

FOREIGN CURRENCY REVALUATION ON VENDOR

1. For foreign currency revaluation, you need to set relevant account for revaluation.
Path = General ledger > set up > ledger

Chart of accounts
Chart of accounts: Atlantis Product Private Limited

Account structures
+ Add ✗ Remove Configure account struct...

Account structure	Name
Atlantis Product Private Limited	Atlantis Product Private Limited

Interunit accounting
Balancing financial dimension:

Fiscal calendar
Fiscal calendar: APPL

Currency
Accounting currency: INR Default budget exchange
Reporting currency: INR TDS import exchange
Default exchange rate type: Average
Enter the default main account that will be used during processes that include currency

Posting	Main account	Name
Realized gain	9999991	Realised gain
Realized loss	9999990	Realised loss
Unrealized gain	9999993	Unrealised gain
Unrealized loss	9999992	Unrealised loss

2. In all above Ledger following mark need to be enable in ledger set up in COA as to allow system to post Loss / Gain while you are revaluating transaction.

Main account: 9999991 Name: Realised gain

Select the level of main account to display: Chart of accounts

Companies: + ✗

General

Totals Assign template View cash flow forecast Additional consolidation...

Ledger

Main account type: Profit and loss

Reporting type:

Main account category:

Administration

Do not allow manual entry: ☐

Active from:

Active to:

Foreign currency revaluation: ☒

- After wards, one has to set date wise rate manually or by using auto update.
Path = General ledger > set up > currency > currency exchange rate.

Currency exchange rates (1 - g)

File New Delete

Exchange rate type: Average

From currency	To currency	Quotation unit
USD	INR	1

From currency: USD To currency: INR Quotation unit: 1

Display valid exchange rates for the date range

From date: 23-01-2018 To date: 31-03-2018

+ Add - Remove

Start date	Exchange rate
01-02-2018	68.0000
02-02-2018	68.5000
03-02-2018	67.0000
21-02-2018	70.0000
28-02-2018	70.0000
31-03-2018	72.0000

Date wise rate

- Create one Invoice with foreign vendor for foreign currency transaction. My transaction is in USD (foreign currency) and my accounting currency is INR.

Excise manufacturer or i...	Preview/Print▼	Voucher	View distributions	Subledger journal entries	Charges▼	Tr
<input type="checkbox"/> Purchase order	Date	Invoice	Voucher	Curren...	Sales tax	Invoice amount
G-000022	22-02-2018	44	G-000006	USD	0.0000	4,000.0000

Voucher of above transaction and explanation of transaction.

Journal nu...	Voucher	Date ▲	Year clo...	Ledger account	Curre...	Amount in transac...	Amount	Amount in reporting cur...
G-000040	G-000006	22-02-2018	<input type="checkbox"/>	5200000	USD	4,000.0000	280,000.00	280,000.0000
G-000040	G-000006	22-02-2018	<input type="checkbox"/>	8000003	USD	-4,000.0000	280,000.00	-280,000.0000
				Vendor A/C CR				
				Purchase A/C DR				
				Rate Taken = 4000 * 70 = 2,80,000				
				Rate available after 21/2/2018 in exchange rate master is Rs.70 so ,it took rate Rs.70 on 22/2/2017				

- Now at end of year company need to run Revaluation process for vendor transaction that are open (Payment pending transaction) as we need to close our books of accounts.

6. Therefore, on 31th march we will run revaluation process to revalue our vendor balance as per exchange rate on book closer date 31th march.
7. Revaluation process for vendor.
Path = AP > Periodic > Foreign currency revaluation.
8. Whenever you create revaluation process system directly post transaction without giving chance to review it whether amount and other detail is correct or not.
9. In that case AX gives one functionality called "SIMULATION "in that you can enter your detail and verify your revaluation amount with posting it.

File Foreign currency revaluation... Simulation Voucher Transactions Reviewed

Show: All

Overview General Notes Direct revaluation

<input type="checkbox"/>	Executed date	Method	Considered date	Date of rate	Use posting profile from	Posting profile
	21-02-2018	Standard	01-02-2018	03-02-2018	Posting	vpp
	21-02-2018	Standard	03-02-2018	01-02-2018	Posting	vpp
	21-02-2018	Standard	03-02-2018	21-02-2018	Posting	vpp

10. Firstly, we concentrate on Simulation process to see result of Revaluation and then post it.

Simulation (1)

General Batch

Parameters

Method: Standard

Considered date: 22-02-2018

Date of rate: 31-03-2018

Current print destination

Printer:

Destinations ...

Vendor transactions

Vendor account: G-000002

Currency: USD

Select

OK Cancel

11. Result of Simulation

Vendor - foreign currency revaluation simulation

Parle- G

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2/22/2018
5:11 PM

Vendor - Foreign currency revaluation simulation

Parle - G

2/22/2018 5:11 PM

Amount currency

USD

Vendor account Name	Date	Currency	Last revalued accounting currency	New accounting currency	Foreign currency revaluation	Last revalued reporting currency	New reporting currency	Foreign currency revaluation
G-000002 Malya seth	2/22/2018	-4,000.0000	-280,000.00	-288,000.00	-8,000.00	-280,000.0000	-288,000.0000	-8,000.0000
Total		-4,000.00	-280,000.00	-288,000.00	-8,000.00	-280,000.00	-288,000.00	-8,000.00
Grand total					-8,000.00			-8,000.00

New rate for revaluation as on 31 th march

Accounting currency Exchange rate 72.00

Reporting currency Exchange rate 1.00

Current USD balance of "Malya seth"

Current INR balance of that USD balance of "Malya seth"

New Balance of "Malya seth" in INR after revaluation of Rs.8000

12. After getting perfect result from simulation move to direct revaluation, which affect your financial data.

13. Parameters of Foreign currency revaluation is same as simulation except some extra parameters.

Microsoft Dynamics AX (1)

Foreign currency revaluation

General Batch

Parameters

Method: Standard Use posting profile from: Posting

Considered date: 03-02-2018 Posting profile: vpp

Date of rate: 21-02-2018 Dimension: None

Print: ☐

Text

Description:

Notes:

Vendors

Vendor account: G-000001

Currency:

Vendor transactions

Currency:

Fixed rate:

Posting profile:

OK Cancel

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[Simulation](#)
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Journal number	Voucher	Date	Year closed	Ledger account	Currency	Amount in transaction...	Amount	Amount in reporting currency
G-000041	G-130000004	22-02-2018	<input type="checkbox"/>	9999992	USD	0.0000	0.00	8,000.0000
G-000041	G-130000004	22-02-2018	<input type="checkbox"/>	9999992	USD	0.0000	8,000.00	0.0000
G-000041	G-130000004	22-02-2018	<input type="checkbox"/>	8000003	USD	0.0000	0.00	-8,000.0000
G-000041	G-130000004	22-02-2018	<input type="checkbox"/>	8000003	USD	0.0000	8,000.00	0.0000

Unrealised Loss debited by Loss amount as earlier point

Vendor credited as increase in value because rate has increase

Trial balance ▾

Type to filter

Ledger account

Financial dimension set: Main account set ▾

Display account number segments in separate columns: ☐

☐

Ledger account	Name	Opening balance	Debit	Credit	Closing balance
5700024	Freight and forwarding	0.00	0.00	100.00	-100.00
8000001	WIP Account	0.00	101,350.00	56,350.00	45,000.00
8000002	WIP Issue	0.00	32,200.00	52,900.00	-20,700.00
8000003	ALL Vendor	0.00	10,000.00	1,941,000.00	-1,931,000.00
8000004	ALL DEBTOR	0.00	3,542.00	3,000.00	542.00
8000005	issue	0.00	40,250.00	64,550.00	-24,300.00
8000011	LOSS	0.00	23,600.00	0.00	23,600.00
8000018	BOB	0.00	3,000.00	540,000.00	-537,000.00
<input type="checkbox"/>	9999992	Unrealised loss	0.00	8,000.00	8,000.00
	9999993	Unrealised gain	0.00	10,000.00	0.00

Vendor balance (1 - g) - New Record

File Open transactions Details Aging period definitions

Vendor

Name: G-000002 Name: Malya seth Currency: USD

Vendor balance

Currency: INR Balance: -293,000.00

Customer/vendor balance

Currency: INR Balance: -293,000.00

Description	Currency	Balance currency
Balance in currency	INR	-5,000.0000
Balance in currency	USD	-4,000.0000
Accounting currency balance		

16. When you make payment of same invoice at rate lesser than rate we revalued vendor, system close unrealised loss account and transfer the remaining amount to realised loss.as per our case our revaluation done on rate Rs.72 and I have made payment at Rs.71 than following transaction will happened.

Trial balance ▾

Type to filter Ledger account

Financial dimension set: Main account set ▾ Display account number segments in separate columns: ☐

Ledger account	Name	Opening balance	Debit	Credit	Closing balance
8000001	WIP Account	0.00	101,350.00	56,350.00	45,000.00
8000002	WIP Issue	0.00	200.00	52,900.00	-20,700.00
8000003	ALL Vendor	0.00	300.00	1,945,000.00	-1,643,000.00
8000004	ALL DEBTOR	0.00	542.00	3,000.00	542.00
8000005	issue	0.00	40,250.00	64,550.00	-24,300.00
8000011	LOSS	0.00	23,600.00	0.00	23,600.00
8000018	BOB	0.00	3,000.00	824,000.00	-821,000.00
9999990	Realised loss	0.00	4,000.00	0.00	4,000.00
9999992	Unrealised loss	0.00	8,000.00	8,000.00	0.00
9999993	Unrealised gain	0.00	10,000.00	10,000.00	0.00

and transfer remaining loss to realised loss

closed

