be enabled.

## 5.4 Define Basic Data

### 5.4.1 COMPANY

In the **Application Base Setup/ Enterprise/ Company/ Company/ Invoice** sub menu/ **General** tab, select **Incoming Invoice Currency Rate Base**.



**Invoice** HUNGARY PLC - HUNGARY PLC 1 of 1

Company: HUNGARY PLC Name: HUNGARY PLC Association No: Created By: ASHULK

**GENERAL** | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT

**Posting Parameters**

Create Posting at Invoice Entry: ☒ Same No Preliminary and Final Supplier Invoice: ☐ Same Date Preliminary and Final Supplier Invoice: ☐ Use Posting Proposal: ☐

Accepted Invoice Voucher Difference in Accounting Currency: Accepted Invoice Rounding Difference in Invoice Currency:

**Miscellaneous Parameters**

Planned Payment Date Calculation Base: Unique Supplier Invoice No Per: Incoming Invoice Currency Rate Base: Outgoing Invoice Currency Rate Base:

Pay Term Base Date: **Supplier** Arrival Date Invoice Date

Outgoing Invoice Voucher Date Base: Supplier Invoice Authorization Only by Separate Function: ☒ Cash Discount Based on Gross Amount: ☒ Set Invoice Date to Current Date When Printing Outgoing Invoices: ☐

Invoice Date: Print Advance Payments Information on Customer Invoice: ☒ Unique Payment Reference Validation: ☐ Generate Official Invoice Number: At Final Invoice

**Invoice Payment Reference No**

Customer Invoice Creation Method: Not Used Supplier Invoice Validation Method: Not Used

**Credit**

Company Credit Limit:

Currency rate base options of **Voucher Date**, **Invoice Date**, and **Customs Declaration Date** exist in the IFS Cloud standard. Two additional options are added.

- Delivery Date – Fetch currency rate based on the delivery date specified on the supplier invoice.
- Arrival Date – Fetch currency rate based on the arrival date specified on the supplier invoice.

In the **Application Base Setup/ Company/ Company/ Accounting Rules** sub-menu/ **Currency Rate Type Information** tab, set the buying tax currency rate base when specific tax currency rates are used.

**Accounting Rules** HUNGARY PLC - HUNGARY PLC 1 of 1

Company: HUNGARY PLC Name: HUNGARY PLC Association No: Created By: ASHULK

**CURRENCY RATE TYPE INFORMATION**

Default Buy Currency Rate Type: BUY - buy Default Sell Currency Rate Type: 2 - EMU currencies

Default Currency Rate Types for TAX

Allow Specific Currency Rates for Tax Transactions: ☒

Buying Currency Rate for Tax: BUY - buy Tax Buy Currency Rate Base: **Delivery Date**

Selling Currency Rate for Tax: 2 - EMU currencies Tax Sell Currency Rate Base: Invoice Date

When enabling **Allow Specific Currency Rates for Tax Transactions**, the default option is set as the same option in **Incoming Invoice Currency Rate Base**.

## 5.4.2 SUPPLIER

In the **Application Base Setup/ Enterprise/ Supplier/ Invoice** sub-menu/ **General** tab, select the invoice currency rate base and tax currency rate base per supplier. This overrides the currency rate base set for the **Incoming Invoice Currency Rate Base** in the company.

**Tax Currency Rate Base** can only be set when **Allow Specific Currency Rates for Tax Transactions** is enabled.

**Invoice** HUNSUP 1 - HUNSUP 1 1 of 1

Supplier: HUNSUP 1 Name: HUNSUP 1 Association No:

Company: HUNGARY PLC - HUNGARY PLC

**GENERAL** PROPERTIES TAX INFORMATION PO MATCHING MESSAGE DEFAULTS

Supplier Type: External Supplier Group: 0 - External Currency: EUR Default Currency Rate Type:

Currency Rate Base: **Arrival Date** Tax Currency Rate Base: **Delivery Date**

Automatic Payment Authorization: No Payment Authorizer:

Use Invoice Recipient From: File Invoicing Supplier: HUNSUP 1 - HUNSUP 1

Inactive Reason: Posting Template Identity:

Default Invoice Types: Manual Automatic Recurring Manual

## 5.5 Enter Supplier Invoice

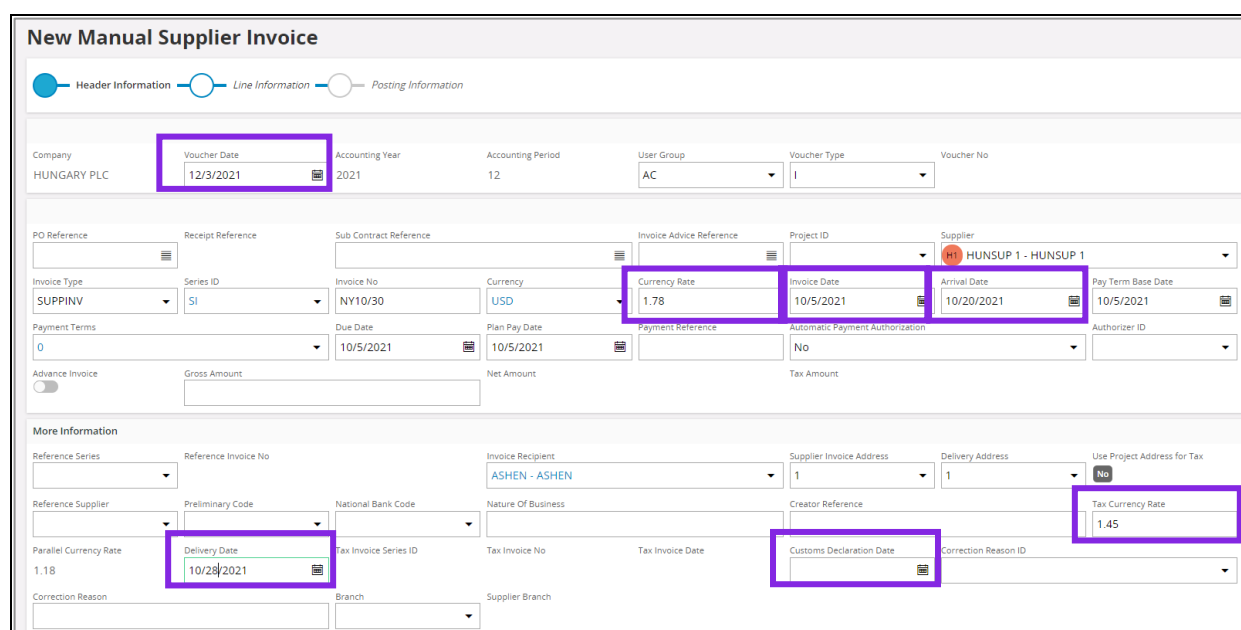
The currency rates for supplier invoices are fetched as per the company and supplier setup. For example:

| Company Setup                       |  |                        |     | Supplier Setup     |                        |                   | Currency Rate Fetching in Manual Supplier Invoice |                        |
|-------------------------------------|--|------------------------|-----|--------------------|------------------------|-------------------|---|------------------------|
| Incoming Invoice Currency Rate Base | Allow Specific Currency Rates for Tax Transactions | Tax Currency Rate Base | Buy | Currency Rate Base | Tax Currency Rate Base |                   | Currency Rate                                     | Tax Currency Rate      |
| Delivery Date                       | Disabled   | Disabled               |     | Specified company  | on                     | Disabled          | Based on Delivery Date                            | Based on Delivery Date |
| Delivery Date                       | Enabled  | Delivery Date          |     | Specified company  | on                     | Delivery Date     | Based on Delivery Date                            | Based on Delivery Date |
| Delivery Date                       | Enabled  | Delivery Date          |     | Specified company  | on                     | Invoice Date      | Based on Delivery Date                            | Based on Invoice Date  |
| Delivery Date                       | Enabled  | Invoice Date           |     | Specified company  | on                     | Specified company | Based on Delivery Date                            | Based on Invoice Date  |
| Delivery Date                       | Enabled  | Invoice Date           |     | Arrival Date       |                        | Invoice Date      | Based on Arrival Date                             | Based on Invoice Date  |

**Note:** Currency rates for prepayment tax documents are always fetched based on the prepayment date and this functionality does not impact prepayment tax documents. To get further details about prepayment tax documents, refer to the chapter Handle Prepayment Tax Documents.

### Enter manual supplier invoice

Go to New Manual Supplier Invoice Assistant as per the IFS Cloud standard process.



The currency rates are fetched as per the supplier and company setup.



### 5.5.1 POST MANUAL SUPPLIER INVOICE

Post the invoice as per the IFS Cloud standard functionality. The amounts in accounting currency are calculated based on the available currency rates on the invoice.

## 5.6 Delimitations

- External supplier invoices are not handled.