



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.

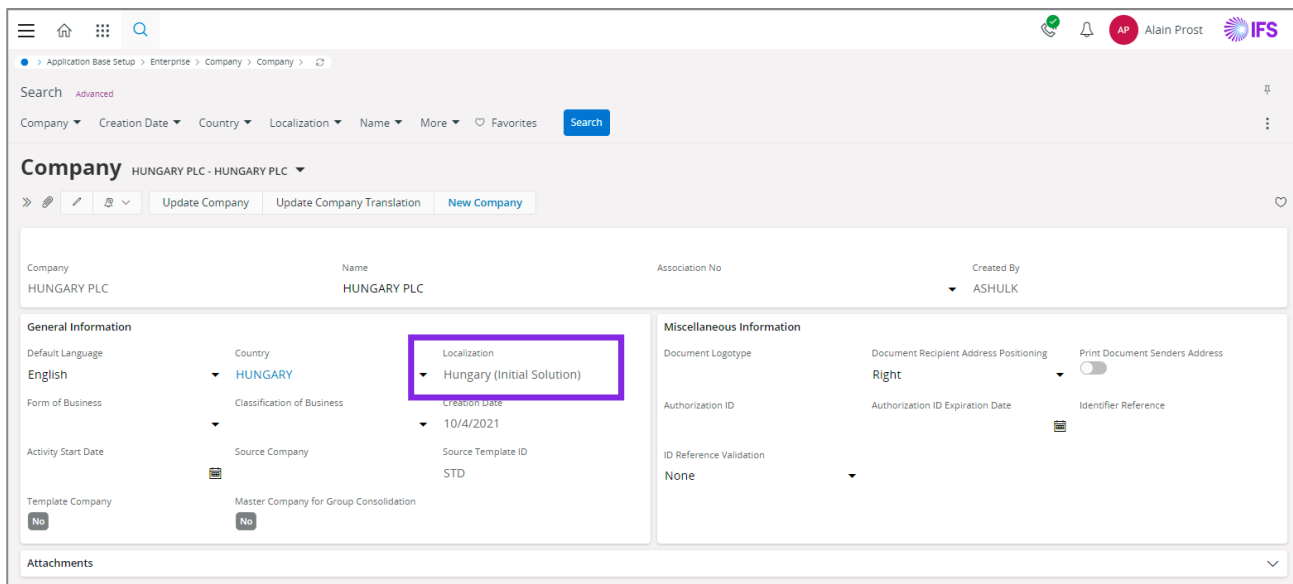
1 Company Set-up

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 shows the IFS 'Company' page for 'HUNGARY PLC - HUNGARY PLC'. The 'Localization' field in the 'General Information' section is highlighted with a red box, showing 'Hungary (Initial Solution)' selected. Other fields include 'Country' (HUNGARY), 'Default Language' (English), 'Form of Business', 'Classification of Business', 'Creation Date' (10/4/2021), 'Source Company', 'Source Template ID' (STD), 'Template Company' (No), and 'Master Company for Group Consolidation' (No). The 'Miscellaneous Information' section includes '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).

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.

Application Base Setup > Enterprise > Company > Company > Localization Control Center

Localization Control Center HUNGARY PLC - HUNGARY PLC

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

Localization: Hungary (Initial Solution)

Functionality	Description	Mandato...	Enabled
<input type="checkbox"/> : Access Control for Inventory Reservation	Enables a more specific access control for making inventory reservation, instead of using the user-allowed-sites control as in core.	No	No
<input type="checkbox"/> : Access Control for Inventory Transaction	Enables a more specific user access control for performing inventory transactions instead of using the user-allowed-sites control as in core.	No	No
<input type="checkbox"/> : Cash Account Currency Rate Method	Enables to use FIFO or AVG method in mixed payment and cash box	No	No
<input type="checkbox"/> : Currency Rate Date Extended Capabilities for Incoming I	Enables handling of invoice currency rate and tax currency rate for incoming invoices, based on the currency rate date setup in company and supplier.	No	Yes
<input type="checkbox"/> : Goods/Services Statistical Codes Definition per Compan	Enables the identification/classification of goods and services for operational and statutory reporting purposes.	Yes	Yes
<input type="checkbox"/> : Currency Rate Date and Voucher Date Extended Capabil	Enables to use delivery date as voucher date and tax currency rate date in customer order invoice, instant invoice and project invoice. Enhancement of outgoing invoice currency r	Yes	Yes

Attachments: DOCUMENTS | MAP POSITIONS | NATO COMMERCIAL AND GOVERNMENT ENTITY

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.

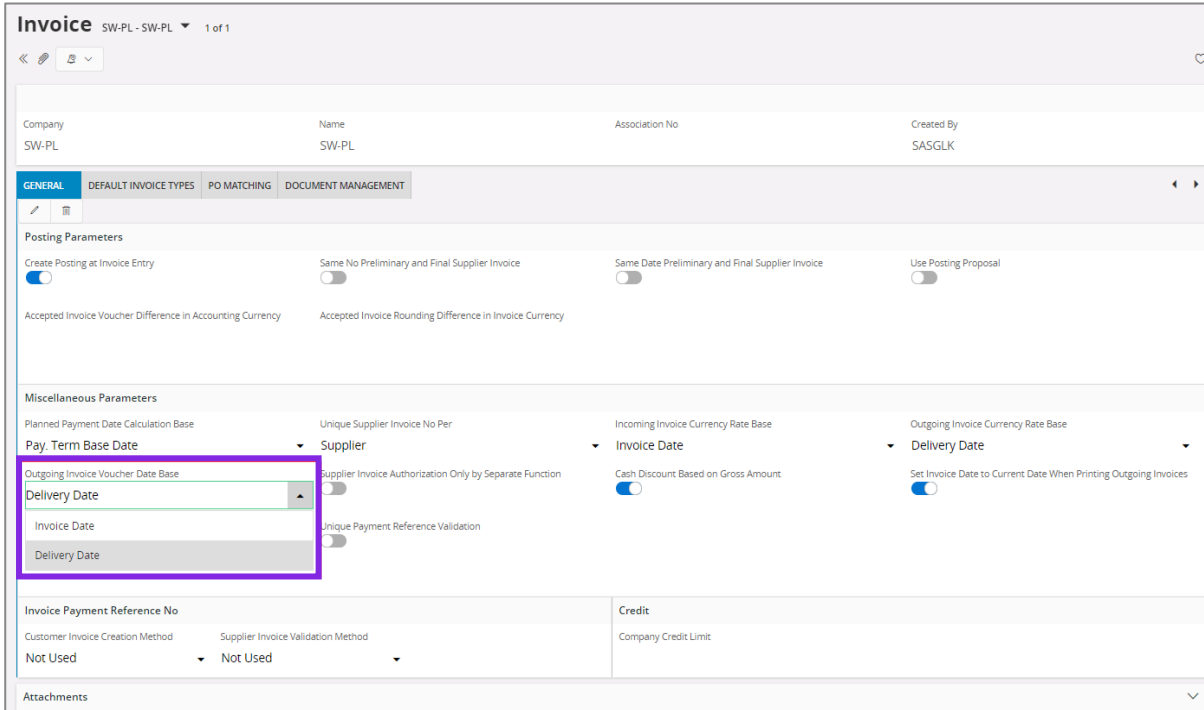
2.3 Prerequisites

The company must be set up to use Polish 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

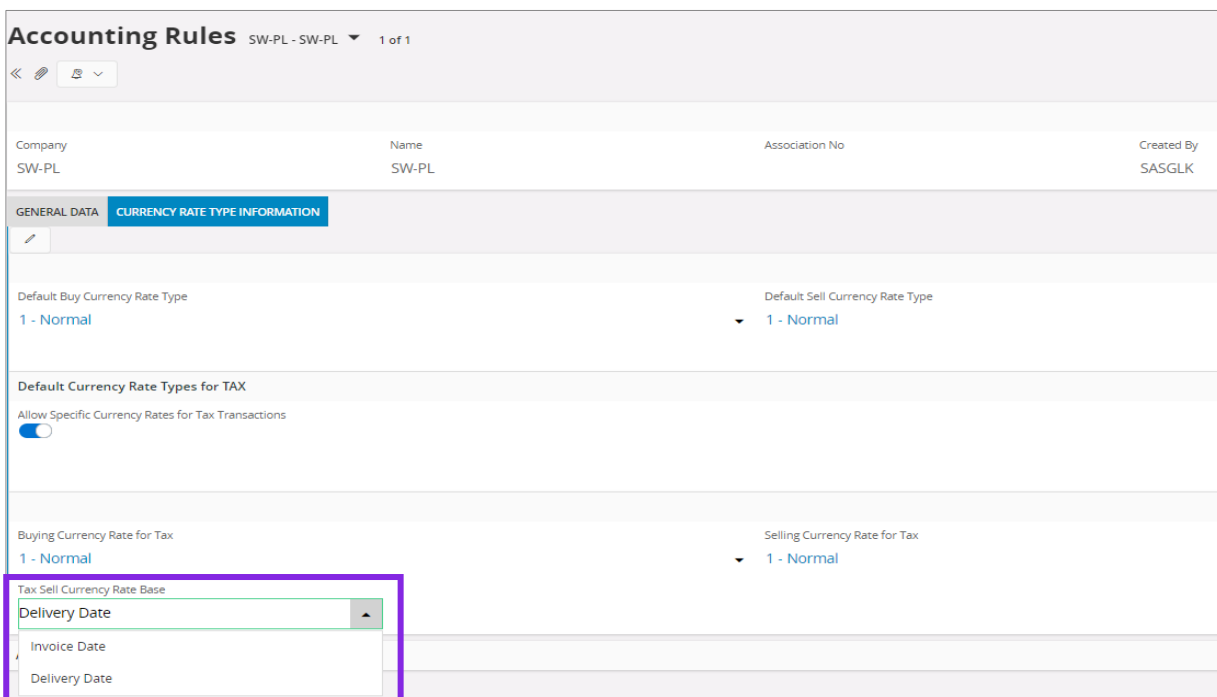
Settings on Company level

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' settings page for company 'SW-PL'. The 'GENERAL' tab is active. Under 'Miscellaneous Parameters', the 'Outgoing Invoice Voucher Date Base' dropdown menu is open, showing 'Delivery Date' as the selected option. Other visible settings include 'Pay Term Base Date' (Supplier), 'Incoming Invoice Currency Rate Base' (Invoice Date), and 'Outgoing Invoice Currency Rate Base' (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**.

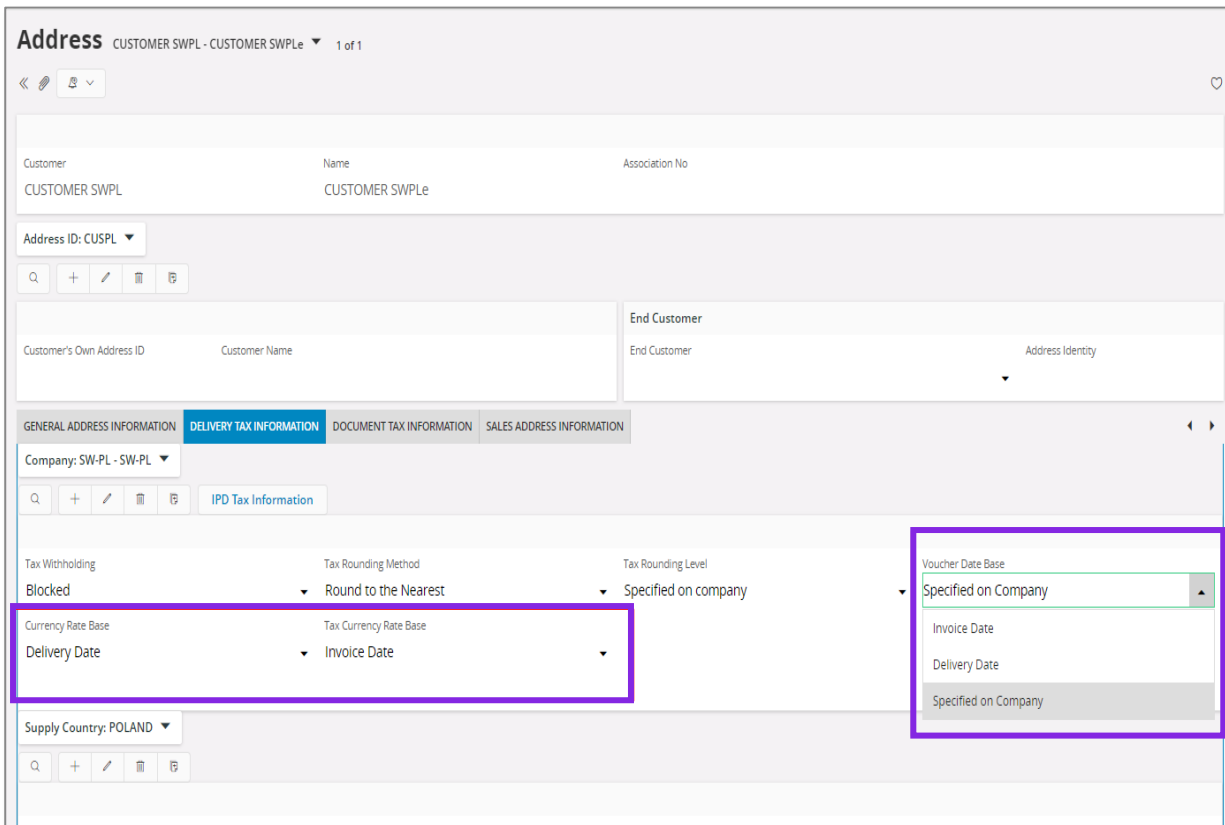


The screenshot shows the 'Accounting Rules' settings page for company 'SW-PL'. The 'CURRENCY RATE TYPE INFORMATION' tab is active. The 'Allow Specific Currency Rates for Tax Transactions' toggle is turned on. The 'Tax Sell Currency Rate Base' dropdown menu is open, showing 'Delivery Date' as the selected option. Other visible settings include 'Default Buy Currency Rate Type' (1 - Normal) and 'Default Sell Currency Rate Type' (1 - Normal).

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' configuration page for 'CUSTOMER SWPL'. The 'DELIVERY TAX INFORMATION' tab is selected. The 'Currency Rate Base' and 'Delivery Date' fields are highlighted with a purple box, showing 'Invoice Date' as the selected value. The 'Voucher Date Base' dropdown is also highlighted with a purple box, showing 'Specified on Company' as the selected value.

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 SWPLe - 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 SWPLe	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	Invoice Address	Printed Date	Our Reference	Customer Reference Name	Customer Branch	Indicators
CUSTORDDEB - Customer Order Invoice, Debit	CUSPL	17/07/2021	NL NICOLAS LECLERCQ			Price Adjustment: No Use Price Incl Tax: No Correction Exist: No Correction Reason ID:
		Invoice Date: 17/07/2021				Advance/Prepayment Invoice: No Notes: No Correction Invoice: No Correction Reason:

Payment	Delivery
Pay Term Base Date: 17/07/2021 Due Date: 27/07/2021 Payment Terms: 10 - 10 Days	Delivery Address: CUSPL Latest Ship Date: 01/09/2021 Ship Via: IFS APPLICATIONS Delivery Terms Description: IFS APPLICATIONS Forwarder ID:

References Invoice Text

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

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

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

Payment and Tax Information

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

Lines

More Information

Payment Reference	Payer CS CUSTOMER SWPL - CUSTOMER...	Language English
Transfer Status	Tax Currency Rate 70.3	Our Reference
Customer Reference	Creator Reference	Signature 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		

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**.

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.

Project Invoice PJ - 200700032 Posted Auth

[Notes](#)
[Printout](#)
[Credit Entire Invoice](#)
[Create Correction Invoice](#)
[Customer Installment Plan](#)

Customer	Customer Name	Project	Invoice Series
CUSTOMER SWPL	CUSTOMER SWPLe		PJ
Invoice No	Invoice Period Start	Invoice Period End	Notes
200700032	01/07/2021	01/07/2021	No
			Invoice Text
			No

Amounts

Currency	Gross Amount	Net Amount	Tax Amount
USD	2160.00	2000.00	160.00

LINES **GENERAL** PRE POSTING ACCOUNTING

Invoice Information

Invoice Date	Voucher Date Base	Currency Rate Base	Tax Currency Rate Base
01/08/2021	Delivery Date	Invoice Date	Delivery Date
Invoice Type	Series Reference	Invoice Number Reference	Currency Rate
PRJINV			8.1
Our Reference	Customer Ref	Order No	Tax Currency Rate
			80.1
Voucher Type	Voucher No	Correction Invoice	Correction Reason ID
F	2021000106	No	
Correction Reason	Correction Exist	Div Factor	Currency
	No	1	USD

Customer Information

Invoice Address	Delivery Address	Payment Address	Media Code
CUSPL	CUSPL		
Pay Term Base Date	Due Date	Delivery Date	Payment Terms
01/08/2021	11/08/2021	19/08/2021	10 - 10 Days
Branch	Site	Payment Method	Supply Country
			POLAND
Tax ID Number		Customer Branch	
214234234			

2.6 Process Invoices

2.6.1 GENERAL

New functionality to define the base for voucher date and currency rates is added for the following types of invoices:

- Customer order invoices – normal debit invoices (invoice type CUSTORDDEB), collective debit invoices (invoice type CUSTCOLDEB), and prepayment based debit invoices.
- Instant invoices – normal instant debit invoices (invoice type INSTINV).
- Project invoices – debit invoices (invoice type PRJINV).

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

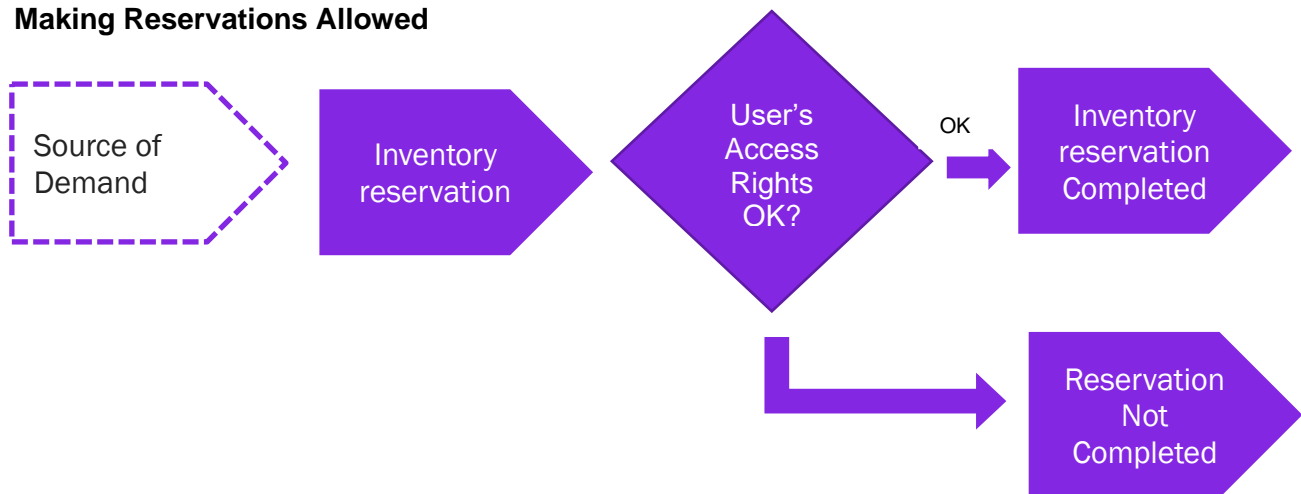
In Hungary, a warehouse manager or other personnel must be appointed by management as acting authority for material located in warehouses. This is a legal requirement. Due to this requirement, only authorized personnel may change the quantity and/or value of material in warehouses. Warehouse access authorization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

3.2 Solution

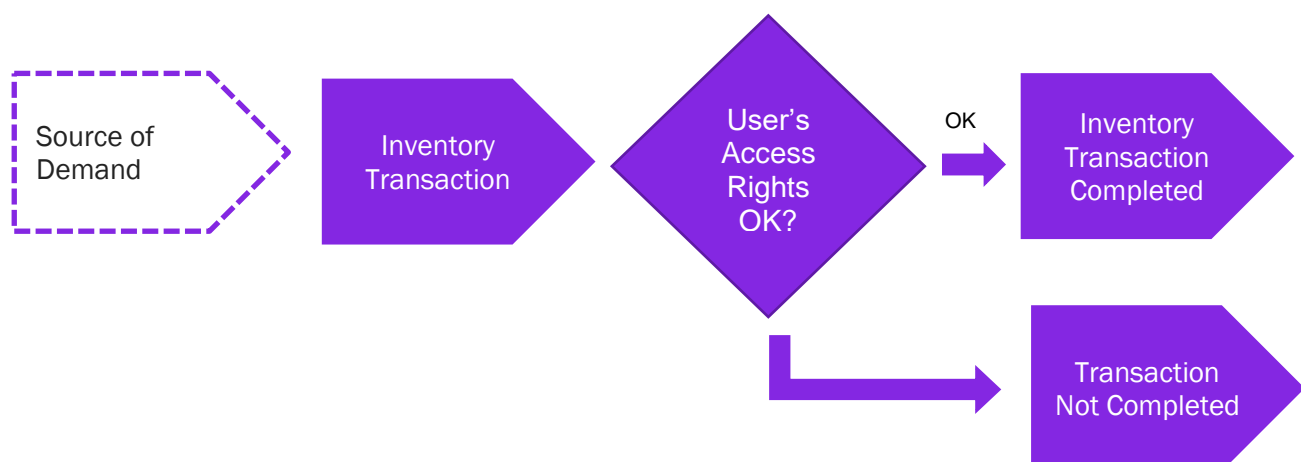
In the IFS Cloud standard version IFS Cloud users are connected to sites, and this connection determines the possibility of reserving inventory parts or conducting operations resulting in inventory transactions.

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):

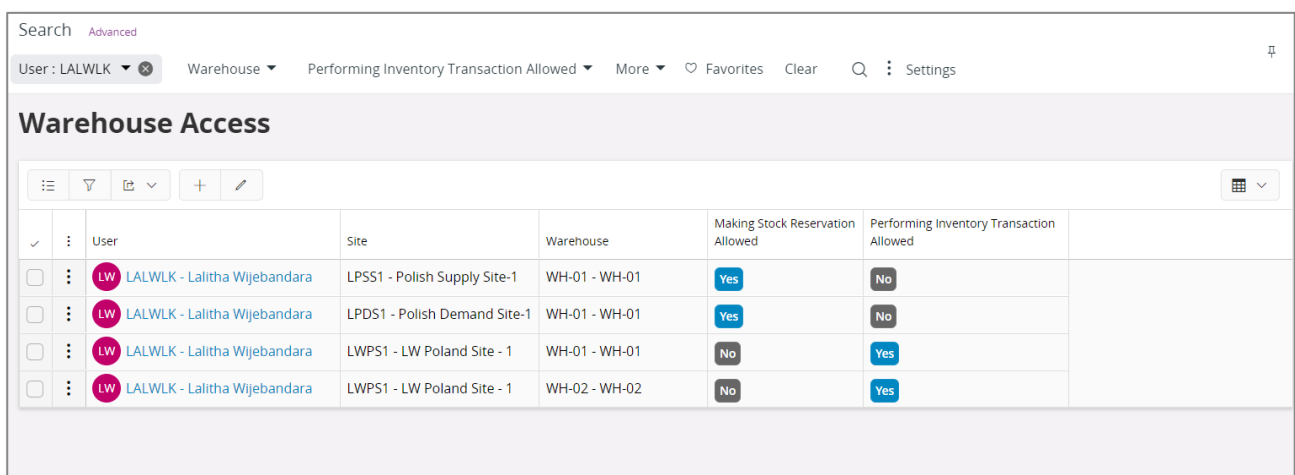
- If access has been granted the user can reserve the quantity.
- If access has not been defined or not granted, an error message is displayed and the user cannot proceed.

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**.



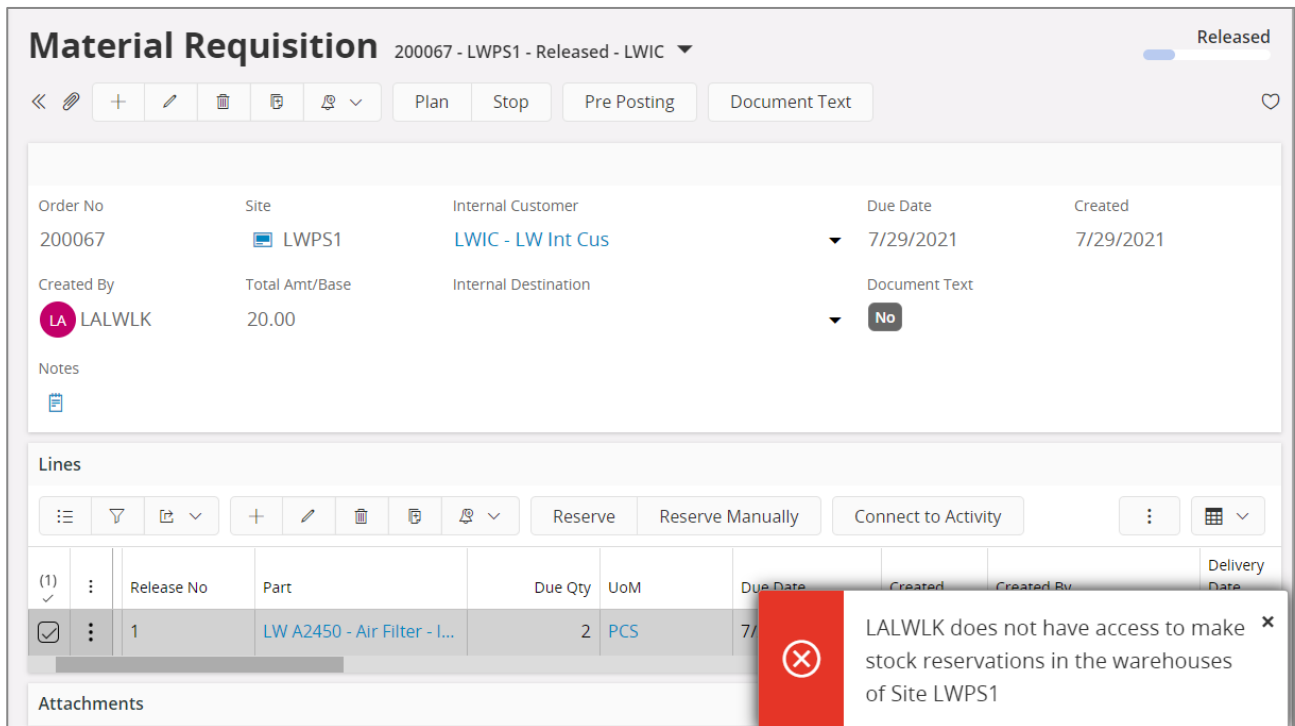
✓	:	User	Site	Warehouse	Making Stock Reservation Allowed	Performing Inventory Transaction Allowed
<input type="checkbox"/>	:	LW LALWLK - Lalitha Wijebandara	LPSS1 - Polish Supply Site-1	WH-01 - WH-01	Yes	No
<input type="checkbox"/>	:	LW LALWLK - Lalitha Wijebandara	LPDS1 - Polish Demand Site-1	WH-01 - 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' form for order 200067. The form is in the 'Released' state. The 'Lines' section contains one line item for 'LW A2450 - Air Filter - L...'. An error message is displayed over the line item, stating: 'LALWLK does not have access to make stock reservations in the warehouses of Site LWPS1'. The error message is a red box with a white 'X' icon and a close button.

Order No	Site	Internal Customer	Due Date	Created
200067	LWPS1	LWIC - LW Int Cus	7/29/2021	7/29/2021

Created By	Total Amt/Base	Internal Destination	Document Text
LALWLK	20.00		No

(1)	Release No	Part	Due Qty	UoM	Due Date	Created	Created By	Delivery Date
✓	1	LW A2450 - Air Filter - L...	2	PCS	7/29/2021		LALWLK	

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 Unit
	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

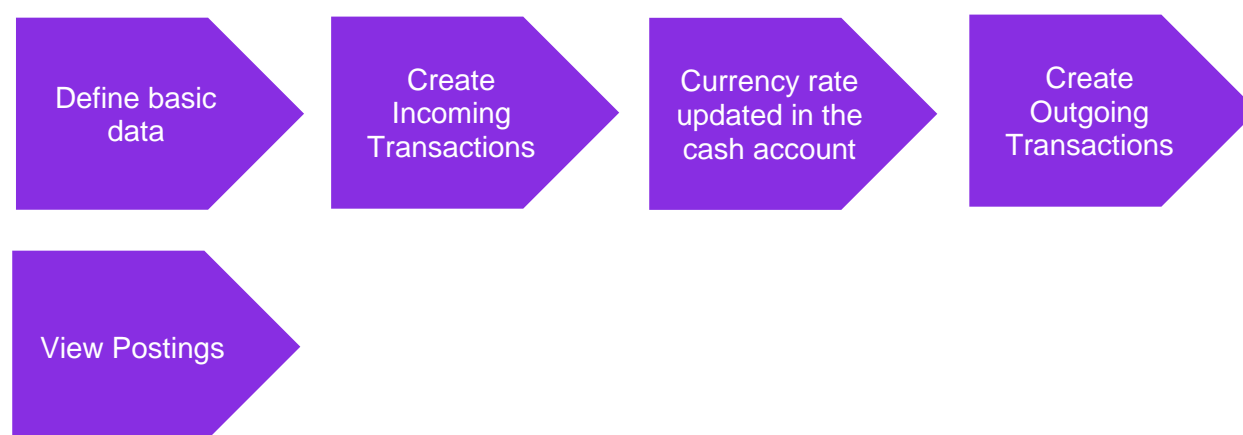
4.1 Overview of Legal Requirement

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	4.14

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"/>	:	✎	PL_CUS - PL_CUS FS		AJ1	PostedAuth	FS	5/12/2021	USD	150.00	150.00	0.00
<input type="checkbox"/>	:	✎	PL_CUS - PL_CUS FS		AJ2	PostedAuth	FS	5/12/2021	USD	200.00	200.00	0.00
<input type="checkbox"/>	:	✎	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									
(1) ✓	:	Amount	Currency Rate	Inv/Prepaym No	Lump Sum Trans Number	Payment Transaction Type	Cash Account User Group	Bank Transactio	
<input checked="" type="checkbox"/>	:	200.00	4	AJ2	3	Enter Customer Paymen	*	*	
<input type="checkbox"/>	:	100.00	4.2	AJ3	2	Enter Customer Paymen	*	*	
<input type="checkbox"/>	:	150.00	4.3	AJ1	1	Enter Customer Paymen	*	*	

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 P PL_SUP - PL_SUP	Invoice Type FZ	Series ID FZ	Invoice No AJ1	
Currency USD	Currency Rate 5	Invoice Date 5/12/2021	Arrival Date 5/12/2021	Pay Term Base Date 5/12/2021
Payment Terms 0 - Due Immediately	Due Date 5/12/2021	Plan Pay Date 5/12/2021	Payment Reference	Voucher Type Reference I
Voucher No Reference 2021000001	Authorizer ID *	Notes No	Advance Invoice No	Period Allocation No
Received Attachments No	On Hold Installment No	Posting Proposal No	Gross Amount 200.00	Net Amount 200.00
				Tax Amount 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
☑	:	-200.00	5	AJ1	1	Enter Supplier Payment	*	*

6. View the postings for the mixed payment.

Mixed Payment Vouchers									
Company		Voucher Type		Voucher No		Voucher Date			
PLN-COM		N		2021000003		5/12/2021			
Accounting Year		Accounting Period							
2021		5							
Voucher Rows									
(1)	Account	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Debit Amount in Accounting Currency	
<input type="checkbox"/>	13010 - Current banking account		200.00	-200.00		1000.00	-1000.00		
<input type="checkbox"/>	21015 - Short-term domestic 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
200	*	1000
		171.12

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.

4.6 Weighted Average 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 – Creating an outflow

1. Make the balance of the cash account negative.

Cash Account Queue - PL_WA - P			
	Currency Amount	Amount in Acc Curr	Currency Rate
<input type="checkbox"/>	-290.00	-1450.00	5

2. Create a Manual supplier invoice for an amount of 200, create a mixed payment, and connect the created manual supplier invoice with the currency rate 3 and approve.

Mixed Payment																																																																					
PL_WA - 525 - 5/17/2021 3 of 3																																																																					
Approved																																																																					
<div style="display: flex; justify-content: space-between; align-items: center;"> Cancel Print Mixed Payment View Vouchers Notes Check Collection Level </div>																																																																					
<div style="display: flex; justify-content: space-between;"> GENERAL TRANSACTIONS </div>																																																																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="10">Transaction Balances</th> </tr> <tr> <th>Cash Account</th> <th>Statement No</th> <th colspan="8">Remaining Amount</th> </tr> </thead> <tbody> <tr> <td>PL_WA</td> <td>525</td> <td colspan="8">0.00</td> </tr> <tr> <td>Debit</td> <td></td> <td>Credit</td> <td colspan="7">Debit Amount in Acc Curr</td> </tr> <tr> <td>0.00</td> <td></td> <td>200.00</td> <td colspan="7">0.00</td> </tr> <tr> <td colspan="2">Credit Amount in Acc Curr</td> <td colspan="8">600.00</td> </tr> </tbody> </table>										Transaction Balances										Cash Account	Statement No	Remaining Amount								PL_WA	525	0.00								Debit		Credit	Debit Amount in Acc Curr							0.00		200.00	0.00							Credit Amount in Acc Curr		600.00							
Transaction Balances																																																																					
Cash Account	Statement No	Remaining Amount																																																																			
PL_WA	525	0.00																																																																			
Debit		Credit	Debit Amount in Acc Curr																																																																		
0.00		200.00	0.00																																																																		
Credit Amount in Acc Curr		600.00																																																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="10">Transaction Details</th> </tr> <tr> <th></th> <th>Amount</th> <th>Currency Rate</th> <th>Inv/Prepaym No</th> <th>Lump Sum Trans Number</th> <th>Payment Transaction Type</th> <th>Cash Account User Group</th> <th>Bank Transaction</th> <th colspan="2"></th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td>-200.00</td> <td>3</td> <td>59</td> <td>1</td> <td>Enter Supplier Payment</td> <td>*</td> <td>*</td> <td colspan="2"></td> </tr> </tbody> </table>										Transaction Details											Amount	Currency Rate	Inv/Prepaym No	Lump Sum Trans Number	Payment Transaction Type	Cash Account User Group	Bank Transaction			<input type="checkbox"/>	-200.00	3	59	1	Enter Supplier Payment	*	*																																
Transaction Details																																																																					
	Amount	Currency Rate	Inv/Prepaym No	Lump Sum Trans Number	Payment Transaction Type	Cash Account User Group	Bank Transaction																																																														
<input type="checkbox"/>	-200.00	3	59	1	Enter Supplier Payment	*	*																																																														

3. Cash account will get updated as below:

Cash Account Queue - PL_WA			
✓	:	Currency Amount	Amount in Acc Curr
<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	4.18

Postings are as below:

Mixed Payment Vouchers								
Company		Voucher Type	Voucher No	Voucher Date				
PLN-COM		N	2021000013	5/17/2021				
Accounting Year		Accounting Period						
2021		5						
Voucher Rows								
✓	:	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			
	Currency Amount	Amount in Acc Curr	Currency Rate
<input type="checkbox"/>	-490.00	-2050.00	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 Trans Number	Payment Transaction Type	Cash Account User Group	Bank Transaction		
<input type="checkbox"/>	100.00	3.5	9874	1	Enter Customer Paymen	*	*		

3. View the cash account.

Cash Account Queue - PL_WA			
	Currency Amount	Amount in Acc Curr	Currency Rate
<input type="checkbox"/>	-390.00	-1632.00	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				
☰ ☼ ☒ ▾				
✓	:	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	
<input checked="" type="checkbox"/>	:	-3000.00	3	6220213	1	Enter Supplier Payment	*	*	

3. The cash account will be updated as below:

Cash Account Queue - PL_A				
☰ ☯ ☰				
☑	:	Currency Amount	Amount in Acc Curr	Currency Rate
<input type="checkbox"/>	:	-4000.00	-14000.00	3.5

The calculation for the currency rate is as below:

Inflow amount in Trans curr	Amount in Acc curr	Inflow curr rate
-1000	-5000	5
-3000	-9000	3
-4000	-14000	3.5

4. View vouchers.

Mixed Payment Vouchers <small>PLN-COM - 2021000042 - 6/2/2021 1 of 1</small>									
☰ ☯ ☰									
Company		Voucher Type		Voucher No		Voucher Date			
PLN-COM		N		2021000042		6/2/2021			
Accounting Year		Accounting Period							
2021		6							
Voucher Rows									
☰ ☯ ☰									
☑	:	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

Note – Even though the cash account shows a currency rate of 3.5, 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 – Making an inflow.

1. Make the balance of the cash account negative.

Cash Account Queue - PL_A				
☰ ☯ ☰				
☑	:	Currency Amount	Amount in Acc Curr	Currency Rate
<input type="checkbox"/>	:	-4000.00	-14000.00	3.5

2. Create a Manual customer invoice for an amount of 1500, 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	4	0.00		
Debit		Credit	Debit Amount in Acc Curr	
1500.00		0.00	4500.00	
Credit Amount in Acc Curr		0.00		

Transaction Details									
☰ ☯ ☰ ☰ ☰ View Transactions Notes Cancel Matching ☰									
(1) ☑	:	Amount	Currency Rate	Inv/Prepaym No	Lump Sum Trans Number	Payment Transaction Type	Cash Account User Group	Bank Trans	
<input checked="" type="checkbox"/>	:	1500.00	3	6220213	1	Enter Customer Payment	*	*	

3. View cash account.

Cash Account Queue - PL_A				
☰ ☯ ☰				
☑	:	Currency Amount	Amount in Acc Curr	Currency Rate
<input type="checkbox"/>	:	-2500.00	-9500.00	3.8

Calculation is as below:

Inflow amount in Trans curr	Amount in Acc curr	Inflow curr rate
-4000	-14000	3.5
1500	4500	3
-2500	-9500	3.8

4. View vouchers.

Mixed Payment Vouchers									
PLN-COM - 2021000042 - 6/2/2021 1 of 1									
Company: PLN-COM Voucher Type: N Voucher No: 2021000042 Voucher Date: 6/2/2021 Accounting Year: 2021 Accounting Period: 6									
Voucher Rows									
✓	:	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

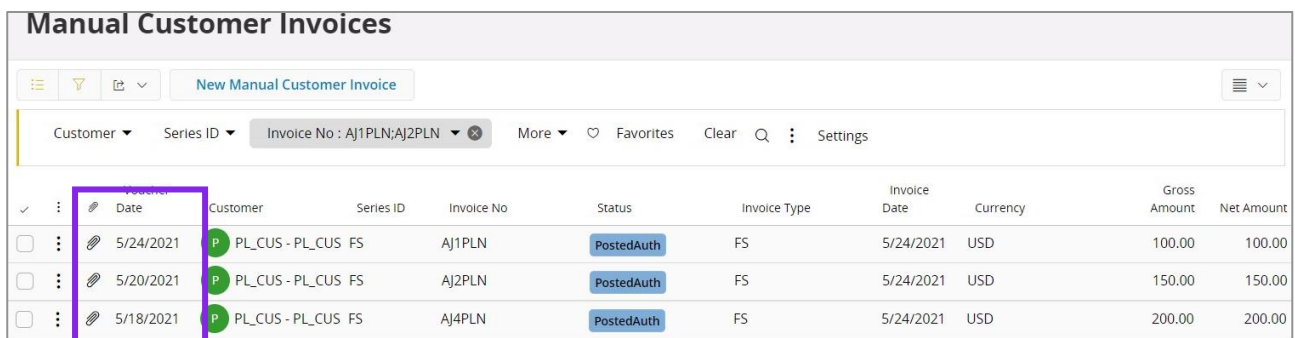
A FIFO queue is used to keep track of incoming transactions. When the cash account balance is greater than zero, then each incoming transaction is added to the FIFO queue. For outgoing transactions, the rows in the FIFO queue are consumed to compensate for the outflow amounts.

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
450		1870

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	PL_CUS - PL_CUS	FS	AJ1PLN	PostedAuth	FS	5/24/2021	USD	100.00	100.00
<input type="checkbox"/>	:	📅	5/20/2021	PL_CUS - PL_CUS	FS	AJ2PLN	PostedAuth	FS	5/24/2021	USD	150.00	150.00
<input type="checkbox"/>	:	📅	5/18/2021	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 18th, 20th and 24th.

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
☑	200.00	840.00	200.00	840.00	NotCleared	4.2	5/20/2021
☑	150.00	600.00	150.00	600.00	NotCleared	4	5/18/2021
☑	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
☑	-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										
✓	:	Tran Code	Account	Currency	Curre. Rate	Conversion Factor	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency
<input type="checkbox"/>	:	PP13	75030 - Positive curren...	USD	4.13	1		0.00	0.00	
<input type="checkbox"/>	:	PP13	75030 - Positive curren...	USD	4.13	1		0.00	0.00	
<input type="checkbox"/>	:	IP1	21015 - Short-term do...	USD	4.13	1	0.00		0.00	243.60
<input type="checkbox"/>	:	PP1	13010 - Current bankin...	USD	4.13	1		280.00	-280.00	
<input type="checkbox"/>	:	IP1	21015 - Short-term do...	USD	4.13	1	280.00		280.00	1156.40

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		4.13

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							
✓	:	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						
Transaction Balances						
Cash Account	Statement No				Remaining Amount	
FIFO_PL	11				500.00	
Credit	Debit Amount in Acc Curr				Credit A	
500.00	0.00				4000.00	
Transaction Details						
(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.

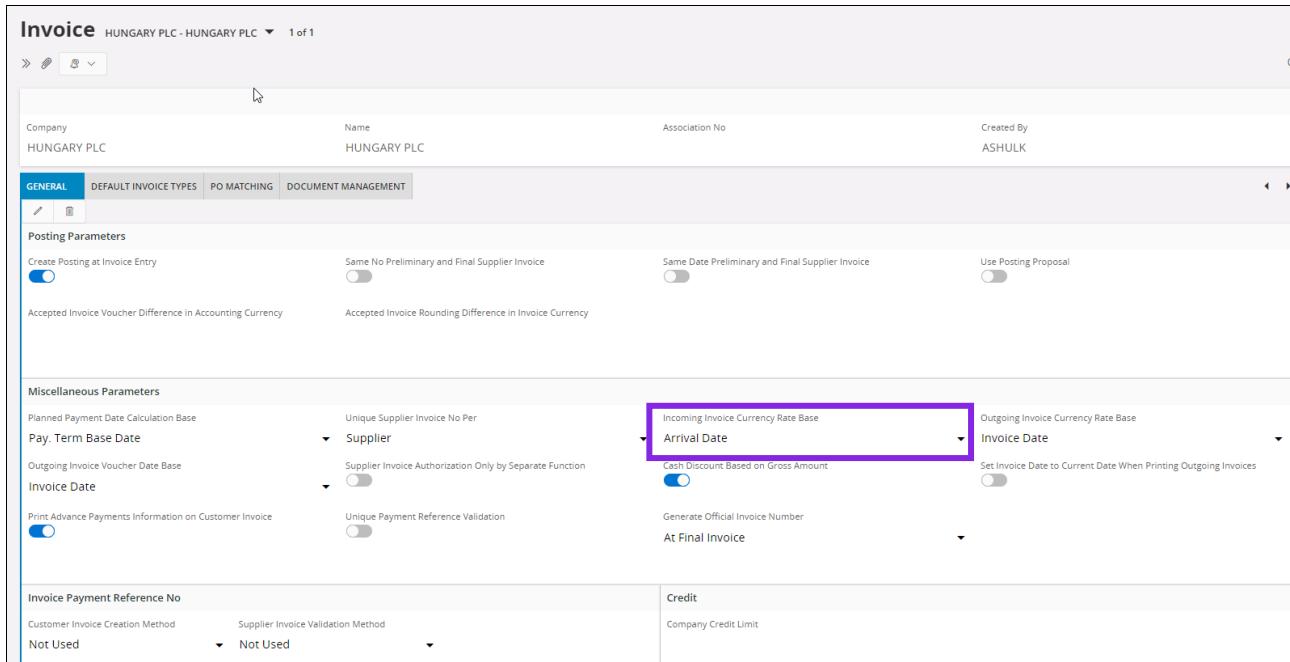
5.3 Prerequisites

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**.



The screenshot shows the 'Invoice' configuration page for 'HUNGARY PLC - HUNGARY PLC'. The 'GENERAL' tab is active, and the 'Incoming Invoice Currency Rate Base' dropdown menu is highlighted with a red box, showing 'Arrival Date' as the selected option. Other visible options include 'Voucher Date', 'Invoice Date', and 'Customs Declaration Date'.

Posting Parameters	
Create Posting at Invoice Entry	<input checked="" type="checkbox"/>
Same No Preliminary and Final Supplier Invoice	<input type="checkbox"/>
Same Date Preliminary and Final Supplier Invoice	<input type="checkbox"/>
Use Posting Proposal	<input type="checkbox"/>
Accepted Invoice Voucher Difference in Accounting Currency	
Accepted Invoice Rounding Difference in Invoice Currency	

Miscellaneous Parameters	
Planned Payment Date Calculation Base	Supplier
Pay Term Base Date	Supplier
Outgoing Invoice Voucher Date Base	Supplier Invoice Authorization Only by Separate Function
Invoice Date	Supplier
Print Advance Payments Information on Customer Invoice	<input checked="" type="checkbox"/>
Unique Supplier Invoice No Per	Supplier
Supplier Invoice Authorization Only by Separate Function	<input type="checkbox"/>
Unique Payment Reference Validation	<input type="checkbox"/>
Incoming Invoice Currency Rate Base	Arrival Date
Cash Discount Based on Gross Amount	<input checked="" type="checkbox"/>
Outgoing Invoice Currency Rate Base	Invoice Date
Set Invoice Date to Current Date When Printing Outgoing Invoices	<input type="checkbox"/>
Generate Official Invoice Number	At Final Invoice

Invoice Payment Reference No		Credit	
Customer Invoice Creation Method	Supplier Invoice Validation Method	Company Credit Limit	
Not Used	Not Used		

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 [Ctrl+Click to go to link](#)

Default Currency Rate Types for TAX

Allow Specific Currency Rates for Tax Transactions:

Buying Currency Rate for Tax: BUY - buy

Selling Currency Rate for Tax: 2 - EMU currencies

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

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**

Plan Paym Delay:

Payment Term: 0 - Due Immediately

Automatic Payment Authorization: No

Payment Authorizer:

Preliminary Code:

Invoice Recipient: A ASHEN - ASHEN

Use Invoice Recipient From: File

Invoicing Supplier: HUNSUP 1 - HUNSUP 1

National Bank Code:

Inactive Date:

Inactive Reason:

Posting Template Identity:

Mandatory to enter Payment Ref...: No

Default Invoice Types

Manual

Automatic

Recurring Manual

5.5 Enter Supplier Invoice

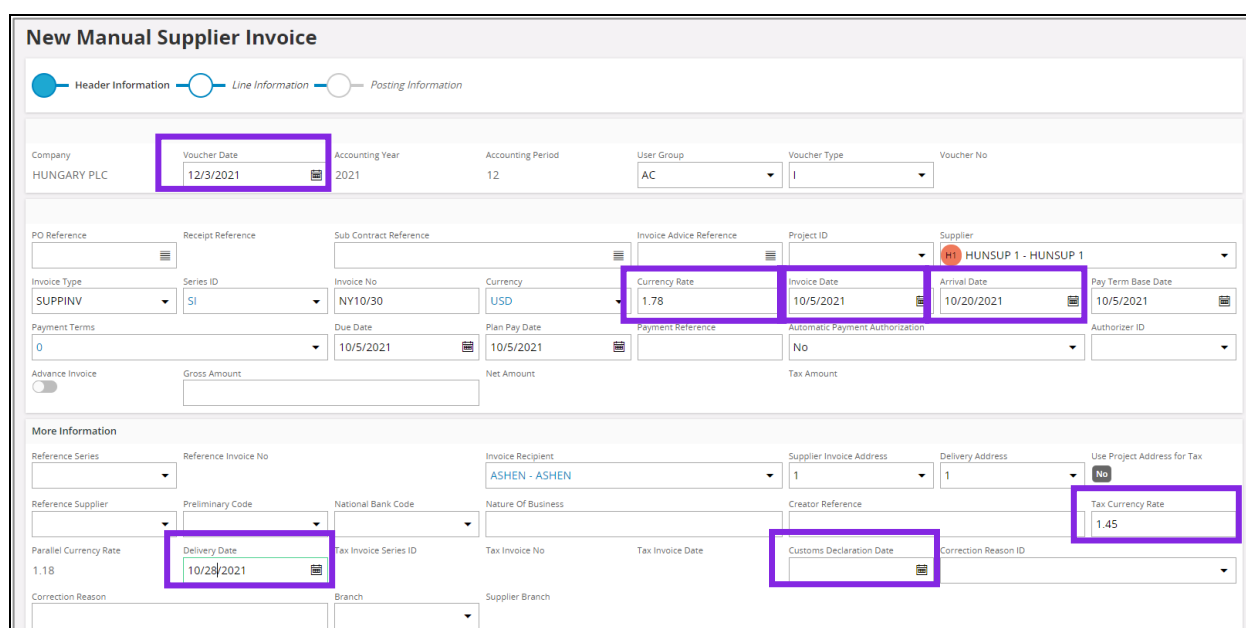
The currency rates for supplier invoices are fetched as per the company and supplier setup. For example:

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	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.