

MULTICURRENCY

agre multicurrency is intended for use by ag-retailers and grain terminals that conduct business transactions in a foreign currency through a foreign bank account.

If you do not use a foreign currency bank account you may find it simpler to maintain a single-currency process and to make any required currency conversion calculations manually.

In this example you've been conducting business transactions in Canadian currency (the Home Currency) and will be activating a second currency of US dollars (the Foreign Currency).

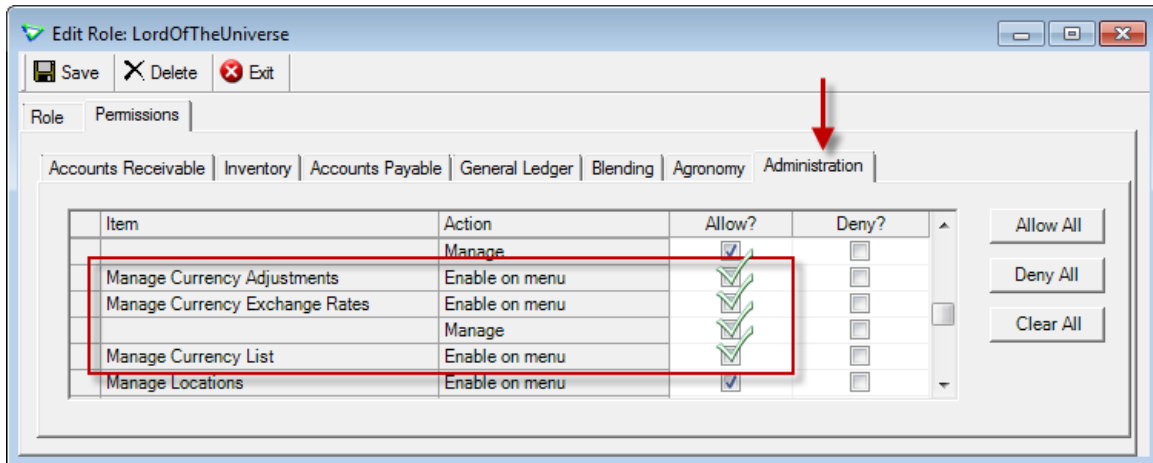
What you'll find:

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Foreign Currency Setup

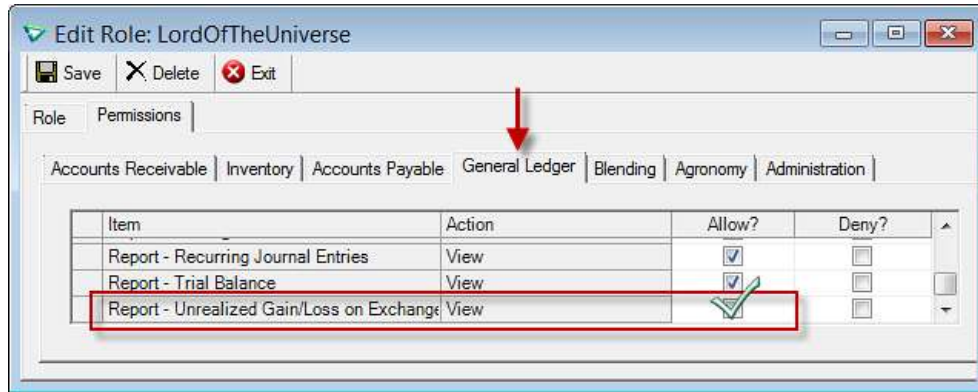
Security Permissions

- Before you can start setting up a second currency, you'll need permission to manage it.



File > Security > Manage Roles

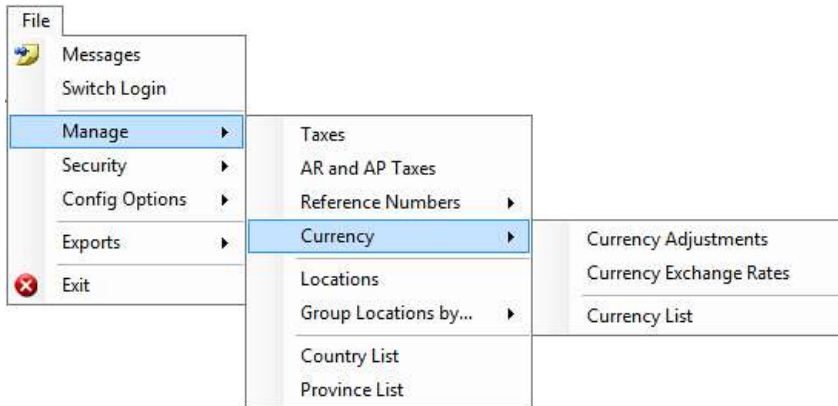
- You'll also need permission to run the **Unrealized Gain/Loss on Exchange** report:



File > Security > Manage Roles

Activating the Foreign Currency

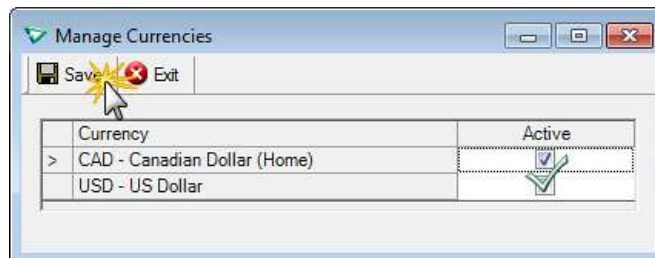
- Setting up an additional currency is done from the **File** menu.



File > Manage > Currency

Manage Currencies

- Activate the foreign currency and **Save**.



File > Manage > Currency > Currency List

Note This is something you'll do only once for each additional currency.

Manage Currency Exchange Rates/Set the Spot Rate

- Specify the current **Currency Exchange Rate** (spot rate) to use when converting foreign currency into Canadian dollars. One rate per day is allowed, the rate must be positive (greater than 0), and can have up to 4 decimal places.
- Navigate to **File > Manage > Currency > Currency Exchange Rates**. Click **Retrieve**.
- An exchange rate of 1.1 is used for the examples.

Manage Currency Exchange Rates

Save Start Over Exit

Currency: USD - US Dollar

Show Rates from: Dec 24, 2012 to Jan 24, 2013

Date	Exchange Rate
Jan 23, 2013	1.1
>	

Enter the amount of foreign currency needed to purchase \$1.00 CDN.

Remove

it costs \$1.10 US to buy \$1.00 CDN

File > Manage > Currency > Currency Exchange Rates

Tip

You don't have to update the exchange rate every day if there is no change. If there are 'gaps', the rate is derived by taking the most recent rate recorded up to the given date.

Adding or editing the exchange rate for any given date **will not change existing postings**; the updated rate would be used for new postings only. The exception would be if an edit is made to an existing foreign currency transaction, the corrected postings generated would be calculated at the new rate.

For example, today is October 3 and you went back and changed the spot rate for September 27. The new September 27 rate will be used only for *new* transactions dated September 27 (which would happen only if you were backdating). It will not trigger a change to the postings of any *existing* transactions dated September 27. However, if you were to edit a transaction, like a purchase invoice, dated September 27, it will use the updated September 27 rate when it is saved.

General Ledger Accounts

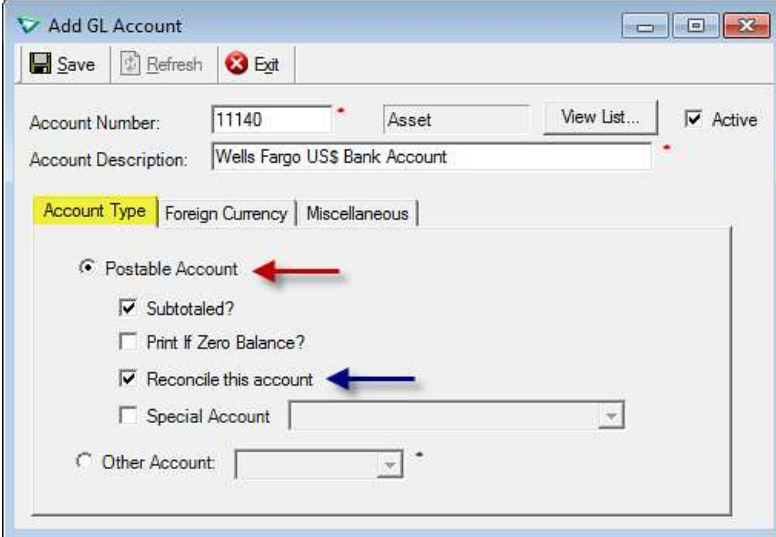
Note This is one way to setup GL accounts to deal with multiple currencies. Before you begin please confirm how your accountant would like them setup.

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Foreign Currency Bank Accounts

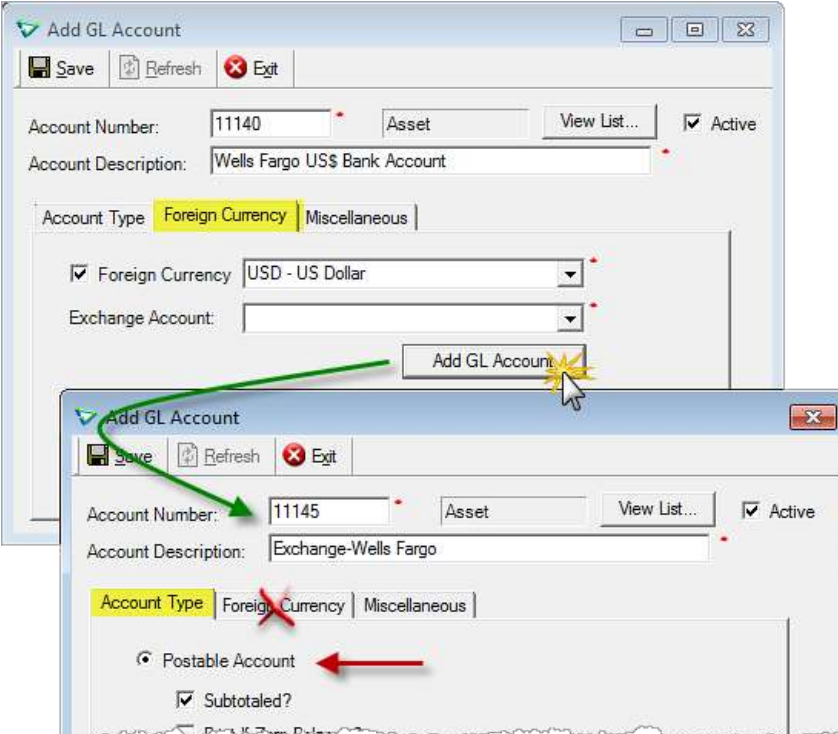
For a foreign currency bank account you'll need to setup: (these accounts will start with 1)

- a **Foreign Currency Bank** account.
(postable & reconcilable, uses foreign currency and needs an exchange account)



General Ledger > Manage > Chart of Accounts / Add / Account Type tab

- and an **Exchange for Foreign Currency Bank** account.
Click **Add GL Account** to create it on the fly.
(postable, *not* reconcilable, home currency, nothing to setup on foreign currency tab)



General Ledger > Manage > Chart of Accounts / Add / Foreign Currency tab

Accounts Receivable - Foreign Customer/Grain Buyer GL Accounts

Several GL accounts are required to sell to foreign currency customers, including grain buyers:

AR Foreign Receivables Accounts

If your company deals with foreign currency ag-retail customers, or grain buyers, you'll need to setup: (these accounts will start with 1)

- a **Foreign Currency Accounts Receivable** account.
(postable special account = Accounts Receivable, foreign currency, needs an exchange account - click **Add GL Account** to create one on the fly)

The screenshot shows the 'Add GL Account' dialog box. The 'Account Number' is 11220, and the 'Account Description' is 'Accounts Receivable-US\$'. The 'Account Type' is 'Foreign Currency'. The 'Postable Account' section is selected, with 'Special Account' checked and set to 'Accounts Receivable'. The 'Foreign Currency' section is expanded, showing 'Foreign Currency' set to 'USD - US Dollar' and 'Exchange Account' set to '11250 - Exchange Account-AR'. The 'Add GL Account' button is highlighted with a mouse cursor.

- an **Exchange on Foreign Accounts Receivable** account.
(postable, home currency, nothing to setup on foreign currency tab)

The screenshot shows the 'Add GL Account' dialog box. The 'Account Number' is 11250, and the 'Account Description' is 'Exchange Account-AR'. The 'Account Type' is 'Foreign Currency'. The 'Postable Account' section is selected, with 'Subtotalled?' checked. The 'Foreign Currency' section is collapsed, indicated by a red 'X' over the tab. The 'Add GL Account' button is highlighted with a mouse cursor.

Note Your accountant may want separate accounts for grain buyer receivables.

AR Foreign Currency Customer/Grain Buyer Payment Accounts

Unless all foreign currency customer payments, including from grain buyers, are posting directly to the foreign currency bank account (for example via EFT or direct debit to the bank account), you'll need to setup:

(these accounts will start with 1)

- a **Foreign Currency Clearing** account
(postable & reconcilable, foreign currency and needs an exchange account)
- an **Exchange for Foreign Currency Clearing** account.
(postable, home currency, nothing to setup on foreign currency tab)

The image displays two overlapping screenshots of the 'Add GL Account' dialog box. The top window shows the configuration for a 'Foreign Currency Clearing Account' with account number 11150, description 'Clearing Account-US\$', and currency 'USD - US Dollar'. The bottom window shows the configuration for an 'Exchange for Foreign Currency Clearing Account' with account number 11155, description 'Exchange Account-US\$ Clearing', and the 'Postable Account' options checked. The 'Foreign Currency' tab in the bottom window is marked with a red 'X'.

Note Your accountant may want separate accounts for grain buyer payments.

Accounts Payable – Foreign Suppliers

GL accounts required for foreign currency suppliers:

AP - Foreign Supplier Accounts

If your company buys from foreign currency Suppliers, you'll need to setup:
(these accounts will start with 2)

- a **Foreign Currency Accounts Payable** account
(postable special account = Accounts Payable, foreign currency and needs an exchange account - click **Add GL Account** to add one on the fly)

The screenshot shows the 'Add GL Account' dialog box. The 'Account Number' is 21050, and the 'Account Description' is 'Accounts Payable-US\$'. The 'Account Type' is 'Foreign Currency'. The 'Special Account' is set to 'Accounts Payable'. The 'Foreign Currency' is 'USD - US Dollar'. The 'Exchange Account' is '21055 - Exchange Account-AP'. The 'Add GL Account' button is highlighted with a yellow starburst.

- an **Exchange on Foreign Accounts Payable** account.
(postable, home currency, nothing to setup on foreign currency tab)

The screenshot shows the 'Add GL Account' dialog box. The 'Account Number' is 21055, and the 'Account Description' is 'Exchange Account-AP'. The 'Account Type' is 'Foreign Currency'. The 'Postable Account' is checked. The 'Special Account' is empty.

AP – Foreign Supplier Payment Accrual Accounts

AP Payments require an **accrual account** so you'll need to setup:
(these accounts will start with 1)

- a **Foreign Currency Accrual** account
(postable & reconcilable, home currency *or* foreign currency)
- an **Exchange for Foreign Currency Accrual** account.
(postable, is home currency, nothing to setup on foreign currency tab)

The image shows two screenshots of the 'Add GL Account' dialog box. The top screenshot shows account 11115, 'Accrual Account-US\$ Clearing', with 'Foreign Currency' selected and 'USD - US Dollar' chosen. The bottom screenshot shows account 11116, 'Exchange Account-Accrual US\$', with 'Postable Account' selected and 'Subtotaled?' checked. A callout box notes that 'Subtotaled?' is required only if the clearing account is foreign currency.

Home or Foreign Currency? 2 Ways to Setup Payment Accrual Accounts



The **Accrual Account** can be in home currency *or* foreign currency.
Please check with your accountant to see which of the following setup methods below they prefer.

Method	Supplier Payment Currency	Accrual Account Currency	Bank Account Currency	FX Rate
1	USD	CAD	USD	0.75
2	USD	USD	USD	0.75

2. a future-dated Supplier Payment of US\$300 is made,
Foreign Currency accrual account

Method	Supplier Payment Currency	Accrual Account Currency	Bank Account Currency	FX Rate
2	USD	USD	USD	0.75

	Debit	Credit
AP	300	
FX AP	100	
Accrual		300
FX Accrual		100
Accrual	300	
FX Accrual	100	
FX Bank		100
Bank		300

PM

Journal: J185 Posted: May 11, 2021
Source: PMT138 Entered: May 11, 2021
Description: AP Payment: American Ag Supply

Account	DR	CR	Description
Accounts Payable-US\$ (21050)	300.00		
Exchange Account-AP (21055)	100.00		
Exchange Account-Accrual US\$ (11161)		100.00	
Accrual Account-US\$ Clearing (11160) ← USD		300.00	

	GjournalID	PostingDate	GLAcctNo	GLAcctDesc	Amount
1	28019	2021-05-11	21050	Accounts Payable-US\$	300.00
2	28019	2021-05-11	21055	Exchange Account-AP	100.00
3	28019	2021-05-11	11161	Exchange Account-Accrual US\$ (in CAD)	-100.00
4	28019	2021-05-11	11160	Accrual Account-US\$ Clearing	-300.00
5	28022	2021-05-11	11145	Exchange-Wells Fargo	-100.00
6	28022	2021-05-11	11161	Exchange Account-Accrual US\$ (in CAD)	100.00
7	28022	2021-05-11	11160	Accrual Account-US\$ Clearing	300.00
8	28022	2021-05-11	11140	Wells Fargo US\$ Bank Account	-300.00

Grain – Foreign Producers

GL accounts required for foreign currency grain producers will be separate from those used for suppliers:

Grain - Foreign Producer Accounts

If your company has foreign currency Grain Producers, you'll need to setup:
(these accounts will start with 2)

- a **Foreign Currency Grain Payable** account
(postable special account = Grain Payable, foreign currency and needs an exchange account - click **Add GL Account** to add one on the fly)

Add GL Account

Save Refresh Exit

Account Number: 21350 Liability View List... Active

Account Description: Grain Payable-US\$

Account Type: Foreign Currency Miscellaneous

Postable Account

Subtotalled?

Print If Zero Balance?

Reconcile this account

Restricted To: [Dropdown]

Special Account Grain Payable

Other Account: [Dropdown]

Account Type: Foreign Currency Miscellaneous

Foreign Currency USD - US Dollar

Exchange Account: 21355 - Exchange Grain Payable-US

Add GL Account

- an **Exchange on Foreign Grain Payable** account.
(postable, is home currency, nothing to setup on foreign currency tab)

Add GL Account

Save Refresh Exit

Account Number: 21355 Liability View List... Active

Account Description: Exchange Grain Payable-US

Account Type: Foreign Currency Miscellaneous

Postable Account

Subtotalled?

Print If Zero Balance?

Reconcile this account

Restricted To: [Dropdown]

Special Account [Dropdown]

Other Account: [Dropdown]

Grain - Foreign Producer Payment Accounts

Grain Producer Payments require **accrual accounts**.

You'll need to setup: (these accounts will start with 1)

- a **Foreign Currency Accrual** account
(postable & reconcilable, [home currency or foreign currency](#) – see page 9 for example postings of both)
- if foreign currency, an **Exchange on Foreign Currency Accrual** account is needed
(postable, home currency, nothing to setup on foreign currency tab)

The image displays two screenshots of the 'Add GL Account' dialog box. The top screenshot shows the configuration for account 11160, 'Accrual Account-US\$ Clearing'. The 'Account Type' is 'Foreign Currency' (highlighted in yellow with a red question mark), and the 'Foreign Currency' is 'USD - US Dollar'. The 'Add GL Account' button also has a red question mark. The bottom screenshot shows the configuration for account 11161, 'Exchange Account-Accrual US\$'. The 'Account Type' is 'Foreign Currency' (highlighted in yellow with a red 'X'), and the 'Postable Account' checkbox is checked. A callout box with a blue border contains the text: 'required only if Clearing Account is foreign currency'.

Note Your accountant may want separate clearing accounts for grain producer payments and supplier payments.

Foreign Exchange Gain/Loss Accounts

If you are using foreign currency on *either* the AR side (including Grain Buyers), or the AP side, or for Grain Producers, you'll also need:

(this account usually starts with a 6 but could also be a 4)

- an independent **Foreign Currency Gain/Loss** account
(postable, home currency, nothing to setup on foreign currency tab)

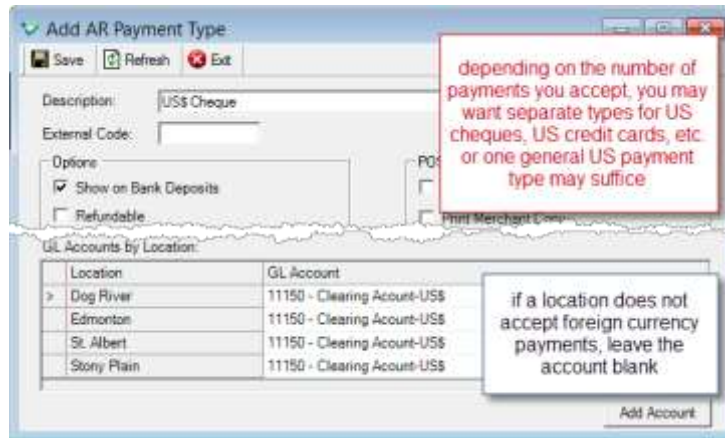
The screenshot shows the 'Add GL Account' dialog box. The 'Account Number' is 68500, and the 'Account Description' is 'Gain/Loss for US Exchange'. The 'Account Type' tab is selected, and the 'Postable Account' option is checked. The 'Foreign Currency' tab is crossed out with a red X. The 'Miscellaneous' tab is also visible. The 'Postable Account' option is highlighted with a red box. Other options include 'Subtotaled?', 'Print if Zero Balance?', 'Reconcile this account', and 'Special Account' (with a dropdown menu). At the bottom, there is an 'Other Account' dropdown menu.

Note A single Gain/Loss account can be used for AR, AP, and Grain (but you could certainly create one for each if your accountant would like you to).

Foreign Currency Payment Types

AR Customer/Grain Buyer Payment Types

- Create one (or more) **AR Payment Types** for accepting foreign currencies. Foreign currency customer and grain buyer payment cheques should *not* be refundable.

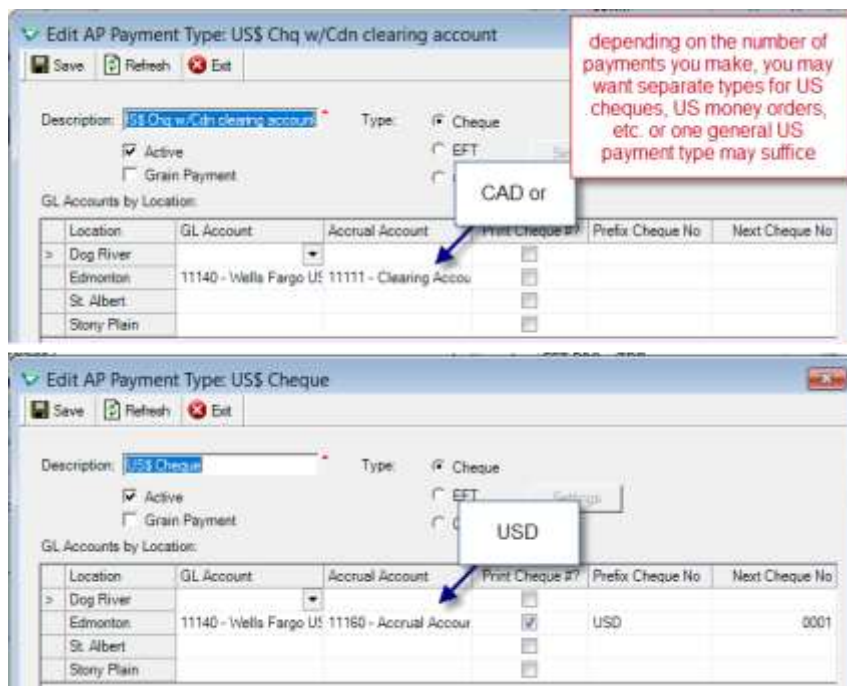


Accounts Receivable > Manage > AR Payment Types

Note Your accountant may want separate payment type(s) for ag-retail & grain.

AP Supplier Payment Types

- Each AP payment type requires a GL account (foreign currency) and an Accrual account (can be [home](#) or [foreign currency](#) - see page 9 for example postings of both).



Accounts Payable > Manage > AP Payment Types

Grain Producer Payment Types

Note Separate payment types are required for grain.

- Each Grain Producer payment type requires a GL account (foreign currency) and an Accrual account (can be [home](#) or [foreign currency](#) - see page 9).

depending on the number of foreign currency producer payments you make, you may want separate types for US cheques, US eTransfers, etc. or one general US payment type may suffice

CAD or ...

... USD

Edit AP Payment Type: US\$ Chq w/Cdn clearing (Grain)

Description: US\$ Chq w/Cdn clearing (Grain) Type: Cheque EFT Other

Active Grain Payment

GL Accounts by Location:

Location	GL Account	Accrual Account	Print Cheque #?	Prefix Cheque No	Next Cheque No
Dog River	11140 - Wells Fargo US	11111 - Clearing Accou	<input checked="" type="checkbox"/>	US	200
Edmonton	11140 - Wells Fargo US	11111 - Clearing Accou	<input type="checkbox"/>	US	400

Edit AP Payment Type: US\$ Cheque (Grain)

Description: US\$ Cheque (Grain) Type: Cheque EFT Other

Active Grain Payment

GL Accounts by Location:

Location	GL Account	Accrual Account	Print Cheque #?	Prefix Cheque No	Next Cheque No
> Dog River	11140 - Wells Fargo US	11160 - Accrual Accour	<input checked="" type="checkbox"/>	USG	100
Edmonton	11140 - Wells Fargo US	11160 - Accrual Accour	<input checked="" type="checkbox"/>	USG	001
St. Albert			<input type="checkbox"/>		
Stony Plain			<input type="checkbox"/>		

Add Account

Accounts Payable > Manage > AP Payment Types

Foreign Currency AR Customer Pricing (including Grain Buyers)

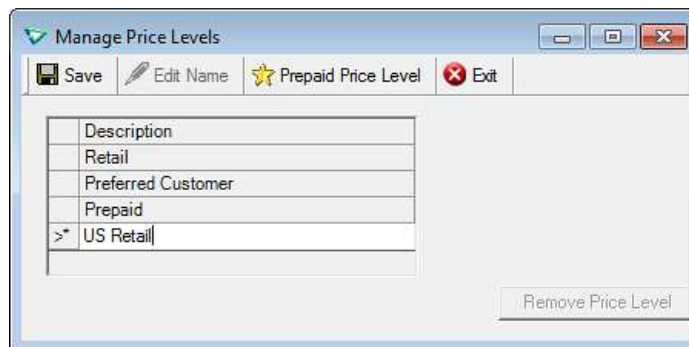
Prices are *not* converted to foreign currencies.

On the AR side, invoice pricing is based on the customer price level and agrē assumes the price is already in the foreign currency.

(On the AP side, purchase invoice pricing for suppliers and grain settlements for producers are also assumed to be in the foreign currency – but when it comes to purchasing inventory or making Cost Adjustments, all unit **costs will be converted to home currency.**)

Adding a Foreign Currency AR Price Level

- If you want to charge your foreign currency customers or your foreign currency grain buyers prices that are different (higher or lower) from the home currency ones, set up a foreign currency **Price Level**.



Inventory > Manage > Pricing > Price Levels

Managing Foreign Currency Prices

A foreign currency price may or may not be an exact conversion of the home currency price at today's exchange rate (think about books and magazines – the Canadian price isn't calculated based on the actual value of the Canadian dollar compared to the US dollar at the time of printing).

- You don't need to set a foreign currency price for every product, only those sold to foreign currency customers with a price that's different from the home currency price.



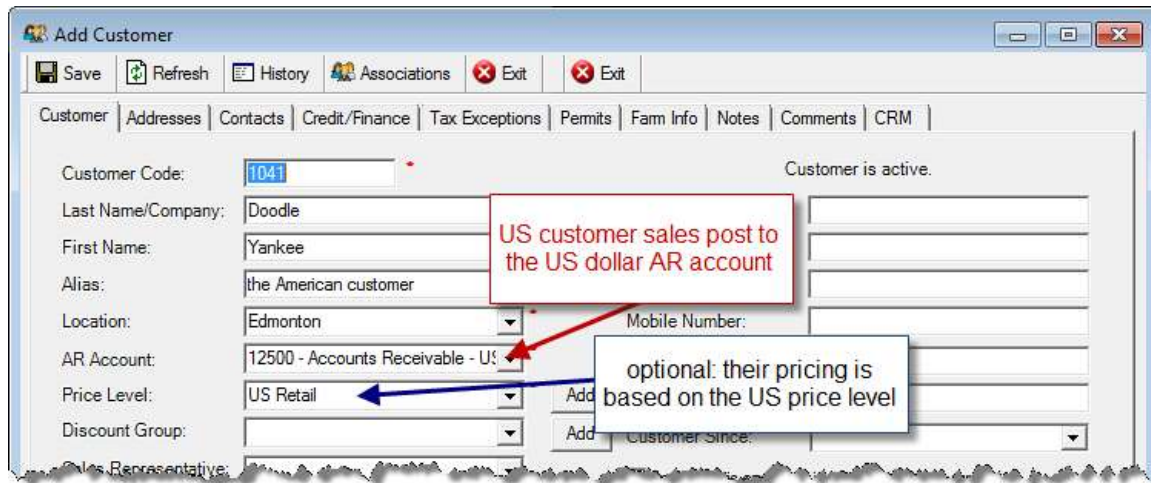
Product	Units	Price Level	Company Price	Retail Price	Last Changed
> DDD - Drop Dead Dandelion	Jug	Retail		\$185.00	Jan 21, 2013 ...
		Prepaid		\$175.99	Jan 21, 2013 ...
		US Retail		\$200.00	Jan 21, 2013 ...
		Preferred Customer			...

Inventory > Manage > Product Retail Prices

Foreign Currency Ag-Retail & Grain Accounts

Adding Foreign Currency Ag-Retail Customers & Grain Buyers

- agrē knows which customer’s sales will be posted to the foreign currency AR account by which AR account is specified on their account. Add a customer and select the foreign currency **AR Account**. If you will be charging them foreign prices, select the foreign currency **Price Level** as well.

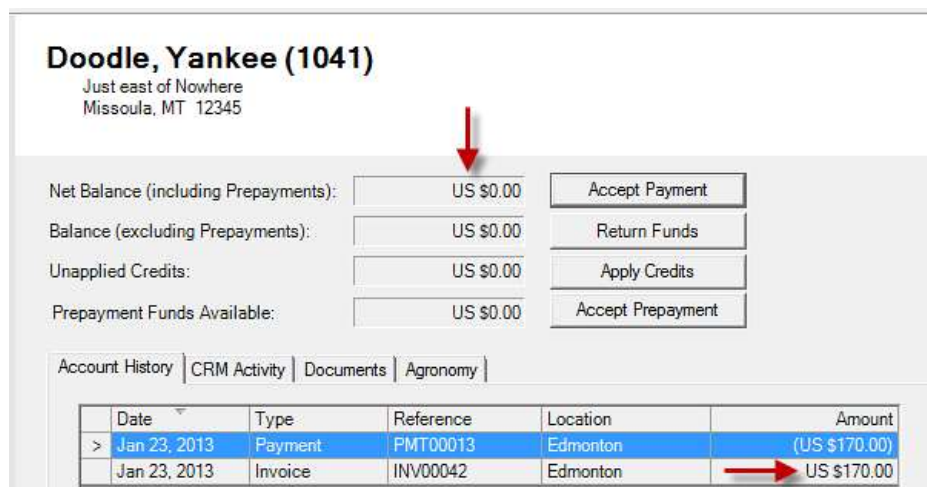


Accounts Receivable > Manage > Customers

Notes

You won't be able to change the AR account on an existing customer who has already been doing business in Canadian dollars. You can transfer balances only between customers using the same currency. Customer Groups must be of a single currency.

- Balances and transactions on the customer account will be shown in foreign currency.

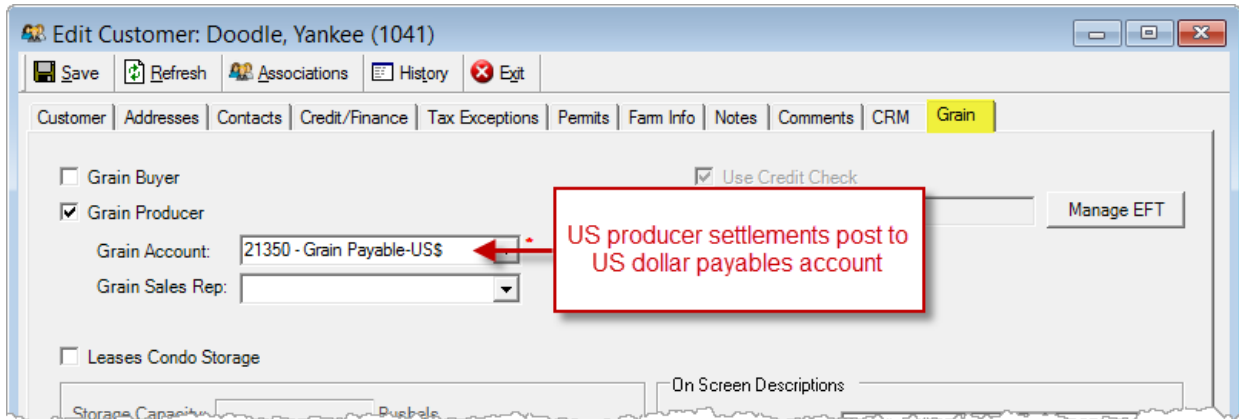


Accounts Receivable > Customer Accounts

Because you have selected a foreign currency AR account, agrē knows that their customer/grain invoice prices are already in the foreign currency and will convert them to home currency using the specified exchange rate when making inventory postings to the general ledger.

Adding Foreign Currency Grain Producers

- in addition to a foreign currency AR receivables account [see Customer tab [above](#)], agrē knows which producer's settlements will be posted to the foreign currency grain payables account by which account is specified on the Grain tab. Select the foreign currency **Grain payables Account**.

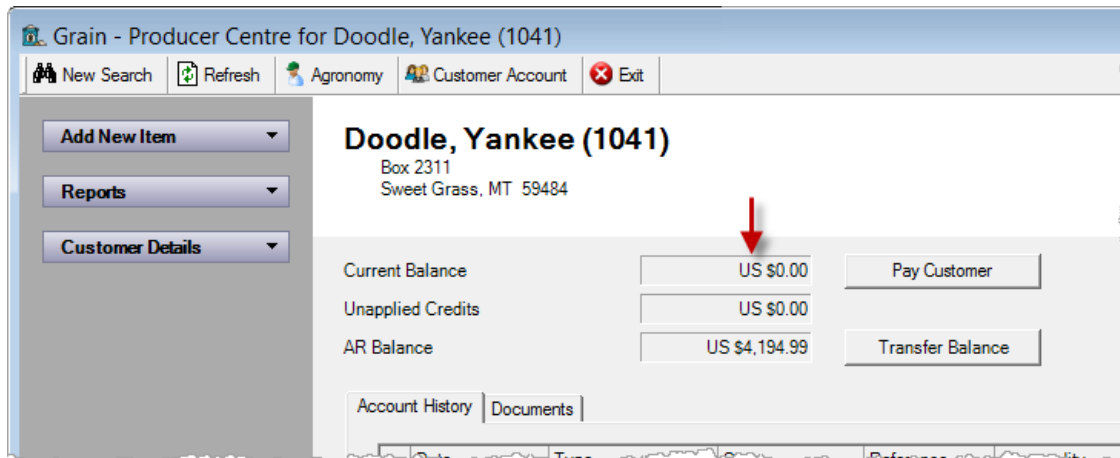


Accounts Receivable > Manage > Customers

Note

You won't be able to change the grain payables account on an existing producer who has already been doing business in Canadian dollars.

- Balances and transactions on the grain customer centre will be shown in foreign currency.



Grain > Grain Producer Centre

Because you have selected a foreign currency grain payables account, agrē knows that their purchase contracts and settlements are already in foreign currency and will convert them to home currency using the specified exchange rate when making inventory postings for receipts to the general ledger.

Adding Foreign Currency AP Suppliers

- agrē knows which supplier's purchases will be posted to the foreign currency AP account by which AP account is specified on their account. Add a supplier and select the foreign currency **AP Account**.

Supplier Code: 0061
Supplier Name: American Ag Supply
Supplier Alias:
Address: 6789 - 10th Ave
City: Great Falls
Postal Code: 59405 Country: USA
AP Account: 21050 - Accounts Payable-US\$ (USD)
Characteristics: Characteristics

US supplier purchases post to US dollar payables account

Accounts Payable > Manage > Suppliers

Note

You won't be able to change the AP account on an existing supplier who has already been doing business in Canadian dollars.

- Balances and transactions on the supplier account will be shown in foreign currency.

Supplier: American Ag Supply (0061)
6789 - 10th Ave
Great Falls, MT 59405 (866) 336-1234

Outstanding Purchase Invoices: US \$0.00
Available Credits: US \$1,000.00
Prepayments Remaining: US \$20,010.00
Current Balance: (US \$21,010.00)

Recent History

Accounts Payable > Supplier Accounts

Because you have selected a foreign currency AP account, agrē knows that their purchase invoice prices (i.e. your costs) are already in the foreign currency and will convert them to home currency using the specified exchange rate when making inventory postings and cost adjustments to the general ledger.

Periodic Adjustment of Unrealized Exchange

From time to time the unrealized amounts in the exchange accounts could be adjusted to reflect a more current exchange rate.

How often you make a currency adjustment will depend on the volume of transactions, the dollar value of the exchange amounts, the volatility of the exchange rate, and the frequency preferred by your accountant.

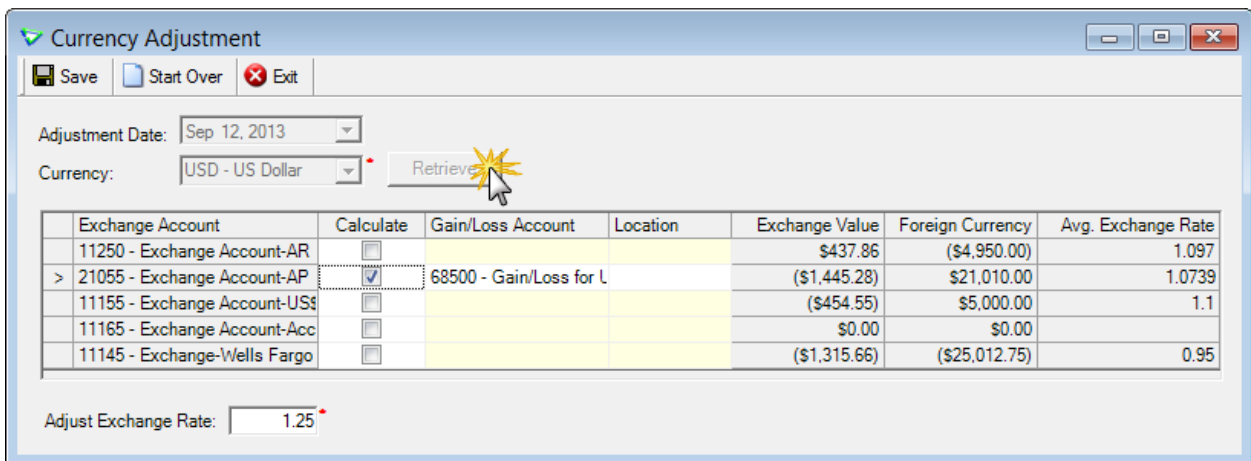
To make a Currency Adjustment

- specify an **as of date**
- select the **foreign exchange account(s)**
- set the adjustment **exchange rate**
- specify the adjustment **Gain/Loss Account**

agrē calculates a new value for the balance of the exchange account based on the sum of the related foreign currency accounts (as of the given date) multiplied by the exchange you told it to use.

The difference would go into a loss/gain account. The posting would be dated as of the given date and would look something like this:

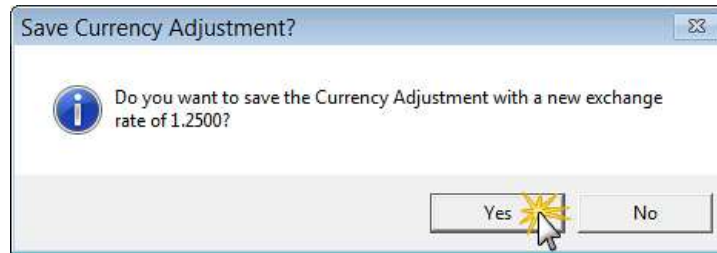
Accounts Receivable (US Exchange)	\$37.15
Loss/Gain Account	\$37.15



File > Manage > Currency > Currency Adjustments

- Select an **Adjustment Date** (which will also be the posting date) and a **Currency** .
- **Retrieve** the associated exchange accounts. The grid is populated all the selected currency's exchange accounts.
- Before you forget, set the **Adjust Exchange Rate** to be used for this transaction.

- Check the **Calculate** box next to the accounts you want to adjust. A **Gain/Loss Account** must be chosen for each selected exchange account. The account defaults to the one last used in a currency adjustment for that exchange account, but you can select a different one.
- A **Location** is optional (GL company config option can make it mandatory). Accounts that relate to the AR subledger can prorate the location allocation based on the prorated amounts of the AR balances.
- Click **Save** to post the currency adjustment.
- Confirm (or cancel) the adjustment.

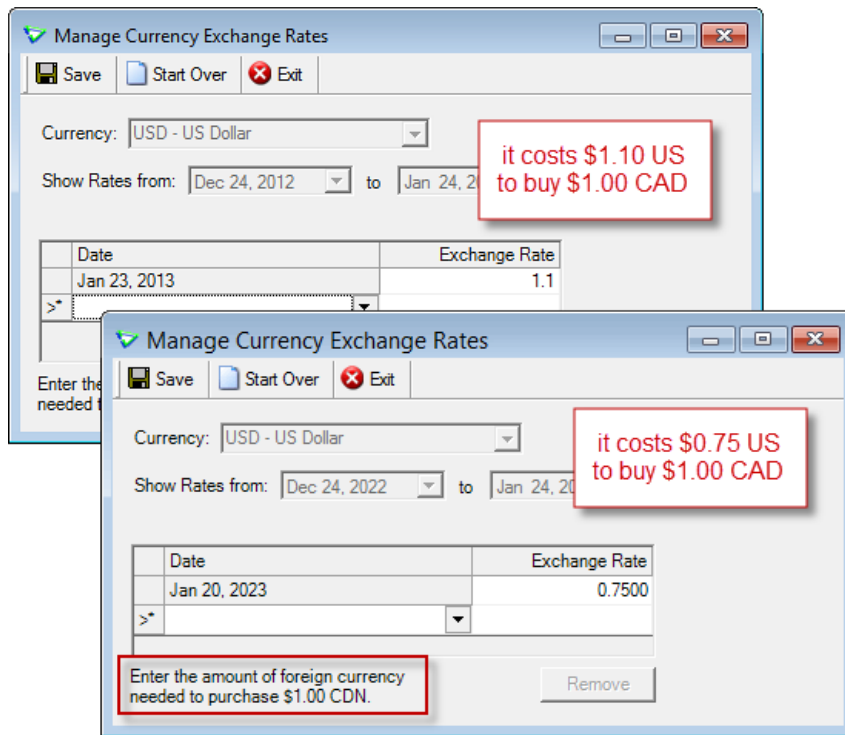


Tip

Run the **Unrealized Gain/Loss on Exchange report** if you need to separate the realized from the unrealized gain (or loss) after a currency adjustment.

Foreign Currency Transactions

- Before making any foreign transactions, it's a good idea to check the [current spot rate](#) and update if needed.

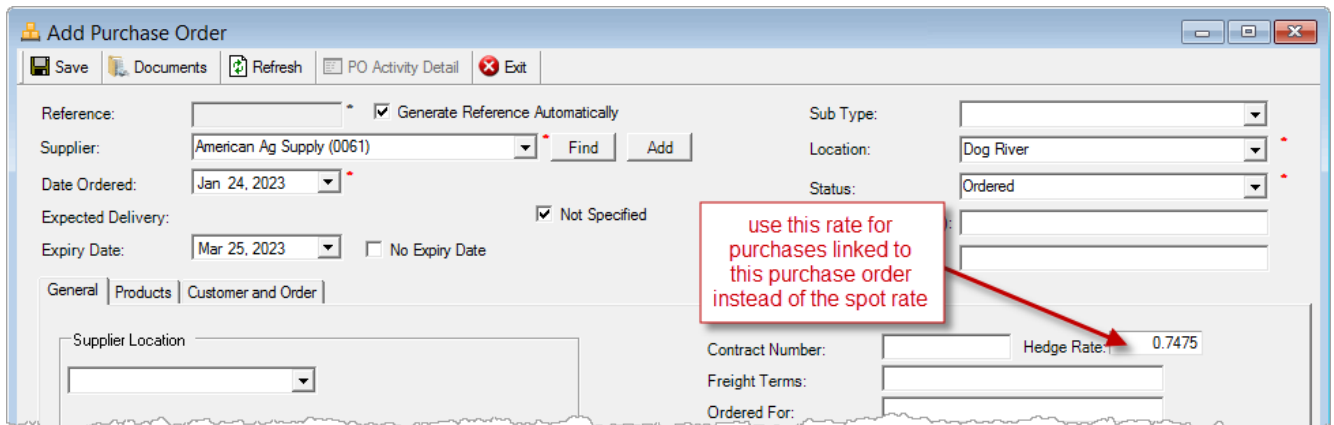


File > Manage > Currency > Currency Exchange Rates

Spot Rate Overrides

- Setting a **Hedge Rate** on a purchase order, or an **Exchange Rate** on a grain contract, will override the current spot rate. All postings linked will use the rate specified when making foreign currency conversions.

Hedge Rates on Purchase Orders



Accounts Payable > Purchase Orders > Add/Edit

Exchange Rate on Grain Contracts (Sales & Purchases)

Add Grain Sales Contract

Contract Number: Generate Contract Number Automatically

Customer: American Grain Terminal (1111)

Contract Date: Jan 24, 2023

Status: Active

Location: Dog River

Created By: jgre User

Contract Type: Basis

Total: \$0.00 USD

Exchange Rate: 0.7475

use this rate for grain sales linked to this contract instead of the spot rate

Add Purchase Contract

Contract No: Generate Contract No Automatically

Customer: Doodle, Yankee (1041)

Contract Date: Jan 24, 2023

Status: Open Unfilled

Location: Dog River

Crop Year: 2023

Exchange Rate: 0.7475

use this rate for grain purchases linked to this contract instead of the spot rate

Grain > Grain Sales Contracts

Grain > Purchase Contracts

Accounts Receivable

Customer Sales & Grain Buyer Invoices

- Add an invoice as you normally would. Because this customer uses a foreign currency AR account, the price is automatically in the foreign currency.

Add Invoice

Reference: Generate Reference Automatically

Customer: Doodle, Yankee (1041)

Invoice Date: Jan 24, 2013 Due Date: Feb 23, 2013

Location: Edmonton

Created By: Training User

Invoice Total: \$200.00 USD

Product	Quantity	Unit Price	Taxes	Line Total	Prepay?	Location	WO Ref	LOT Ref
> DDD - Drop Dead Dandelion (JUG)	1.0	\$200.00	\$0.00	\$200.00	<input type="checkbox"/>	Edmonton		

Purchases Subtotal (before tax): \$200.00

Prepaid Purchases (before tax): \$0.00

Prepayment Remaining: \$0.00

- agrē posts the price (in foreign currency) to foreign accounts receivable, the difference (in Canadian dollars) from the exchange rate to the AR Exchange account, and the total amount (in Canadian dollars) to the Sales account.

agrē **Tronia Testing Inc.**
Posting Details

INV00043

Journal: **J59** Posted: J
 Source: INV00043 Entered: J
 Description: AR Invoice: Yankee Doodle

Account

Accounts Receivable-US\$ (11220) **DR** 200.00

Exchange Account-AR (11250)

Sales Chemicals (45015)

CR Description

18.18

181.82 Edmonton

chargeable amount in US dollars

difference in Cdn dollars due to exchange rate

total sales in \$Cdn when exchange rate = 1.1000

Tip

Use **View Posting Details** on the customer account to see how much was posted where.

The screenshot shows a software interface with tabs for 'Account History', 'CRM Activity', 'Documents', and 'Agronomy'. Below the tabs is a table with the following data:

Date	Type	Reference	Location	Amount
Jan 24, 2013	Invoice	INV00043	Edmonton	US \$200.00

Below the table are buttons for 'View Item', 'Edit', 'Delete', and 'Show Last Year'. A 'View Posting Details' button is highlighted with a yellow starburst icon and a mouse cursor.

AR Payments from Customers & Grain Buyers

When Pre/Payment is at Same Exchange Rate as Invoice

Payment to be deposited in a foreign currency bank account (e.g. PmtType = US\$ Cheque)

- The customer makes a payment or prepayment in foreign currency and it will be deposited into a foreign currency bank account (or to a foreign currency clearing account until it is deposited).

Customer: **Doodle, Yankee (1041)**
Just east of Nowhere
Missoula, MT 12345

Comments: sent us a US Dollar cheque

Type	Reference	Date	Due Date	Current Balance	EPD Available	EPD	Pay This	Amount Applied
> Invoice	INV00043	Jan 24, 2013	Feb 23, 2013	\$200.00	\$0.00	\$0.00	<input checked="" type="checkbox"/>	\$200.00

Pay This Amount: **\$200.00**
How will this be paid for? US\$ Cheque

- agrē applies the payment to foreign currency Accounts Receivable, posts the difference from the exchange rate to the Exchange account, and debits the Canadian dollar value of the payment to the cash clearing account waiting for deposit.



Tronia Testing Inc. Posting Details

PMT00014

Journal: J60	Posted: Jan 24, 2013		
Source: PMT00014	Entered: Jan 24, 2013		
Description: AR Payment: Yankee Doodle			
Account	DR	CR	Description
Accounts Receivable-US\$ (11220)		200.00	
Exchange Account-AR (11250)	18.18		
Exchange Account-US\$ Clearing (11155)		18.18	
Clearing Account-US\$ (11150)	200.00		

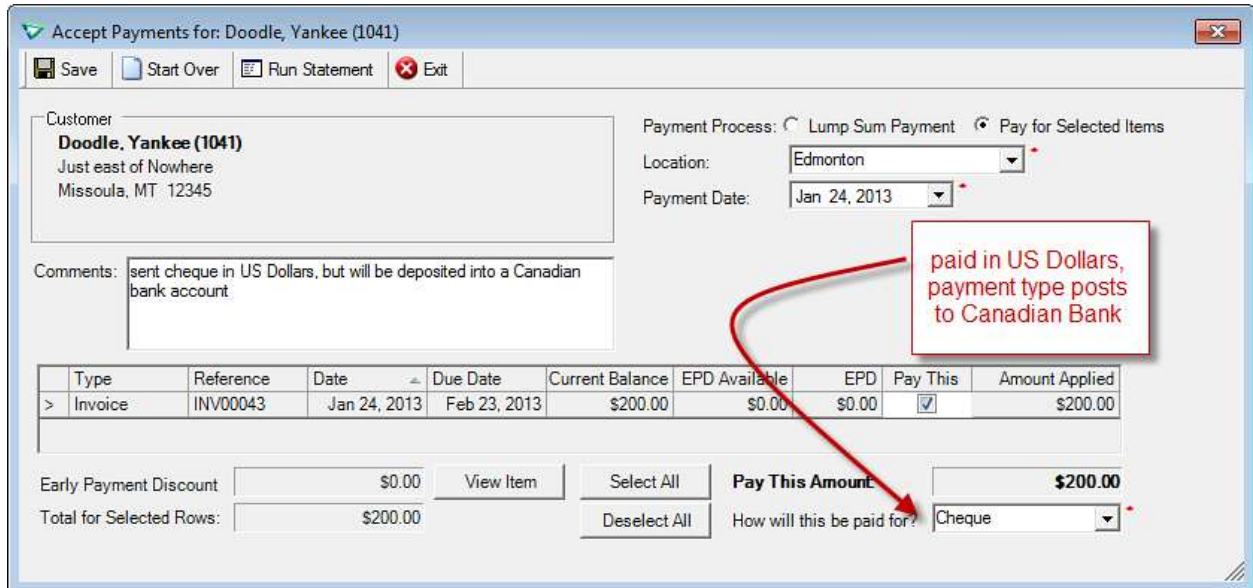
amount paid in US dollars

amount in US\$ waiting to be deposited in US bank account

Note When the **same exchange rate** is in effect for **both the invoice and the payment**, the amounts posted to the **Exchange Accounts** would be the same.

Payment to be deposited in Canadian bank account (PmfType = Cheque)

- The customer makes a payment in foreign currency.



- agrē applies the payment to US accounts receivable, posts the difference from the exchange rate to the Exchange account (because a US dollar is worth *less* than a Canadian one), and debits the Canadian dollar value of the payment to the cash clearing account.

agrē difference between US\$ and Cdn\$ when exchange rate is 1.1 **Tronia Testing Inc.**
Posting Details
PMT00015

Journal: **J62** Posted: Jan 24, 2013 amount paid in US dollars

Source: PMT00015 Entered: Jan 24, 2013

Description: AR Payment: Yankee Doodle

Account	DR	CR	Description
Accounts Receivable-US\$ (11220)		200.00	
Exchange Account-AR (11250)	18.18		
Cash (11005)	181.82		

amount in Cdn\$ waiting to be deposited in Cdn bank account

But what if the exchange rate on the invoice date is different from the exchange rate on the payment date?

AR Payment or Prepayment at Different Exchange Rate from Invoice

- At the time of invoice, a US dollar was worth *less* than a Canadian one, but now it's the opposite: a US dollar is now worth *more* than a Canadian one.

Manage Currency Exchange Rates

Save Start Over Exit

Currency: USD - US Dollar

Show Rates from: Dec 24, 2012 to Jan 24, 2013

Date	Exchange Rate
Jan 23, 2013	1.1000
Jan 24, 2013	0.95

Enter the amount of foreign currency needed to purchase \$1.00 CDN.

Remove

You record the same payment in foreign currency but *after* the Exchange Rate has changed to 0.95.

AR Payment to be deposited in a foreign currency bank account (PmtType = US\$ Cheque)

- Because the exchange rates are different, the value posted to the Exchange accounts for the payment is different from what was posted from the invoice ...



Tronia Testing Inc. Posting Details

PMT00016

Journal: J64 Posted: Jan 24, 2013
 Source: PMT00016 Entered: Jan 24, 2013
 Description: AR Payment: Yankee Doodle

Account	DR	CR	Description
Accounts Receivable-US\$ (11220)		200.00	
Exchange Account-AR (11250)		10.53	
Exchange Account-US\$ Clearing (11155)	10.53		
Clearing Account-US\$ (11150)	200.00		

- ... so the account balances will not be \$0.



Tronia Testing Inc.
Account Transaction Detail

Jan 24, 2013 to Jan 24, 2013

Date	Source	Journal	Description	Reference	Debits	Credits	Net	Balance
11155: Exchange Account-US\$ Clearing								
2013-01								
Jan 24, 2013			Balance Forward					0.00
Jan 24, 2013	AR	J64	AR Payment: Yankee Doodle	PMT00016	10.53			10.53
					10.53	0.00	10.53	
					10.53	0.00	10.53	
11250: Exchange Account-AR								
2013-01								
Jan 24, 2013			Balance Forward					0.00
Jan 24, 2013	AR	J59	AR Invoice: Yankee Doodle	INV00043		18.18		(18.18)
Jan 24, 2013	AR	J64	AR Payment: Yankee Doodle	PMT00016		10.53		(28.71)
					0.00	28.71	(28.71)	
					0.00	28.71	(28.71)	

AR Payment to be deposited in Canadian bank account (PmtType = Cheque)

- Because the exchange rates are different (notice that a \$200 US payment now becomes \$210.53 Cdn waiting to be deposited), the value posted to the Exchange account for the payment is different from what was posted from the invoice ...



Tronia Testing Inc.
Posting Details

PMT00017

Journal:	J66	Posted:	Jan 24, 2013
Source:	PMT00017	Entered:	Jan 24, 2013
Description:	AR Payment: Yankee Doodle		
Account	DR	CR	Description
Accounts Receivable-US\$ (11220)		200.00	
Exchange Account-AR (11250)		10.53	
Cash (11005)	210.53		

- ... so the account balance will not be \$0.



Tronia Testing Inc.
Account Transaction Detail

Jan 24, 2013 to Jan 24, 2013

Date	Source	Journal	Description	Reference	Debits	Credits	Net	Balance
11250: Exchange Account-AR								
2013-01								
Jan 24, 2013			Balance Forward					0.00
Jan 24, 2013	AR	J59	AR Invoice: Yankee Doodle	INV00043		18.18		(18.18)
Jan 24, 2013	AR	J66	AR Payment: Yankee Doodle	PMT00017		10.53		(28.71)
					0.00	28.71	(28.71)	
					0.00	28.71	(28.71)	

AR Customer Return

- Invoice postings are reversed. Differences in the exchange rate between the invoice and the return would affect the **Exchange Account-AR** balance.



Exchange Rate = 1.1
(costs \$1.10 US to buy \$1 Cdn)

Tronia Testing Inc. Posting Details

INV00044

Journal: J76 Posted: Jan 24, 2013
Source: INV00044 Entered: Jan 24, 2013
Description: AR Invoice: Yankee Doodle

Account	DR	CR Description
Exchange Account-AR (11250)	18.18	
Sales Chemicals (45015)	181.82	Edmonton
Accounts Receivable-US\$ (11220)		200.00

AR Adjustment / AR Interest

- When adjustments are made or interest is calculated, exchange will be calculated for foreign currency customers.



Exchange Rate = 1.1
(costs \$1.10 US to buy \$1 Cdn)

Tronia Testing Inc. Posting Details

INT00002

Journal: J74 Posted: Jan 24, 2013
Source: INT00002 Entered: Jan 24, 2013
Description: Interest: Yankee Doodle

Account	DR	CR Description
Accounts Receivable-US\$ (11220)	4.00	
Exchange Account-AR (11250)		0.36
Interest Income (45100)		3.64 Edmonton

Accounts Payable

AP Purchase Orders

You order 10 MT of 46-0-0 at US\$500/MT from an American supplier.

- Optional: specify a **Exchange/Hedge Rate**.

setting a Hedge Rate will also convert InvRec values into home currency

use this rate for purchases linked to this purchase order instead of the spot rate

Reference:	STPO006	Location:	Story Plain
Supplier:	American Ag Supply (0051)	Status:	Ordered
Date Ordered:	May 24, 2017	Requested By (Staff):	
Expected Delivery:	Jun 24, 2017	Confirmation No:	
Expiry Date:	Jun 24, 2017	Hedge Rate:	0.75

- Costs on foreign Purchase Orders are in foreign currency.
(there are no postings generated by purchase orders)

order in US \$

Product/Description	Qty Ordered	Qty Received	Unit Price	Pay	Status	Location	Release	Inventory
> 4600 - 46-0-0 (MT)	10.0	0.0	\$500.00	<input type="checkbox"/>	Active	Story Plain	<input type="checkbox"/>	<input checked="" type="checkbox"/>


Inventory Receipt

- As long as the product row is imported from or linked to a PO with a Hedge Rate, or a Grain Contract with an Exchange Rate, the Estimated Cost is converted to home currency (based on the specified hedge/exchange rate; **spot rate is ignored** by inventory receipts).
- Estimated Unit Cost = $\text{US\$}500.00 \div 0.75 \text{ Hedge Rate} = \text{CAD\$}666.67$
Converting to home currency keeps your Inventory Current Value more accurate.

Tip

Use **View Posting Details** on the supplier account to see how much was posted where.

- All postings for an inventory receipt linked to a foreign currency PO with a Hedge Rate are converted automatically to Canadian dollars.



when linked to a US\$ PO with a Hedge Rate, InvRec postings are converted to CAD \$

TSL Custom Ag & Fuel Inc.
Posting Details
InvRec170524-01

Journal: **J774** Posted: May 24, 2017
 Source: InvRec170524-01 Entered: May 24, 2017
 Description: Inventory Receipt: 10 Metric Tonne 46-0-0 (4600)

Account	DR	CR	Description
Dry (15020)	6,666.67		
Dry Accruals (16020)		6,666.67	

Note

If the inventory receipt is *not* linked to a PO with a Hedge Rate, the estimated cost is not converted. Dollar values are reported at par (1:1).

AP Purchase Invoice

- Fertilizer was purchased from a foreign supplier at a total cost of \$5000. Because this is a foreign currency supplier (you picked a US accounts payable GL), the cost is automatically in foreign currency (in this case, US dollars).

Supplier: American Ag Supply (0061) Find Add

Invoice Date: May 24, 2017 Reference Number: PI-170524-01

Due Date: Jun 24, 2017 Location: Stony Plain

Comments

Totals

Total Non-Inventory:	\$0.00
Total Inventory:	\$21,000.00
Total Cost Adjustments:	\$0.00
Total Taxes:	\$0.00
Total Purchase Invoice:	\$5,000.00

all costs in US dollars

Product	Reference	Location	PO Reference	Quantity	Unit	GST	GST Incl.	Unit Cost	Line Total
> 4600 - 46-0-0	InvRec170524-01	Stony Plain	STPO006	10.0000	MT			\$500.00	\$5,000.00

- If the **PO has a Hedge Rate**:
the foreign currency is converted to home currency based on the **Hedge Rate**.
- If the **PO has NO Hedge Rate**:
the foreign currency is converted to home currency based on the **Spot Rate**.

Manage Currency Exchange Rates

Currency: USD - US Dollar

Show Rates from: Jan 21, 2017 to Jul 21, 2017

Date	Exchange Rate
May 15, 2017	0.7300
May 24, 2017	0.7850
>	

Enter the amount of foreign currency needed to purchase \$1.00 CDN. Remove

Fx postings for purchase invoices & settlements are calculated at a single rate so all rows added should use the same one!

- US accounts payable increases by \$5000 US, and the inventory asset value is converted to Canadian dollars (*actual* costs for inventory postings are always converted to home currency; *estimated* costs are converted only if linked to a PO).

agre

Exchange Rate = 0.75 (costs \$0.75 US to buy \$1 Cdn)

TSL Custom Ag & Fuel Inc.
Posting Details
PI-170524-01

Journal: J771 Posted: May 24, 2017
Source: PI-170524-01 Entered: May 24, 2017
Description: AP Invoice

Account	DR	CR	Description
Exchange Account-AP (21068)	6,666.67		
Dry Accruals (16020)		1,666.67	
Accounts Payable-US\$ (21060)		5,000.00	

product value converted to CAD \$

difference in CAD \$ due to Exchange Rate

amount owed in US \$

- **Cost History** shows the converted cost in home currency (in this example, Canadian dollars).

agr Exchange Rate = 0.75 (costs \$0.75 US to buy \$1 Cdn)

TSL Custom Ag & Fuel Inc.
Inventory Cost History
 Stony Plain Active Details May 24, 2017

46-0-0 (4600) - Metric Tonne

US\$ cost is converted to Cdn\$

Location	Last Cost	Estimated Cost	Average Cost	Last Date	Last Cost	Remaining
Stony Plain	\$666.6667	\$650.00	\$596.0871	May 24, 2017	<input checked="" type="checkbox"/>	102.2131
Date	Reference	Quantity	Remaining	Base Cost	Adjusted Cost	Details
May 24, 2017	InvRec170524-01	10.00	10.00	\$666.6667	\$666.6667	Details

Supplier Payment

As with AR payments you may be taking the funds from a foreign *or* home currency bank account, and the exchange rate may *or may not* match the one in effect when the purchase invoice was created.

Note [Electronic Funds Transfers](#) are limited to payments from and to Canadian banks only. You can make EFT payments in US dollars to a supplier's US funds account at a Canadian bank if your company also has a US funds account at that Canadian bank.

Payment drawn from a foreign currency bank account with different exchange rate

- Payment made after exchange rate changed to 0.95 (for a PO that did not have a hedge rate).

Supplier: **American Ag Supply**

Payment Date: Jan 24, 2013 Tracking/Cheque Number: Prepay

Transaction Date: Jan 24, 2013 Payment Comments: paid in US\$ from Wells Fargo bank account; exchange rate is 0.95

Payment made from: Edmonton

Payment Type: US\$ Cheque

Purchase Invoice	Invoice Date	Due Date	Total Amount	Amount Outstanding	Credit	Include	Amount Paying
> 01-1.1%	Jan 24, 2013	Jan 24, 2013	\$5,000.00	\$5,000.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$5,000.00

View Purchase Invoice Select All (Excl. Credits) Deselect All

Subtotal Amount: \$5,000.00

Select All (Incl. Credits) Include Additional Payment of this Amount: \$0.00

Total Amount: \$5,000.00

- AP-US\$ is reduced by \$5000 US, \$5000 is drawn from the Wells Fargo (US) bank account and postings to the exchange accounts are done at the new rate.

agré Exchange Rate = 0.95
(costs \$0.95 US to buy \$1 Cdn) **Tronia Testing Inc.**
Posting Details 0020

Journal: J94 Posted: Jan 24, 2013
Source: 0020 Entered: Jan 24, 2013
Description: AP Payment: American Ag Supply

Account	DR	CR	Description
Accounts Payable-US\$ (21060)	5,000.00		
Exchange Account-AP (21065)	263.16		
Exchange-Wells Fargo (11145)		263.16	
Wells Fargo US\$ Bank Account (11140)		5,000.00	

Payment drawn from Canadian bank account with different exchange rate

- Payment made after exchange rate changed to 0.95 (for a PO that did not have a hedge rate).

- AP-US\$ is reduced by \$5000 US, \$5263.16 is taken from the Canadian bank account, and the posting to the exchange account is done at the new rate.

agré Exchange Rate = 0.95
(costs \$0.95 US to buy \$1 Cdn) **Tronia Testing Inc.**
Posting Details 0021

Journal: J96 Posted: Jan 25, 2013
Source: 0021 Entered: Jan 25, 2013
Description: AP Payment: American Ag Supply

Account	DR	CR	Description
Accounts Payable-US\$ (21060)	5,000.00		
Exchange Account-AP (21065)	263.16		
Main Bank (RBC) (11000)		5,263.16	

Journal Entries

Adding **Journal Entries** that affect foreign currency accounts is done the same way as regular journal entries, with two exceptions.

- When selecting a foreign currency GL account:
 - agrē automatically adds the exchange account on the line below
 - the **Exchange Rate** for the Posting Date displays (if the exchange rate is incorrect, you can override it)
- When entering an amount for a foreign currency account:
 - agrē automatically calculates the exchange amount based on the **Exchange Rate**

The statement for your US bank account includes bank charges of \$12.75 US that you record with a journal entry.

Account	Debit	Credit	Description	Location	Project	Fixed Asset
11140 - Wells Fargo US\$ Bank Account		\$12.75				
11145 - Exchange-Wells Fargo	\$0.13					
62510 - Banking Fees/NSF Charges	\$12.62					
>						

Totals: Debit \$12.75, Credit \$12.75, Difference: \$0.00

General Ledger > Journal Entries / Add

Multi-Currency Reporting

For the following reports, **customers & grain buyers** can be selected by currency:

- statements
- prepayment position
- aged receivables
- customer sales
- loadout activity
- AR release numbers
- summary statements
- CRM activity summary
- customer list
- comparative customer sales
- invoice activity
- interest charges applied
- customer prepayment
- customer balances
- credit info
- work order activity
- payment activity
- suggested interest charges

For following reports, **suppliers** can be selected by currency:

- supplier balances
- supplier list
- supplier payments
- cheque stub attachments

For following reports, **grain producers** can be selected by currency:

- settlement activity

For following reports, **grain buyers** can be selected by currency:

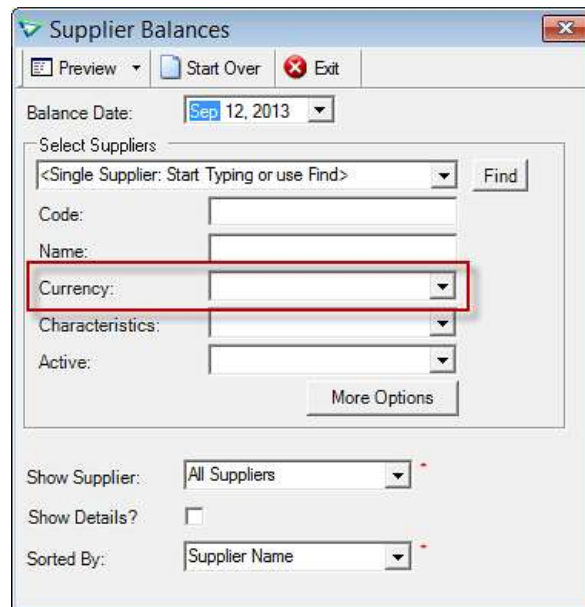
- grain invoice activity

This report is specific to multi-currency:

- unrealized gain/loss on exchange

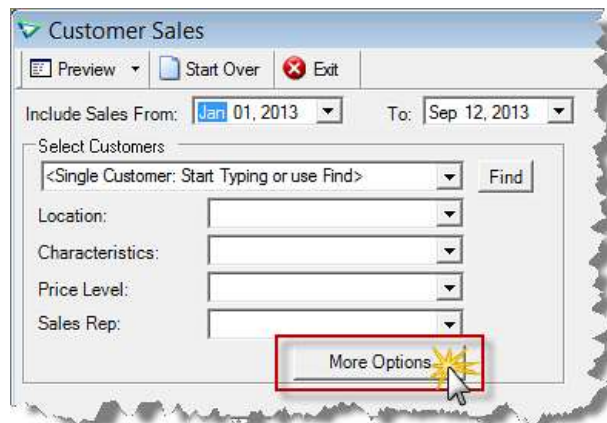
Report Criteria

- Some reports will have **Currency** on the default criteria window.



The screenshot shows the 'Supplier Balances' report criteria window. It includes a 'Balance Date' dropdown set to 'Sep 12, 2013'. Below this is a 'Select Suppliers' section with a dropdown menu containing '<Single Supplier: Start Typing or use Find>' and a 'Find' button. Further down are fields for 'Code:', 'Name:', 'Currency:', 'Characteristics:', and 'Active:', each with a dropdown menu. The 'Currency:' dropdown is highlighted with a red rectangular box. At the bottom of this section is a 'More Options' button. Below the 'Select Suppliers' section are 'Show Supplier:' (set to 'All Suppliers'), 'Show Details?' (checkbox), and 'Sorted By:' (set to 'Supplier Name').

- Others will have it listed under **More Options**.



The screenshot shows the 'Customer Sales' report criteria window. It includes 'Include Sales From:' (set to 'Jan 01, 2013') and 'To:' (set to 'Sep 12, 2013'). Below this is a 'Select Customers' section with a dropdown menu containing '<Single Customer: Start Typing or use Find>' and a 'Find' button. Further down are fields for 'Location:', 'Characteristics:', 'Price Level:', and 'Sales Rep:', each with a dropdown menu. At the bottom of this section is a 'More Options' button, which is highlighted with a red rectangular box and has a mouse cursor pointing at it.

- Scroll down and select the **Currency**.

The screenshot shows a software window titled "Customer Sales". At the top, there are buttons for "Preview", "Start Over", and "Exit". Below these, there are date pickers for "Include Sales From:" (Jan 01, 2012) and "To:" (Jan 28, 2013). The main area contains several fields with dropdown menus:

- Phone:** (empty text field)
- Currency:** (dropdown menu with "Canadian Dollar" and "US Dollar" selected)
- Permits:** (dropdown menu with "LTA-Bayer" selected)
- Tax Exceptions:** (dropdown menu with "Alberta Farm Fuel Benefit" selected)
- Discount Groups:** (dropdown menu with "EHC 5 cent Containers" selected)
- Location of Sale:** (dropdown menu with "Cardlock Station" and "Dog River" visible)