



PLEXADA TRANSACTION CURRENCY

Technical Documentation

Version

Plexada P/4 Transaction Currency 3.02
Microsoft Dynamics NAV 2018

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Abbreviations

FCY	Foreign Currency
LCY	Local Currency
ACY	Additional Reporting Currency
NAV	Microsoft Dynamics™ NAV
P4TC	Plexada TransactionCurrency

Functional Description of Plexada TransactionCurrency

NAV enables the user to keep accounts in multiple currencies. Most documents can be posted in any currency. However, the resulting entries don't retain this information in all ledgers. This has been done purposefully, it reduces the complexity of the overall application.

P4TC completes the currently missing currency information in the General and the VAT Ledger. It retains this information regardless of the source of the transaction. This is very convenient when you:

- do business in various currencies,
- buy raw goods in a currency and/or sell your goods/services in other currencies,
- need a guidance for F/X allocation, F/X risk assessment,
- need to comply with reporting requirements in foreign countries.

The P4TC implementation is done in a way that integrates seamlessly into the standard functionality of NAV. Therefore most of the modified objects are standard objects.

Currency Information in the G/L

To retain the transaction currency, fields for Currency Code and Amount (FCY) are added. They always contain a value (exception: the amount in FCY is actually zero, like for adjustments), even if the transaction is in LCY. In this case the Amount (FCY) field contains the Amount value.

Chart of Accounts ▾

Type to filter (F3) | No. ▾ → ▾

No filters applied

No.	Name	Income/B...	Account Type	Totaling	Net Change	Balance	Currency Code	Net Change (FCY)	Balance (FCY)	FCY Exchange Rate Adjustment
5000	Liabilities	Balance Sh...	Begin-Total							<input type="checkbox"/>
5100	Long-term Liabilities	Balance Sh...	Begin-Total							<input type="checkbox"/>
5110	Long-term Bank Loans	Balance Sh...	Posting		-55,675.76	-55,675.76		-55,675.76	-55,675.76	<input type="checkbox"/>
5111	Loan RBS	Balance Sh...	Posting		-626,798.92	-626,798.92	USD	-992,727.14	-992,727.14	<input checked="" type="checkbox"/>
5120	Mortgage	Balance Sh...	Posting		-316,945.79	-316,945.79		-316,945.79	-316,945.79	<input type="checkbox"/>
5290	Long-term Liabilities, Total	Balance Sh...	End-Total	5100..5290	-999,420.47	-999,420.47		-1,365,348.69	-1,365,348.69	<input type="checkbox"/>
5300	Short-term Liabilities	Balance Sh...	Begin-Total							<input type="checkbox"/>
5310	Revolving Credit	Balance Sh...	Posting		-1,380,688.04	-1,380,688.04		-1,380,688.04	-1,380,688.04	<input type="checkbox"/>
5350	Sales Prepayments	Balance Sh...	Begin-Total							<input type="checkbox"/>

Figure 1: Chart of Accounts with transaction currency fields

General Ledger Entries ▾

Type to filter (F3) | Posting Date ▾ → ▾

Filter: 5111

Posting Date	Document Type	Document No.	G/L Account...	Description	Gen. Posti...	Gen. Bus...	Gen. Prod. Posting ...	Currency Code	Amount (FCY)	Amount	Bal. Account...	Bal. Account...	Entry No.
1/1/2014		G00001	5111	Payout Loan				USD	-1,000,000.00	-631,223.00	Bank Acco...	WWB-USD	2766
1/31/2014		G00002	5111	Repayment 01/14				USD	7,272.86	4,424.08	G/L Account		2768

Figure 2: G/L Entries List with transaction currency fields

In the G/L these fields have been added:

Table	Field	Purpose	Remark
G/L Entry	Currency Code	Original currency of the transaction.	
	Amount (FCY)	Amount in original currency.	
	Debit Amount (FCY)	Debit amount in original currency.	
	Credit Amount (FCY)	Credit amount in original currency.	
	VAT Amount (FCY)	VAT amount of the entry in original currency.	
G/L Account	Currency Code	If a currency code is set, only transactions in this currency can be posted.	This is intended for use cases where you have accounts by currency (for instance, loan accounts).
	Currency Filter	Filter for all FlowFields of the G/L Account.	
	Balance at Date (FCY)	Balance at date in FCY.	These fields only make sense when a currency filter is set, or all G/L Entries of the account have the same currency code.
	Net Change (FCY)	Net change in FCY.	
	Balance (FCY)	Balance in FCY.	
	VAT Amount (FCY)	VAT amount of the G/L Entries in FCY.	
	FCY Exchange Rate Adjustment	Checked: Adjust the account with the "Adjust Exchange Rates" batch.	The field defaults to "Yes" when a currency code is selected for the account.

Table 1: Additional fields in the G/L

The forms and pages of the G/L Entries have additional fields to show these values where it's appropriate. By default the new fields are hidden, except for the G/L Account card.

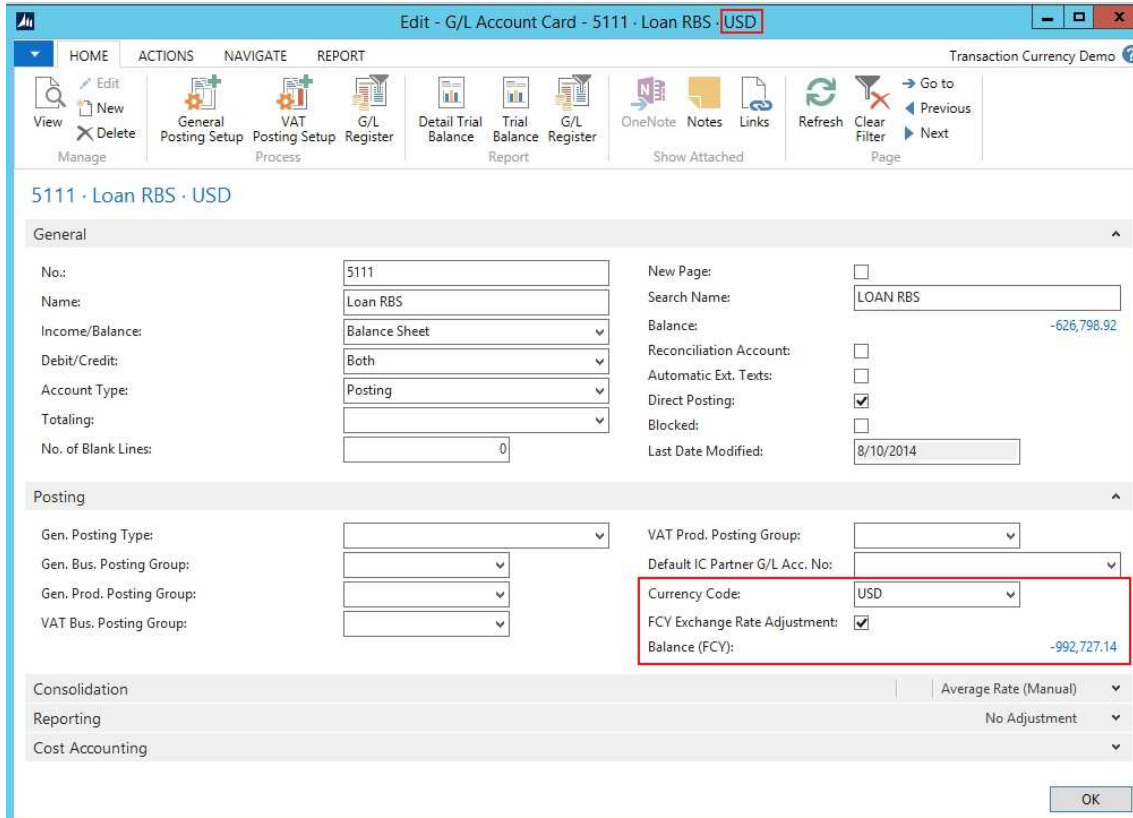


Figure 3: G/L Account Card with P4TC fields

Transactions that can't have Currency Information

There are some transactions that can't have valid or desired currency information. This is the case for the inventory and fixed asset ledger, those are always in local currency. Adjustments originating from there are posted in local currency:

- Adjust Cost – Item Entries
- Inventory Revaluation
- Physical Inventory
- Consumption and Output Journals
- Fixed Assets – Calculate Depreciation

There are also transactions that have partial currency information. They originate from a purchase, sale or payment:

- Automatic Cost Posting
- Expected Cost Posting
- Fixed Assets – Acquisition
- Fixed Assets – Disposal

The resulting posting contains the currency information in all parts that are not an adjustment. Standard NAV handles the ACY values of these transactions similarly: If the resulting entry is the same as the general journal value, the source currency and source amount is respected. Otherwise (for all “adjustment” parts of the posting) the ACY will be calculated.

Reporting Features

P4TC provides the basic facilities you would need to do a reporting by currency.

Feature	Usage	Restrictions
Currency Filter in G/L Accounts	Filter all amount fields in the G/L by originating currency.	The Amount (FCY) fields are only valid for a filter of one currency code.
Report “Detail Trial Balance in FCY”	This report shows the detail trial balance also for the FCY fields of the G/L Account	The Balance (FCY) totaling lines will only have a value when all entries of the account have the same currency.
Currency Filter in Account Schedule Lines	Filter the whole account schedule by original currency of the transaction.	Only LCY and ACY amounts are shown. These filters apply to G/L entries only, not for G/L budgets and analysis views.
Currency Totaling in Column Layout	Filter columns by original currency of the transaction	

Table 2: Reporting features by currency code

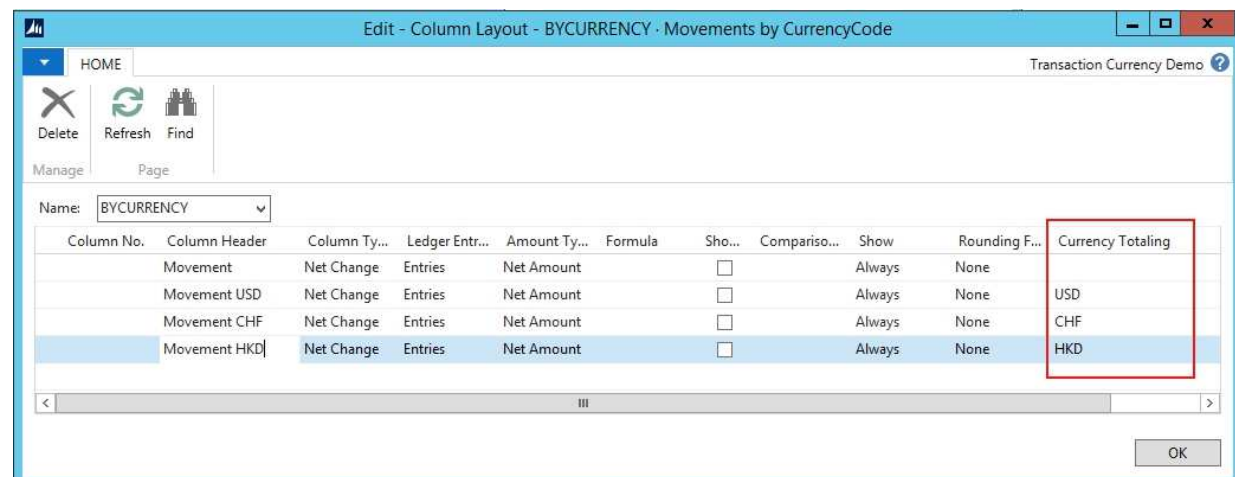


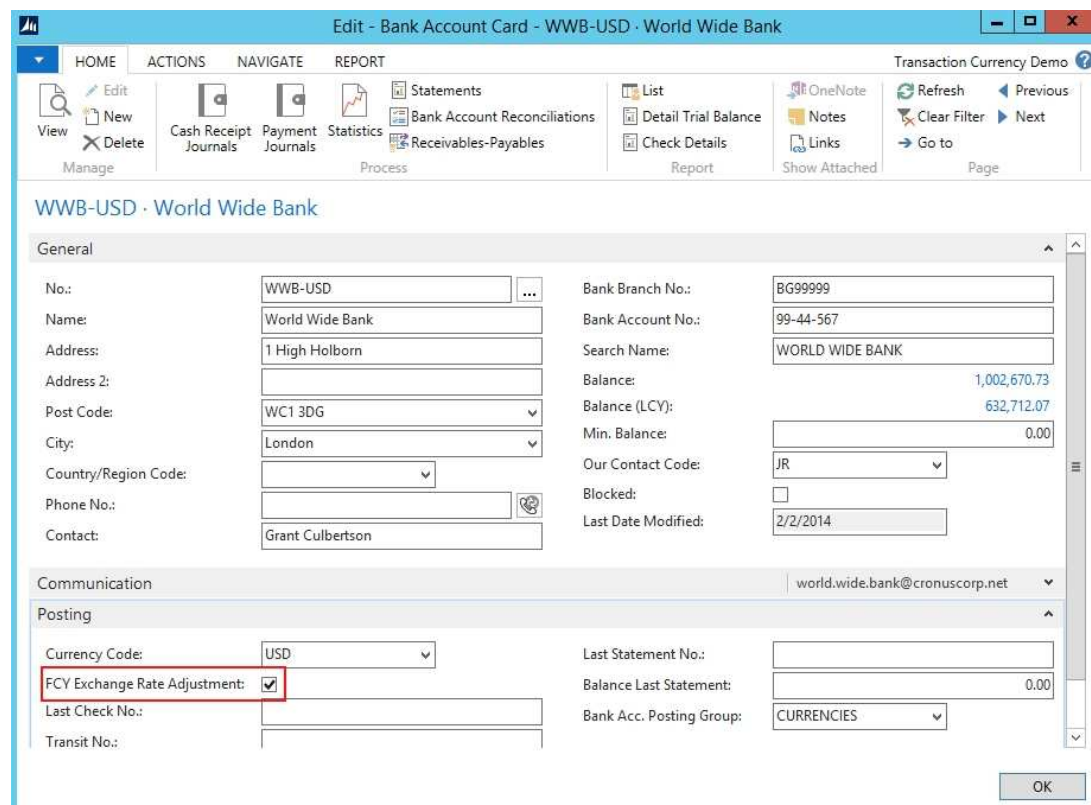
Figure 4: Account Schedule Column Layout with “Currency Totaling” column

Currency Information in the Bank Ledger

Although bank entries do have the fields for currency information, they are only used when a bank has a currency code defined. P4TC is always filling these fields, without changing the posting rules for bank accounts. Additionally you can choose if you want the bank account to be exchange rate adjusted.

Table	Field	Purpose	Remark
Bank Account Ledger Entry	Currency Code	Original currency of the transaction.	These fields already exist.
	Amount	Amount in original currency.	
Bank Account	FCY Exchange Rate Adjustment	“Yes”: Adjust the account with the “Adjust Exchange Rates” batch.	The field defaults to “Yes” when a currency code is selected for the account.

Table 3: Additional fields in the bank ledger



The screenshot shows the 'Edit - Bank Account Card - WWB-USD - World Wide Bank' window. The 'Posting' section is expanded, showing the 'FCY Exchange Rate Adjustment' field checked. The 'General' section shows bank details like 'No.', 'Name', 'Address', 'City', 'Country/Region Code', 'Phone No.', 'Contact', 'Bank Branch No.', 'Bank Account No.', 'Search Name', 'Balance', 'Balance (LCY)', 'Min. Balance', 'Our Contact Code', 'Blocked', and 'Last Date Modified'. The 'Communication' section shows the email address 'world.wide.bank@cronuscorp.net'. The 'Posting' section shows 'Currency Code' as 'USD', 'Last Statement No.', 'Balance Last Statement', 'Bank Acc. Posting Group' as 'CURRENCIES', and 'Transit No.'.

Figure 5: Bank Account Card with P4TC field

Currency Information in the VAT Ledger

In the VAT ledger, fields are added to retain the currency code and amounts in originating currency. These are used for the VAT settlement and for the “VAT Advance Notification Proof” report.

Table	Field	Purpose	Remark
VAT Entry	Currency Code	Original currency of the transaction.	
	Base (FCY)	Base amount in original currency.	
	Amount (FCY)	VAT amount in original currency.	
	Unrealized Base (FCY)	Unrealized base amount in original currency.	
	Unrealized Amount (FCY)	Unrealized VAT amount in original currency.	
	Remaining Unreal. Amount (FCY)	Remaining unrealized base amount in original currency.	
	Remaining Unreal. Base (FCY)	Remaining unrealized VAT amount in original currency.	
	VAT Difference (FCY)	VAT difference as entered in original currency.	
VAT Statement Name	Currency Filter		Used to filter the “VAT Advance Notification Proof” report.

Table 4: Additional fields in the VAT ledger

The forms and pages of the VAT entries have additional fields to show these values where it is appropriate. By default the new fields are hidden.

VAT Entries

Entry No.	VAT Bus. Posting...	VAT Prod. Posting...	Posting Date	Docum. No.	Document Type	Type	Currency Code	Base (FCY)	Base	Amount (FCY)	Amount	VAT Calculation...	Bill-to/Pay-... No.	Country/Re... Code
879	NATIONAL	VAT25	8/10/2014	103022	Invoice	Sale	USD	27.50	15.33	6.88	3.83	Normal VAT	10000	GB
880	NATIONAL	VAT25	8/10/2014	103022	Invoice	Sale	USD	-2,749.50	-1,532.98	-687.38	-383.25	Normal VAT	10000	GB

Figure 6: VAT Entries with P4TC columns

VAT Advance Notification Proof P4TC

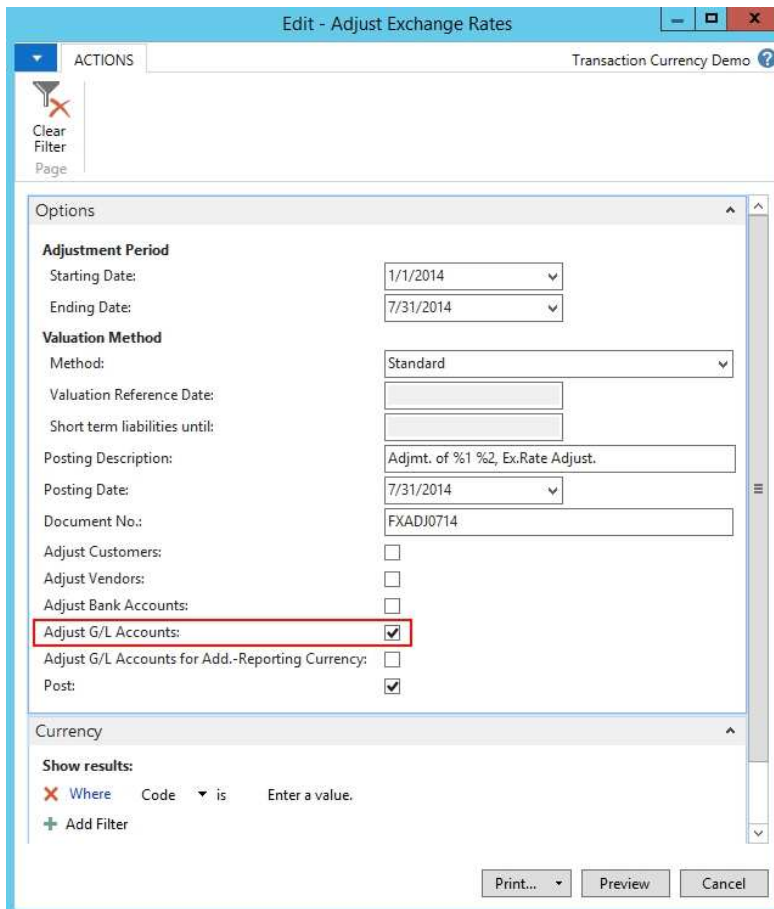
This report shows the amounts posted on the G/L accounts according to the VAT entries posted by VAT statement line. In P4TC, the report shows the amounts grouped by currency code including FCY amounts. It is also possible to filter by currency codes.

Calculate and Post VAT Settlement P4TC

This report calculates and posts the VAT settlement to the VAT Payable account. The settlement is shown and posted by currency. The resulting posting to the VAT Payable account is in LCY only.

Adjust Exchange Rates P4TC

This report also adjusts G/L balance accounts which have a currency code. The adjustment adheres to the same rules as for bank accounts: The balance will be adjusted. For every G/L account and bank account the field "FCY Exchange Rate Adjustment" must be checked, otherwise it will be ignored by the adjustment batch.



Edit - Adjust Exchange Rates Transaction Currency Demo

ACTIONS Clear Filter Page

Options

Adjustment Period
 Starting Date: 1/1/2014
 Ending Date: 7/31/2014

Valuation Method
 Method: Standard
 Valuation Reference Date:
 Short term liabilities until:
 Posting Description: Adjmt. of %1 %2, Ex.Rate Adjust.
 Posting Date: 7/31/2014
 Document No.: FXADJ0714

Adjust
 Adjust Customers: ☐
 Adjust Vendors: ☐
 Adjust Bank Accounts: ☐
Adjust G/L Accounts: ☒
 Adjust G/L Accounts for Add.-Reporting Currency: ☐
 Post: ☒

Currency
 Show results:
 X Where Code is Enter a value.
 + Add Filter

Print... Preview Cancel

Figure 7: Adjust Exchange Rates request page.

Close Income Statement P4TC

This batch closes the income accounts by all dimension combinations and business units. The resulting profit or loss will be posted to the Retained Earnings account. P4TC has a completely redesigned batch, with additional features.

The screenshot shows a software window titled "Edit - Close Income Statement". It features a toolbar with "Clear Filter" and "Page" buttons. Below the toolbar is an "Options" section with the following fields:

- Fiscal Year Ending Date: 12/31/2014
- Gen. Journal Template: SYSTEM
- Gen. Journal Batch: DEFAULT
- Document No.: PNL2014
- Retained Earnings Acc.: 3120
- Only one line for retained earnings: ☐
- Posting Description: Close Income Statement 2014
- Close by** (highlighted with a red box):
 - Business Unit Code: ☐
 - all posted Dimensions: ☒
- Dimensions: | ...
- Inventory Period Closed: ☐

At the bottom right are "OK" and "Cancel" buttons.

Figure 8: Close Income Statement request page with P4TC options

Clean Close

The goal is to make an as “clean” as possible closing, meaning all income accounts are zero after the closing, regardless of the filter applied to it. It is also the goal for the retained earnings posting. This way it is possible to deliver consistent data for all dimensions to a reporting system.

Close by Currency and Debit/Credit

The batch always closes by currency code, and additionally by debit/credit posting. This is to ensure that no “malformed” closing entries are generated, where the exchange rate would be negative.

Close by Business Unit

This is optional, but will be default to “checked” if the company contains business unit records. This ensures that the closing is consistent by business unit. Also, the retained earnings posting is split by business unit.

Close by all dimensions

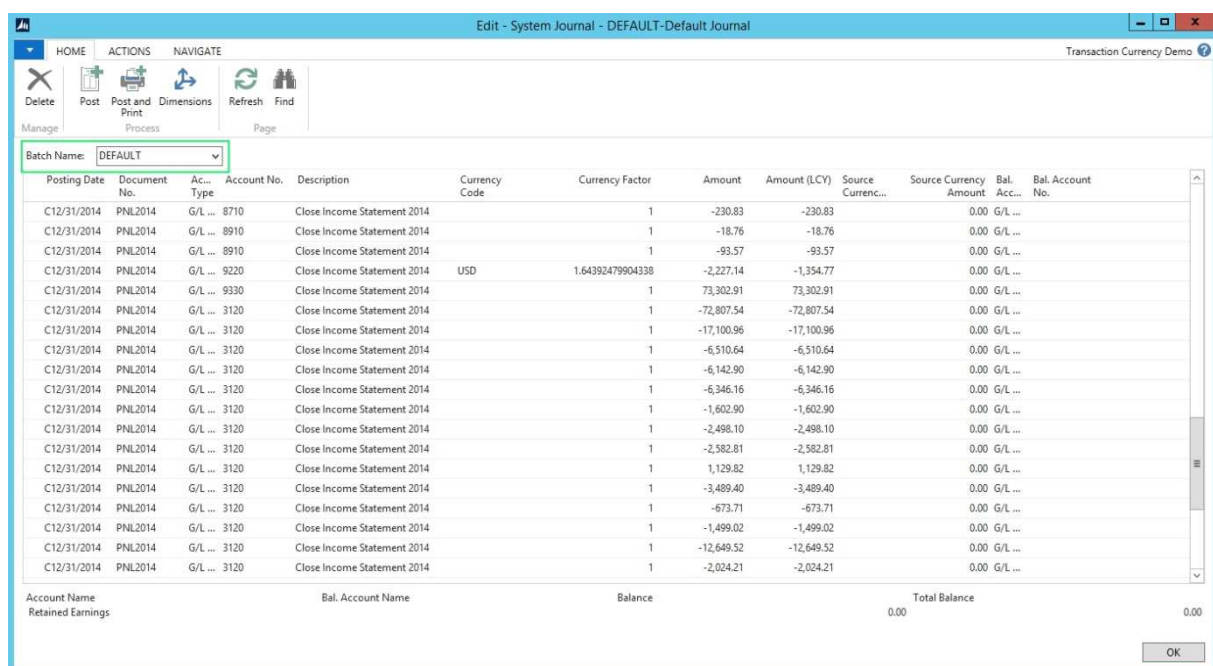
The batch optionally closes by all posted dimension combinations, regardless if the dimension master data is present or not. Also, it doesn't matter what dimension restrictions are on the accounts, they will be ignored for this posting. Optionally you can also select the dimensions by which the closing will be done.

Only One Line for Retained Earnings

This is also optional. If checked, only one line (by business unit) will be created for the retained earnings. If unchecked, the retained earnings will be split by currency, debit/credit, business unit, selected or all dimension combinations.

System Journal

The batch always creates a general journal, regardless if there is an additional reporting currency in use. This ensures that you can verify that the closing has the desired outcome before posting it. The generated journal lines can contain values which can't be entered manually, and are additionally marked as system-created entries. For example, it can contain lines with a currency code, no amount, but an amount in LCY. To avoid problems resulting from this fact a new type of general journal has been defined. The system journals are read-only and can be deleted by line.



Posting Date	Document No.	Account No.	Description	Currency Code	Currency Factor	Amount	Amount (LCY)	Source Currency	Bal. Account No.
C12/31/2014	PNIL2014	G/L ... 8710	Close Income Statement 2014		1	-230.83	-230.83	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 8910	Close Income Statement 2014		1	-18.76	-18.76	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 8910	Close Income Statement 2014		1	-93.57	-93.57	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 9220	Close Income Statement 2014	USD	1.64392479904338	-2,227.14	-1,354.77	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 9330	Close Income Statement 2014		1	73,302.91	73,302.91	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-72,807.54	-72,807.54	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-17,100.96	-17,100.96	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-6,510.64	-6,510.64	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-6,142.90	-6,142.90	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-6,346.16	-6,346.16	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-1,602.90	-1,602.90	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-2,498.10	-2,498.10	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-2,582.81	-2,582.81	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	1,129.82	1,129.82	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-3,489.40	-3,489.40	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-673.71	-673.71	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-1,499.02	-1,499.02	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-12,649.52	-12,649.52	0.00	G/L ...
C12/31/2014	PNIL2014	G/L ... 3120	Close Income Statement 2014		1	-2,024.21	-2,024.21	0.00	G/L ...
Account Name: Retained Earnings						Balance	Total Balance		0.00

Figure 9: System Journal page with a close income statement batch. Only the green marked range is editable.

Due to the system journal being read-only, the delete process is not quite standard: You can select the lines you want to delete as usual with the mouse or the arrow keys and shift, but to delete them you need to focus the "Batch Name" control. Then you can press F4 to delete the selected lines.