



Multi-Currency - Receive Payment in different currency

Weina

[29/09/2022]



QNE
SOFTWARE

QNE TIPS

Product : QNE Optimum

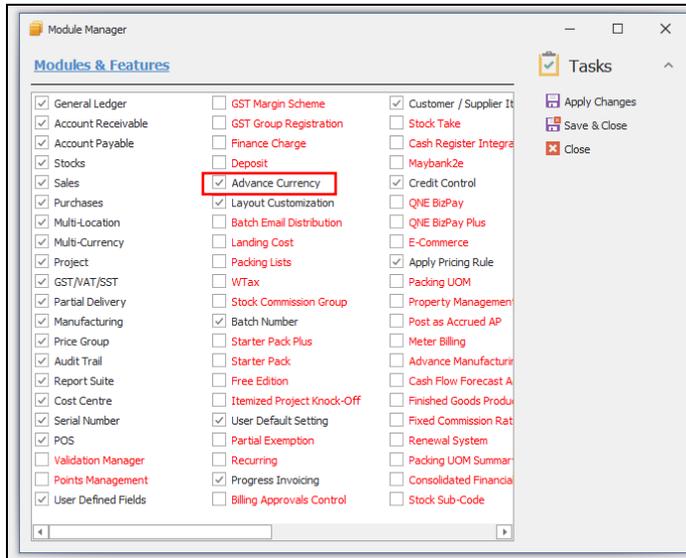
Version: 1.00

Doc No : 1

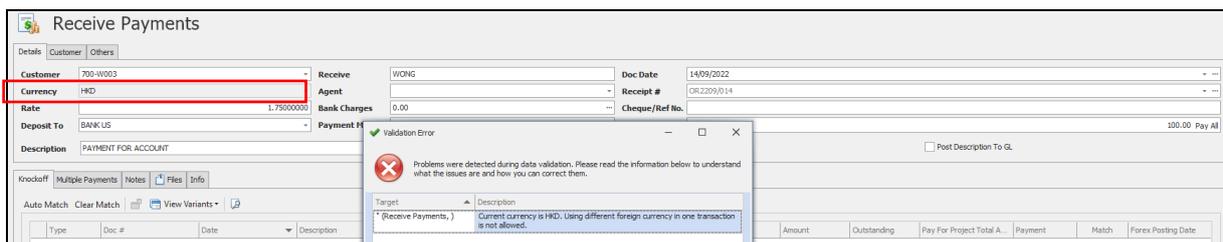
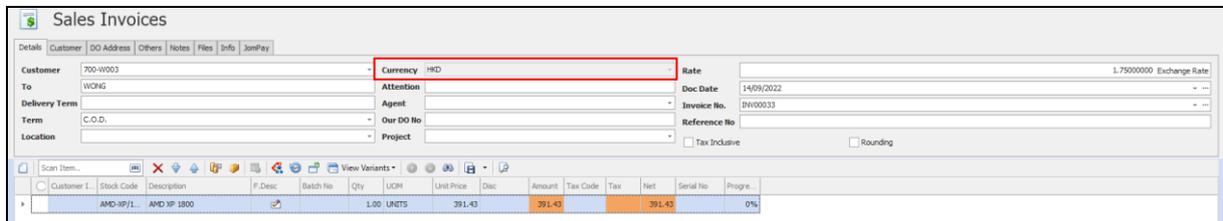
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SCENARIO

The scenario applies to Advance Currency Module.



User defined a customer's currency as HKD for an oversea customer from Hong Kong
User issue invoice in HKD, however receive payment in USD, and bank into a USD Bank account



How should we handle this scenario?



SOLUTION

Before the solution applied, we need to create additional 2 Account for contra purpose

- Create 1 Customer account namely **Contra Customer (HKD)** in Customer Maintenance, set currency as HKD
- Create **GL contra** account under Current Asset

1. Issue Sales invoice to the HKD Customer

The screenshot shows the 'Sales Invoices' form in a software application. The 'Customer' field is set to '700-H001' and the 'Currency' is set to 'HKD'. The 'Rate' field is set to '0.57000000 Exchange Rate'. The 'To' field is set to 'HKD Customer'. The 'Doc Date' is '01/09/2022' and the 'Invoice No.' is 'FINV2209/001'. The 'Term' is 'C.O.D.' and the 'Location' is empty. The 'Tax Inclusive' and 'Rounding' checkboxes are unchecked. Below the form is a table with columns: Stock Co..., Description, Batch No, F.Desc, Qty, UOM, Unit Price, Disc, Amount, Net, Serial No, Tax Code. The table contains one row with 'AAA' in the first two columns, '1 UNIT(S)' in Qty, '10,200.00' in Unit Price, '10,200.00' in Amount, and '10,200.00' in Net. At the bottom, there are fields for 'Taxable' (10,200.00), 'Tax', 'Rounding Adj', and 'Due Amount' (10,200.00).

The screenshot shows the 'GLTransaction' table with the following data:

Date	Account #	Account Name	Doc #	Reference No	Description	Debit	Credit	From Acco...
01/09/2022	700-H001	HKD Customer	FINV2209/001		SALES	5,814.00		700-H001
01/09/2022	100-0100	SALES	FINV2209/001		HKD Customer		5,814.00	700-H001

At the bottom right, there are fields for '5,814.00' and '5,814.00', and buttons for 'OK' and '[F9] Print'.

2. Issue Journal Entries when receive customer's payment, the amount follow as invoice amount in HKD

Debit Contra Customer (HKD)
 Credit Customer

Journal Entries

Journal

Description: Doc Date: 13/09/2022

Currency: HKD Rate: 0.58000000 Journal #: JV2209/001

Project:

Account: Files Info

Account	Account Name	Description	Project	Cost Centre	Reference/ Ta...	Tax Code	Debit	Credit
700-H001	HKD Customer							10,200.00
700-C001	Contra Customer (HKD)						10,200.00	
							10,200.00	10,200.00

Tax Inclusive Different Debit 10,200.00 Credit 10,200.00

GLTransaction

Date	Account #	Account Name	Doc #	Reference No	Description	Debit	Credit	From Acco...
13/09/2022	700-C001	Contra Customer (...)	JV2209/001			5,916.00		
13/09/2022	700-H001	HKD Customer	JV2209/001				5,916.00	
13/09/2022	700-H001	HKD Customer	JV2209/001	FINV2209/001		102.00		300-0200
13/09/2022	300-0200	FOREX GAIN	JV2209/001	FINV2209/001			102.00	700-H001
						6,018.00	6,018.00	

OK [F9] Print

3. Customer > Customer Knockoff, you can knockoff in this table, so the invoice and receive payment part has done

Customer Knock Off

Customer: 700-H001 HKD Customer Show Outstanding Only

View Variants

Doc Type	Doc Code	Doc Date	Description	Reference No	Amount	Unmatched
JV	JV2209/001	13/09/2022			10,200.00	
					10,200.00	

Auto Match Clear Match View Variants

Type	Doc #	Date	Description	Reference No	Project	Amount	Outstanding	Payment	Match	Forex Posting D...
INV	FINV2209/001	01/09/2022	SALES			10,200.00	10,200.00	10,200.00	✓	13/09/2022
						10,200.00	10,200.00			

Show Outstanding Only

Unmatched Amount:



- For the receiving in USD bank, issue Journal Entries for receiving amount in USD
Notice that currency rate has to be updated as well

Debit USD Bank

Credit GL contra account

Journal Entries

Journal

Description: RECEIVE USD FROM HKD CUSTOMER
 Currency: USD
 Project:
 Rate: 4.00000000
 Doc Date: 13/09/2022
 Journal #: JV2209/002

Account	Account Name	Description	Project	Cost Centre	Reference/ Ta...	Tax Code	Debit	Credit
700-0034	CIMB (USD)	RECEIVE USD FROM HKD CUSTOMER					1,299.93	
700-8888	Contra Account	RECEIVE USD FROM HKD CUSTOMER						1,299.93

1,299.93 1,299.93

Tax Inclusive Different Debit 1,299.93 Credit 1,299.93

GLTransaction

Date	Account #	Account Name	Doc #	Reference No	Description	Debit	Credit	From Acco...
13/09/2022	700-0034	CIMB (USD)	JV2209/002		RECEIVE USD FROM HKD...	5,199.72		
13/09/2022	700-8888	Contra Account	JV2209/002		RECEIVE USD FROM HKD...		5,199.72	

5,199.72 5,199.72

OK [F9] Print

- So this transaction will appear in USD Bank Account in Bank Reconciliation, the bank receive payment has done

Bank Reconciliation

Bank Info

Bank Account: 700-0034: CIMB (USD)
 Statement Date: 29/09/2022
 Statement Balance: 0.00

Display Options

Start Date:
 End Date: 29/09/2022
 Show Uncleared Only

Summary

Account Balance: 2,729.85
 - Uncredited Fund: 2,729.85
 + Unpresented Fund: 0.00
 = Balance: 0.00
 = Difference: 0.00

Doc Date	Doc Code	Ref No	Description	Debit Foreign	Credit Fore...	Cleared	Date Cleared
13/09/2022	JV2209/002		RECEIVE USD FROM HKD CUSTOMER	1,299.93		<input type="checkbox"/>	
13/09/2022	OR2209/002			1,429.92		<input type="checkbox"/>	



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6. And next, we need to contra off the contra account as proceed in step no. 2 and step 4

Issue Customer Credit Notes by select the 'Contra Customer (HKD)' and follow invoice amount. Notice that the currency rate is updated

Debit GL contra account

Credit Contra Customer (HKD)

Customer Credit Notes

Details Customer

Customer: 700-C001 To: Contra Customer (HKD) Doc Date: 13/09/2022
 Currency: HKD Agent: CN # CN2209/001
 Rate: 0.59000000 Reference No:
 Description: CONTRA Reasons: Tax Inclusive Rounding

Acc Code	Account Name	Description	Reference No	Amount	Tax Code	Tariff Code	Tax Rate	Tax
700-8888	Contra Account	CONTRA		10,200.00			0.00%	

Taxable Amount: 10,200.00 Tax: Rounding Adj: Due Amount: 10,200.00

GLTransaction

Date	Account #	Account Name	Doc #	Reference No	Description	Debit	Credit	From Acco...
13/09/2022	700-C001	Contra Customer (...)	CN2209/001	JV2209/001	CONTRA	102.00		300-0200
13/09/2022	700-8888	Contra Account	CN2209/001		Contra Customer (HKD)	6,018.00		700-C001
13/09/2022	700-C001	Contra Customer (...)	CN2209/001		CONTRA		6,018.00	700-C001
13/09/2022	300-0200	FOREX GAIN	CN2209/001	JV2209/001	Contra Customer (HKD)		102.00	700-C001

6,120.00 6,120.00

OK [F9] Print



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- Inquiry > Account Inquiry, check GL Contra account, notice that there is a balance, this is the gain / loss figure actually

Account Inquiry

Filters

Account: 700-8888 **Contra Account**

Date From: [] To: []

Project: -- ALL -- Incl. Post Date Cheque View 2nd Description

Cost Centre: -- ALL --

Ledger

Inquiry View Variants

Drag a column header here to group by that column

Date	Document Code	Description	Reference No	Supplier Inv	Debit	Credit	Running Balance
13/09/2022	CN2209/001	Contra Customer (HKD)			6,018.00		6,018.00
13/09/2022	JV2209/002	RECEIVE USD FROM HKD CUSTOMER				5,199.72	818.28
					6,018.00	5,199.72	

- Issue Journal Entries for forex gain/ loss [Depends your scenario whether it is Gain or Loss]

Debit Forex Loss
Credit GL contra account

Journal Entries

Journal

Description: [] Doc Date: 13/09/2022

Currency: MYR Rate: 1.00000000 Journal #: JV2209/003

Project: []

Account Files Info

Account	Account Name	Description	Project	Cost Centre	Reference/ Ta...	Tax Code	Debit	Credit
700-8888	Contra Account							818.28
400-1100	FOREX LOSS						818.28	
							818.28	818.28

Tax Inclusive

Different Debit 818.28 Credit 818.28

GLTransaction

Date	Account #	Account Name	Doc #	Reference No	Description	Debit	Credit	From Acco...
13/09/2022	400-1100	FOREX LOSS	JV2209/003			818.28		
13/09/2022	700-8888	Contra Account	JV2209/003				818.28	
						818.28	818.28	

OK [F9] Print



9. Check Account Inquiry again for the Contra Account, notice that the balance = 0

Account Inquiry

Filters

Account: 700-8888 **Contra Account**

Date From: [] To: []

Project: -- ALL -- Incl. Post Date Cheque View 2nd Description

Cost Centre: -- ALL --

Ledger

Inquiry View Variants

Drag a column header here to group by that column

Date	Document Code	Description	Reference No	Supplier Inv	Debit	Credit	Running Balance
13/09/2022	CN2209/001	Contra Customer (HKD)			6,018.00		6,018.00
▶ 13/09/2022	JV2209/002	RECEIVE USD FROM HKD CUSTOMER				5,199.72	818.28
13/09/2022	JV2209/003					818.28	0.00
					6,018.00	6,018.00	

10. If we check Contra Customer (HKD) account, the balance = 0 as well

Remark: There must be no balance for these 2 Contra Account once payment is received.

Account Inquiry

Filters

Account: 700-C001 **Contra Customer (HKD)**

Date From: [] To: []

Project: -- ALL -- Incl. Post Date Cheque View 2nd Description

Cost Centre: -- ALL --

Ledger

Ledger Detail Aging Statement Collection & Payment Outstanding Overdue Company Info Attachments

Inquiry View Variants

Drag a column header here to group by that column

Date	Document Code	Description	Reference No	Supplier Inv	Debit	Credit	Running Balance
13/09/2022	CN2209/001	CONTRA				6,018.00	(6,018.00)
▶ 13/09/2022	CN2209/001	CONTRA	JV2209/001		102.00		(5,916.00)
13/09/2022	JV2209/001				5,916.00		0.00
					6,018.00	6,018.00	

11. At last, knockoff for 'Contra Customer (HKD)'. Done

Customer Knock Off

Customer: 700-C001 **Contra Customer (HKD)** Show Outstanding Only

View Variants

Doc Type	Doc Code	Doc Date	Description	Reference No	Amount	Unmatched
▶ CN	CN2209/001	13/09/2022	CONTRA		10,200.00	
					10,200.00	

Auto Match Clear Match View Variants

Type	Doc #	Date	Description	Reference No	Project	Amount	Outstanding	Payment	Match	Forex Posting D...
▶ JV	JV2209/001	13/09/2022				10,200.00		10,200.00	<input checked="" type="checkbox"/>	13/09/2022
						10,200.00		10,200.00		

Show Outstanding Only

Unmatched Amount