

Foreign Currency

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Chapter 1

Introduction

Summary of Facilities

You implement foreign currency in Datafile Software essentially by adding the extra foreign currency application module. This application is only available within the Datafile *Diamond* and Datafile *Premier* product ranges. The module allows you to manage any sales, purchase or nominal account in a pre-defined currency.

Every transaction holds its financial details in both the currency of the account, and their equivalent values in the *base* currency — the main currency in which you report. Balances are held similarly in the currency of the account and in the base currency.

Foreign currency facilities include:

- ☐ Support for up to 99 currencies per company, including the base currency
- ☐ Monthly holding rates as well as spot rates supported
- ☐ Daily spot rate history option where needed (such as in commodity broking)
- ☐ No limit to number of foreign bank accounts
- ☐ Transfers between bank accounts fully supported
- ☐ Exchange differences on receipts and payments automatically updated to nominal
- ☐ Month-end revaluation options, with automatic nominal revaluation update
- ☐ Temporary spot rate revaluation option
- ☐ Foreign currency support for order processing and invoicing documents to print in currency of account
- ☐ Revaluation option for unfulfilled foreign currency orders
- ☐ Stock control support for currency options
- ☐ Ledger statements in foreign and base currencies
- ☐ Ledger reports in foreign and base currencies

Implementation

When you purchase the foreign currency module you are supplied firstly with a program to maintain the foreign currencies in your system. In fact your existing applications already possess foreign currency capabilities, and these are effectively switched on by the presence of the foreign currency module.

However, if you already possess a Datafile Software system, almost certainly extra data items will be required in your application files, and you will need to undertake some restructuring to your existing databases. Further, you will need to add extra menu options to some of the applications and answer some additional questions within the *Application Manager*.

This manual describes the principles behind the implementation of foreign currency by Datafile Software, and in particular the management of the currency files which hold the details and exchange rates for all the currencies used by a company.

This manual supplements the standard application manuals distributed with each of the programs, and does not replace them. It also describes the differences in use and installation of the foreign currency features of the programs.

It is strongly recommended that you read fully the next section, *Foreign Currency Considerations*, since this describes the principles behind our implementation of foreign currency, and defines the terms used throughout the manual.

The section entitled *Foreign Currency Applications* describes the differences in use in the various programs which you will see when using the foreign currency features. It does not attempt to give a complete description of how to use the programs, since this is covered by the standard application manuals. In this section it is assumed that you are familiar with the syntax of applications; how to select codes, run reports and use the selection criteria, and so on.

The next section of this manual, *Currency Management*, describes how to define the currencies and how to change the different types of exchange rate. This section is followed by the *Application Manager* section, which describes the specific foreign currency aspects which you must be defined for your system.

An appendix then describes how to install the foreign currency module, how to convert existing databases to include the items necessary for foreign currency, and how the necessary parameters are set, mostly through the *Application Manager* program, to achieve the results required.

Foreign Currency Considerations

This first section describes the principles on which Datafile Software based its foreign currency implementation; the terminology used in this manual; and the considerations to think through when installing a foreign currency system.

If you are new to the concepts of foreign currency and can see that your business is going to become more involved with it, you are well advised to seek professional advice in handling it. The following notes are offered to familiarise you with some of the terms and concepts which occur when dealing in foreign currencies.

Background to Foreign Currency Management

Companies who do not deal with companies in other countries have no need to worry about different currencies. All their transactions, bankings and reports take place in their local currency. However, once they start to trade with organisations in other countries, sooner or later they will have to deal with other currencies.

If such transactions are few and far between, companies often delegate the problem to their bank. If they have to pay a foreign bill, they arrange for their bank to send the money, recording in their own books just the local currency equivalent of the payment. If a customer wants to pay some invoices in its own currency, then again they will use their bank to exchange it into local currency when the money is received and record just the equivalent local currency amount.

Although the bank charges for providing these services, sometimes it looks as though they've charged extra, whereas at other times it's almost as though they've forgotten to charge at all. These variations in fact are due to the fluctuations in the exchange rates between currencies. And that is the essence of the foreign currency problem.

An Example

Let's suppose a UK company negotiated with a new customer in France and obtained an order for goods at £40,000. Bargaining was hard, and the net margin on the deal under standard costing was only 4.5%. They'd established their own costs at £38,200, but it was hoped that this was only the first of a continuing series of orders, so they were prepared to accept just a small margin this time around.

One of the terms of the deal was that the French company was to be invoiced, and would pay, in euros. Another was that 30 days credit was offered. As a result, our UK company kept their eye on the euro, standing around 1.3900 to the pound at the time, and agreed a price of €55,600.

The shipment is now ready, and our UK company needs to raise an invoice. An invoice for €55,600 is duly raised and sent once the goods are despatched. The post is studied anxiously in a month's time, and — a few days late — a cheque is received from their French customer to the value of €55,600. With relief, this is taken down to the bank, where the cashier confirms that the bank can buy euros at an exchange rate today of 1.4574 euros to the pound after all charges

(currencies are usually quoted to four places of decimal). Back in the office they realise to their horror that although the French company's account is now clear in terms of euros, they have received only £38,152 — under the cost of the deal, leaving no profit at all.

Exchange Differences

They have just learnt about the differences in value which occur due to the difference in time between the two sides of a transaction. Of course, things might have gone the other way. If the bank had been able to offer them 1.3535 euros to the pound that day, the cheque would have translated into £41,078, giving them an increase in profit on the deal (from £1,800 to £2,878).

So one of the new factors introduced when you start to deal in foreign currencies is the gains and losses you may make when converting to your local currency. These are known as *exchange differences*.

Another factor is that the exchange differences only truly appear in real money terms when you actually convert between one currency and another. In the example above, had our unfortunate company also held a Euro bank account then that would now hold €55,600. If they did a lot of trading in France, then they could use that to pay French invoices which — in UK pound terms — might now be cheaper than before, thus clawing back some margin.

The trick is, of course, to manage things so that either exchange differences broadly balance out during the year, or even that you make you a profit out of it.

Foreign Bank Accounts

If you start to do any volume of trade with many customers and/or suppliers in different countries, then you soon realise that the rate you are offered to exchange a currency is different according to whether you are buying (to pay a supplier) or selling (because you've just been paid by a customer). This "turn" is the consideration by which the foreign exchange dealers make their money.

It may pay you to open up bank accounts in the currencies in which you deal. Your own local bank can help to set up foreign currency accounts with them — you do not need to find a foreign bank in each country. Now you can bank foreign receipts in the account for that currency, and pay suppliers from it too, without suffering any losses on the turn between buying and selling the currencies.

There's still a risk, however. If you leave money in a foreign currency account and that currency devalues, you're suddenly faced with a loss (just as you would if you'd negotiated an overdraft to pay suppliers, and that currency revalued upwards). Of course, if the rate of exchange had gone the other way, you would have profited.

Hedging your Bets

If you make only a few deals in other currencies, whether you are buying or selling, then the risk to you from currency fluctuations is small. You might include an extra clause in the terms of the

deal to cater for other than minor fluctuations. However, if you start to make a considerable business of selling overseas, or of buying from abroad, then it may not be possible to include such terms as standard. It is prudent to seek ways to protect your company from currency fluctuations. Overall exposure to exchange rate fluctuations is, of course, enormous given the huge volume of world trade. As a result, markets to swap currencies have arisen — the foreign exchange markets. The players in these markets are largely the banks and foreign exchange brokers. Some international organisations may have a broking arm just so that they can be in on the act. Speculators can play the exchange markets; at times having the power to cause overvalued currencies to devalue, or the most respected financial institution to fall.

Foreign exchange markets have developed sophisticated schemes whereby they can hedge against the risk of future losses and open up opportunities to gain from currency movements — these can be an absorbing topic of study. Most businesses, however, just want simple schemes to protect them against losses caused by currency fluctuations. They will use a broker or a bank to provide two main types of futures contracts, known as *Forward* and *Options* contracts.

Futures Contracts

A *futures* contract is an agreement to exchange a specific amount of one currency for another at a specific date in the future (known as the *expiration* or *maturity* date) at an agreed rate of exchange (known as the *exercise price*). The rate of exchange offered by the bank or broker represents his best guess of where the rate will be on that date, adjusted so as to give him a profit on the deal. The benefit to you is that you will get that exact rate of exchange, regardless of what the *actual* rates are in the exchange markets when the date arrives.

For example, if the French company above had agreed to pay on a specific day and if a futures contract could have been taken at a rate of (say) €1.3875 to the pound, then our example company would have received £39,783 at the time of payment — not much less than they wanted, and still profitable. They can look on the £217 difference as insurance against exchange rate fluctuations. They also know to negotiate next time on the basis of forward exchange rates, not today's!

A common variant of the futures contract is becoming popular, often known as an *open forward* contract. Rather than maturing on a specific date, the contract can be fulfilled any time during a window of a certain number of days, such as (say) a named fortnight two months in the future. The advantage of this is, of course, that it allows you a certain amount of leeway to cater for late customer payments, or other cash flow difficulties.

Options Contracts

An *options* contract is a variation whereby the exchange of currency can take place at any time between now and a future date, but need not be taken up at all if the real exchange rate turns out to be better. Options contracts carry a *premium* — that is to say, you pay money at the time you buy the contract, regardless of whether you eventually use it — so these are less commonly used in commercial environments.

In the example above, if the French company had not been so exact about when it would pay, and had agreed to pay penalties if it did not settle by the agreed date, then an options contract might

have suited. It would be exercised as soon as payment was received, but would lapse without worry if the French company were late paying. Here, of course, our company would need to be confident that the penalty would compensate for any negative exchange rate fluctuation if the French company were late paying and the option contract had expired without fulfilment.

Some company financial controllers will spend considerable time and effort on cash flow planning to make sure they have the least “exposure” to currency fluctuations. Futures and options contracts will be negotiated to hedge against anticipated holdings of different currencies, and if they are cash rich they move currencies to maximise the interest earned on the balances, commensurate with the risk in each currency.

Call or Put — Buy or Sell

Call and *Put* are jargon terms which you may meet, and are used by brokers in their foreign exchange dealings. Call means to buy; put means to sell.

Warning

We have included a brief discussion on futures contracts in order to complete the background to foreign currency. You should not attempt to step into these markets, however, without seeking qualified professional advice. Foreign currency dealing is not for the uninitiated.

Foreign Currency Principles

This section describes how Datafile Software foreign currency procedures operate.

In general, financial management reporting needs to have a common unit of measure if a clear picture of a company’s position is to be seen. It is usual, therefore, for transactions in different currencies also to be translated back to a common currency for reporting purposes.

Base Currency

We call the reporting currency the *base* currency — others also call it the *home* currency. You can set up your company to use any currency as the base currency, but once you have defined the base currency you cannot change it; everything you then do is related to that base currency. Clearly UK pounds are normally the base currency for a UK company. But if you operate in the oil industry, or are (say) the subsidiary of an American company, you might prefer to use US dollars as the base currency.

Dual Recording

To achieve the dual purpose of working in the currency of the account, yet to report in the base currency, Datafile Software records both the original currency values and their equivalents in the

base currency, on every transaction. For the purpose of dealing with customers and suppliers, it is clear that you must deal with them in their own currency, and the ledgers work essentially in the currency of the account. For reporting and control purposes, all aspects are also recorded in the base currency.

Currency of the Account

Within Datafile Software ledger applications (sales, purchase, nominal) any account must be assigned to a particular currency. Once so defined, you can only post transactions in the currency of that account, although values are always held in both the currency of the account and in the base currency. Accounts and transactions in the base currency itself, therefore, effectively hold two sets of identical values.

Exchange Rate

This is the rate at which the conversion from the base currency is determined. For example, if UK pounds is the base currency, then the exchange rate for Euros might be €1.3935 to the UK £ — exchange rates are usually quoted to four places of decimal. Since every transaction maintains values both in the currency of the account and in the base currency, each transaction also holds the exchange rate value at which the conversion was calculated.

Which Exchange Rate?

Exchange rates in currency markets are constantly shifting. To use a different rate of exchange on every transaction can make it very hard for management to assess whether foreign activities are working well or not. One month could see a large profit, followed in the next month by a large loss, and all because the exchange rates fluctuated. What is *really* going on?

There is no real need for your transactions to be converted at the current market rate. For management purposes financial results are easier to interpret if you use a fixed exchange rate for as long as is practicable.

Holding Rate

Such a fixed rate is known as a *holding rate*, and is set by management to use as the internal exchange rate for a currency. In the usual operation of foreign currency, all transactions take place at the holding rate, unless specifically altered, irrespective of what the exchange rate might have been in the currency markets at the time.

The holding rate takes no account of whether you are “buying” or “selling” — the same rate is used whatever the transaction. It is only when real money is transferred between currencies that real external market rates of exchange are used.

Managers change holding rates only when these rates have become sufficiently out-of-line with the real world that the company results have become distorted. Holding rates might need to be changed once or twice in a volatile year.

Spot Rate

There are times, however, when it is appropriate to use a more real-world exchange rate. We use the term *spot rate* to refer to a specific exchange rate, based probably on the rates found in a daily newspaper or at a bank foreign exchange counter.

Examples of the need to use spot rates include certain statutory reports — such as VAT reports and Companies House returns — which must be presented at exchange rates determined by the bodies concerned.

Sales and Purchase Ledgers

All customer and supplier accounts are assigned to a specific currency. Transactions are then entered in the currency of the account. You are normally offered (all this is described in more detail below) the current holding exchange rate for the purpose of determining the equivalent base currency values, but otherwise transaction entry now proceeds in the currency of the account.

You can change the exchange rate for the transaction if you wish, but the only real reasons to do so would be if you'd taken out a futures contract to cover the value, or if the transaction was covered in some other way at a fixed exchange rate. In such cases you could use the actual rate, and “fix” the exchange rate here (see below under revaluations for the purpose of “fixing” the rate). Actually, there is no real need to do so, since any exchange issues will be resolved when the contract matures.

Allocation Actions

Invoices and payments are allocated together in the currency of the account in the usual way. If all the allocated transactions were recorded at the same exchange rate, then the base currency amounts should match too.

However, a foreign payment may have been banked through a base currency bank account, in which case the actual rate of exchange for the payment would have been recorded. If this is different to the rates on the invoice it pays, then although the currency amounts balance out, the base rate values do not, which cannot be right.

For example, if you raised an invoice for \$10,000, against which you've received a cheque for \$10,000, then clearly the customer's account is clear. However, if your holding rate was \$1.60, but the payment cleared through your bank at \$1.6529, then the base currency values don't balance. Your invoice was recorded at £6250, but the payment has only raised £6050, which appears to show that you're still owed £200!

The allocation process resolves this difference by writing an extra ledger transaction for £200 — known as an exchange difference transaction (type 6).

Exchange difference transactions only arise when a set of debit and credit transactions clear each other in currency values, but not in the base currency. If the transactions are *not* allocated, no exchange difference can be determined. In the above example, should the payment not have been

allocated to the invoice, then the currency balance on the account would show as zero, but the base currency balance would show £200 still outstanding.

Customer and Supplier Statements

Statements print, by default, in the base currency. When sending to your customer or supplier you will want to print in the currency of the account. On print a run-time parameter allows you to print in the currency of the account.

When printing in the base currency you would probably use these only for internal purposes. Exchange differences (and valuation differences, see below) are printed on these base currency statements, to give a truer picture of the amounts outstanding.

Payments in Different Currencies

It can happen that a payment against an account is made which is in neither the currency of the account nor the base currency. This can be recorded simply through the cashbook, but takes two steps if processed through the ledger. The technique is to use an “internal” bank account against which a payment is made in the currency of the account to clear the invoices paid, and against this is contra’d the payment in the third currency. The net effect must be nil, and any apparent balance in the “internal” bank account must be written off to the exchange differences account.

Debtor/Creditor Control Accounts

Since the sales and purchase ledgers have a mixture of accounts in different currencies, the related debtor and creditor control accounts in the nominal ledger are kept only in the base currency. (For those companies which wish to maintain controls for each currency, both the sales ledger and purchase ledgers allow individual control reports per currency, which process only those accounts marked with that currency.)

However, this raises the issue that the base currency values rest on the exchange rate used. Most outstanding transactions will have been based on current holding rates. If these are no longer acceptable — perhaps some rates are more than 10% away from current market rates — management may decide to change the holding rates.

Holding Rate Revaluations

To present a true picture of the company’s financial health in the base currency, the sales and purchase ledgers should then be revalued to reflect these changes. Certain nominal ledger accounts — foreign bank accounts and other asset and liability accounts held in foreign currencies — ought also to be revalued. We supply revaluation facilities in all the ledger applications.

Holding rate revaluations of the sales and purchase ledgers permanently change base currency values of unallocated transactions (allocated transactions no longer affect the balances) unless they were marked as “fixed” — a concept we introduced briefly above. A transaction might be “fixed” because some sort of currency deal is already in place for its settlement — perhaps through a reciprocal purchase, or because you have entered into a futures contract to hedge

against currency variations. Since these transactions will be settled at an already agreed exchange rate, there is no need to revalue them to the new holding rates, and so they are ignored.

Revaluation recalculates the base value of any amount outstanding on all unallocated transactions; it does not alter the currency values. The transaction is rewritten with the new rate and base values, the base currency balance in the related account record is changed, the new exchange rate is stored, and an additional revaluation transaction (type 7) for this account is added to the transaction file. For reference, the original exchange rate which was used is held separately on the transaction — it is then clear if any revaluation has ever been done.

For example, suppose your US customers owed you \$50,000. If your US holding rate were \$1.60 to the pound, then the sterling equivalent is £31,250. If the dollar strengthens sufficiently over a period that you decide to change the \$ holding rate to \$1.50 to the pound, your US debtors of \$50,000 now convert to £33,333. Suddenly you seem to have made £2,083 without lifting a finger! Yet your US customers still owe you exactly \$50,000.

From the UK point of view, you have created a *revaluation difference*, purely a paper profit. You only see a real profit (or loss) when you receive dollars and physically change them into pounds sterling. It is as likely to be a loss if it is you who owe your US suppliers £50,000, or if the dollar were to weaken whilst your US customers still owe you money. This illustrates how your accounts can be distorted by fluctuations in exchange rates when viewed in one currency, and why the concept of a holding rate is so useful from a management accounting viewpoint.

Note

It is strongly recommended that holding rate revaluations, when needed, are done as part of the month-end procedures. Doing this mid-month makes it difficult for an auditor to check any revaluation differences which may arise.

In addition, any nominal transactions with dates earlier in the month than the date of revaluation will use the new holding rate for the month, not that which applied prior to revaluation — unless you remember to change the exchange rate as you enter the transaction!

Spot Rate Revaluations

Sometimes a financial controller needs to know the value of the ledgers under a different set of rates of exchange. For example, when preparing your accounts for filing at Companies House, there is a statutory requirement to use the exchange rates which were current at your financial year end. Regardless of your internal holding rates, therefore, you must revalue the appropriate assets and liabilities to these financial year-end rates for reporting in your accounts.

We allow you to maintain a set of *spot rates*, used to revalue temporarily the ledgers rather than at your current holding rates. However, there is a major difference in this type of revaluation exercise compared with a holding rate revaluation, in that it is not meant to be permanent. Indeed, outstanding transactions are not changed in any way. Special revaluation transactions are written

(type 8) to show the revaluation which would result from the spot rates, and these get transferred to the nominal ledger as *provisional* transactions; that is to say, you expect to reverse them out in the nominal ledger — thus reverting back to holding rate values — after month-end.

Daily Spot Rate History

Certain specialised sectors need to work at exchange rates which are changed daily, if not more frequently. Typically these are organisations trading in commodities in futures markets, or even directly in foreign exchange. For them the profit on the deal may be solely the variation in the currency exchange rate, so the concept of *holding rates* does not satisfy their needs.

Datafile Software foreign currency has a *daily spot rate* feature which satisfies these particular needs. If you elect to use daily spot rates, then holding rates do not apply.

Sales Tax (VAT)

A particular currency issue surrounds UK sales tax (VAT) for companies who are using other than pounds sterling as their base currency — very common in the oil industry where the usual working currency is dollars — and raise VAT-able invoices in other than UK pounds. In these circumstances VAT Invoices must include the total values (goods, VAT, total) in UK pounds — the invoice documents generated through Datafile allow this option.

Nominal Ledger and Cash Book

As with the sales and purchase ledgers, each nominal and cash book account can be assigned to a specific currency. A transaction to any account must be in the currency of the account, although the recorded transaction has both currency and base currency values. However, journals can mix transactions to different currency accounts, just so long as the final journal balances in the base currency.

Since you can post to any period of the current year — and to any in the previous year if open — a currency transaction prompts with the holding rate which applied at the time that period was current. To achieve this, currency rates are kept for two years or more, just so that the right rates can be used.

Revaluations

It is normally only necessary to revalue a few specific balance sheet accounts such as stock and bank accounts, and this is achieved with an extra option in the nominal ledger *other journal* routines. Sales and purchase ledger control accounts must never be revalued in the nominal ledger, because the result of any revaluations to the sales and purchase ledgers are automatically passed through to the nominal ledger control accounts as part of the monthly ledger updates.

You would not revalue income and expense accounts, because their values are based on the historic rates you used, and reflect what actually happened then. It makes no sense to revalue them, since effectively that rewrites history.

Stock Control

The stock control system is designed to operate essentially in the base currency, although there is provision for some aspects of foreign currency within it. If a stock item is purchased from abroad through the purchase order processing system, then you may keep in the stock record a *currency cost* field, representing the price in currency at which you buy it, plus the currency code.

Stock transactions can also hold the currency cost, currency code, and the currency rate used in translating to the base currency cost value.

A foreign currency feature allows you to specify that the price quoted for a stock item is normally to be the base currency price times the currency rate. This, combined with judicious use of the discount matrix, can allow you comprehensive product pricing facilities when selling in other countries.

Order Processing

Both sales and purchase order processing cater for ordering in foreign currencies. An order is assigned a currency by virtue of the account against which it is raised, and all values are then assumed to be currency values. Acknowledgements, delivery notes and invoices are printed in the currency of the order. As with other systems, both currency and base currency values are maintained.

There is a currency issue which concerns partial deliveries, however. Should you permit this, then it is possible that invoices raised from the same order could be based on different rates of exchange. This is not necessarily a problem, other than that base currency values on order header and detail files may not relate back exactly to the currency values and the exchange rates shown.

Further, if you are using batch and serial number tracking, the cost value of identical items — being shown only at base currency values — purchased on the same order may show different costs. See also *Document Design Manager* below.

Stock Costs

You may need to give some thought to how you value stock items purchased from overseas. If you do not use purchase order processing, then you will receive stock direct into the stock system, in which case all you are asked for is the base currency cost to use. How you arrive at this is outside the computer system, therefore.

If you use the purchase order processing system, however, almost certainly you will book goods into stock through that system. The cost price of the item derives from the cost price on the supplier's invoice, translated at whatever exchange rate you use. The first issue, then, is whether the holding rate *is* an acceptable rate to use, particularly if you are working to tight margins. You have the option to enter a specific exchange rate for each order instead, which may resolve any difficulty here.

However, goods which are imported often suffer other charges too, such as freight, insurance, and perhaps a Customs and Excise import duty. These costs are likely to be recorded in entirely separate parts of the system, not related to stock at all.

There are no hard and fast rules which we can offer you to handle this issue, although we describe the following approach as an example of how to resolve it. It is, of course, Datafile Software's unique flexibility which allows you to design an approach which best meets your own particular circumstances.

Standard Freight and Duty Costs

A common accounting method to manage costs is to use *standard costs*. With this approach, a management-determined cost is associated with whatever the item is — in this case a stock item — and used throughout the system. Separately the actual costs which are incurred are accumulated. Once a year, or a quarter, or whenever is deemed appropriate, these two sets of values are compared and analysed.

If the answers are pretty close, then there may be no need to adjust the standard costs. Often, however, standard costs need some adjustment in the light of the experience which the exercise has provided.

You can include an extra data item in the stock master file to represent the extra costs of freight, insurance and duty. This might be a percentage of the cost, or a fixed value (the former is more common). For base-currency items this data item will be zero, but for foreign-sourced items an appropriate percentage or value can be entered.

As well as the normal cost value of the stock item, you can define a new calculated data item to hold valuation cost, or “true cost”, being the cost price plus the extra charge. This item is then used as the valuation item in stock valuation reports, and is also used (via the *Copy Item* facilities of the *Database Manager* and in documents which update stock and the ledgers) to determine the cost within any transaction.

If you want also to analyse these extra costs against the true costs which you have incurred, then you need either to involve the nominal ledger, or create a sub-system (using the *ProFiler* application generator) to collect and report the necessary data. The key to this approach is to isolate the freight, insurance and duty cost as a separate item, also copied into the relevant transactions, and match these to the actual costs.

Currency Management Files

Currencies are managed using a *currency* file and a *currency rates* file.

Currency File

One file holds the currency names and other parameters needed by the applications. If you are managing the accounts of more than one company, then either you can use the same currency file

across all companies, or you can define a new currency file for each company. You can only link sales and purchase ledgers to separate currency files by defining separate companies.

Note

A maximum of 99 currencies can be supported by the foreign currency application. The structure of the currency file is fixed and must not be changed. You may, however, add extra data items for reference and currency reporting.

As well as the code and name of the currency, the currency file defines the nominal ledger codes used for the following values which arise during currency management:

- ❑ *Difference on exchange.* The value of exchange differences from the sales and purchase ledgers. You may also use this account to balance a nominal journal
- ❑ *Difference on revaluation.* The value of revaluations from the sales and purchase ledgers. Nominal ledger revaluation differences are posted here too
- ❑ *Exchange adjustment reserve.* The value of spot rate exchange differences are held as “provisional” transactions on this nominal ledger account, to be reversed before the new period. This procedure helps to meet the UK SSAP 20 rules

The information in the currency file for a particular currency might look like this:

Item	e.g.
Currency code (3-characters)	USD
Currency name	US Dollars
Short name (for headings and reports)	Dollar
<i>Nominal codes for:</i>	
(a) Nominal ledger revaluation differences	51701
(b) Sales ledger:	
Default exchange difference	51702
Default holding rate revaluation difference	51703
Default spot rate revaluation adjust reserve	51704
Default currency bank account	51705
Default payment discount code	51706
(c) Purchase ledger, default codes:	similar to sales ledger

Currency Rates File

The rates of exchange which apply to each currency are held in a separate currency rates file. Ignoring the daily spot rate history feature, then one record is held in this file for each currency (one in fact for each year, current and previous). The holding rates for each period of the year are

held in this record, so that the correct rate can be found when posting to earlier periods — even though you may not change the holding rate more than once, if at all, during the year.

If you use the daily spot rate history feature, then for each currency there is an additional record for each period of each year for which daily rates are defined.

Note

As with the currency file, the structure of the currency rates file is also fixed and must not be changed. If you are not using the spot rate history feature, however, you can reduce the physical file size by deleting the 31 data items used to hold the daily spot rate history.

The index to this file comprises the three-character currency code suffixed with the year and month of the year-end date. If a company's year-end were 30th April 2005, then the US\$ rates record would have as its index "USD/0504".

If you are using the spot rate history feature, then the rates for each month are held in separate records, indexed for the month in question. In the above example, there would be records for USD/0405, USD/0406, and so on through to USD/0504. The holding and spot rate record USD/0504 would also have the daily rates for April.

Chapter 2

Application Differences

This section covers the differences between the foreign currency and standard versions of the various application programs, and supplements the manuals for the standard applications. The descriptions below assume the user is familiar with techniques such as the function keys and selection criteria.

Sales and Purchase Ledgers

Account Maintenance

The currency code to be used for each account must exist as a part of the account maintenance screen design (see installation procedures below). When a new account is defined, the base currency is prompted as the currency code, and may be changed. The <F4-Select> function key can be used to interrogate the currency file.

Note

Once a currency has been defined for an account, then that currency cannot be changed for that account. Should it be necessary to process a customer or supplier company in more than one currency, then a separate account code must be generated and used for each currency.

Entering Invoices, Credits and Adjustments

Foreign currency transactions are entered in the currency of the account, but the conversion rate and the base currency values are also stored. The logic of the entry differs slightly from the standard applications, therefore, for any account in a currency other than the base account.

After requesting the account code, the transaction *date* is next requested, followed by the total value of the transaction. For base currency account transactions just the transaction total is needed as normal, whereas for foreign currency transactions further information is needed, as shown below.

The transaction total in the currency concerned is first requested — prompted after the 3-digit code shown as *USD* in the example below. Key the total value.

The screenshot shows the 'Datafile Software Premier Suite - Sales Ledger - Invoice' window. The 'Invoices' form contains the following fields:

- Account code: BAL002
- Date: 31/01/06
- Reference: 11
- Description:
- Credit days:
- Due date:

Below the form is a table with the following columns: Analysis, Nominal, Goods Amount, Tax, and Tax Amount. The table is currently empty.

A 'Currency' dialog box is open at the bottom, showing the following fields:

- Currency: USD
- Amount: 100.00
- Rate: 1.7391
- STG: 57.50
- Fixed? ☐

Rate

The rate of exchange from the base currency is now proffered, but may be overtyped if necessary. In normal circumstances this is the current holding rate defined for the system, based on the date of the transaction. Should the spot rate history option have been defined, then the rate shown is the rate which applies to the particular calendar date given for the transaction.

The currency value is now translated into the base currency using the exchange rate given, and this may be overtyped (though it would be unusual to do this).

Fixed?

Where the base currency value is already fixed as a result of (for example) negotiation or foreign exchange dealing, then this question should be answered Y <Enter>, otherwise reply N <Enter>. Note that the effect of answering this question Y is that the transaction is ignored for revaluation purposes, so make sure that the correct answer is given here.

Note

Although the answer to this question is normally prompted N, a foreign currency *System Profiles* option allows you to set the default to Y. You should do this if you want to use the daily spot rate history feature.

Following this initial procedure transaction entry follows the standard pattern, with all values now entered in the currency concerned, not in the base currency — unless for a base currency account, of course.

Where nominal codes are prompted in the transaction analysis, these may either be in the currency of the transaction, or in the base currency. The usual nominal code range checks (for income and expense range for sales and purchase ledgers respectively) are carried out on the nominal code chosen.

Entering Payments and Payment Adjustments

For payments on non-base rate currency accounts, the same total value, exchange rate, converted value and fixed rate questions are asked as for other transactions described above. The bank account chosen is that given as the default for the currency chosen. Either a bank account for the currency concerned or a base currency bank account may be chosen here. You cannot choose a bank account for a different currency, however.

At present, should you wish to settle a foreign currency account in other than its specified or base currency, then you will need to define “internal” bank accounts against which to make the payment — either in the currency of the account or in the base currency. Make a payment to the account in the usual way, and separately (in the nominal ledger or cashbook) enter the third currency received and contra to the internal bank account. Internal accounts should have a zero balance, so any non-zero value can be written off to exchange differences at the end of the period.

Note

Making payments through the cashbook makes life simpler, because the operation can be done in one step. Enter a zero-valued transaction against a pre-defined internal base currency bank account. The account currency value can then be posted as one transaction, with the currency received as a second, negative-valued, transaction to the bank account in which it was banked. Any difference can now be written off to the exchange differences account as a third element of this transaction.

Allocating Transactions

Transaction allocation is done in the currency for the account so that an exact match can result. However, although the result of the allocation must balance credits with debits in the currency concerned, the result of the allocation in the base currency may well not balance out. As well as writing away the allocations, therefore, a further transaction is written to balance the base currency allocation, as was described above.

This transaction is written as analysis type 6, and its currency values are always zero. It is updated into the nominal ledger along with all the other analysis records.

Reporting Differences

When printing a report or statement in the Sales or Purchase Ledger an additional parameter asks:

Report Which Currencies

There are three choices here:

- ☐ Leave the value blank – all accounts are reported in the standard report sequence.
- ☐ Enter a specific currency code – all the accounts for the specified currency are reported
- ☐ Enter ALL – this prints a report for each currency in turn, with a page break between currencies.

Report Values

Note that this feature controls what records are printed, it does not affect the values printed these remain as per the items selected to print on your report.

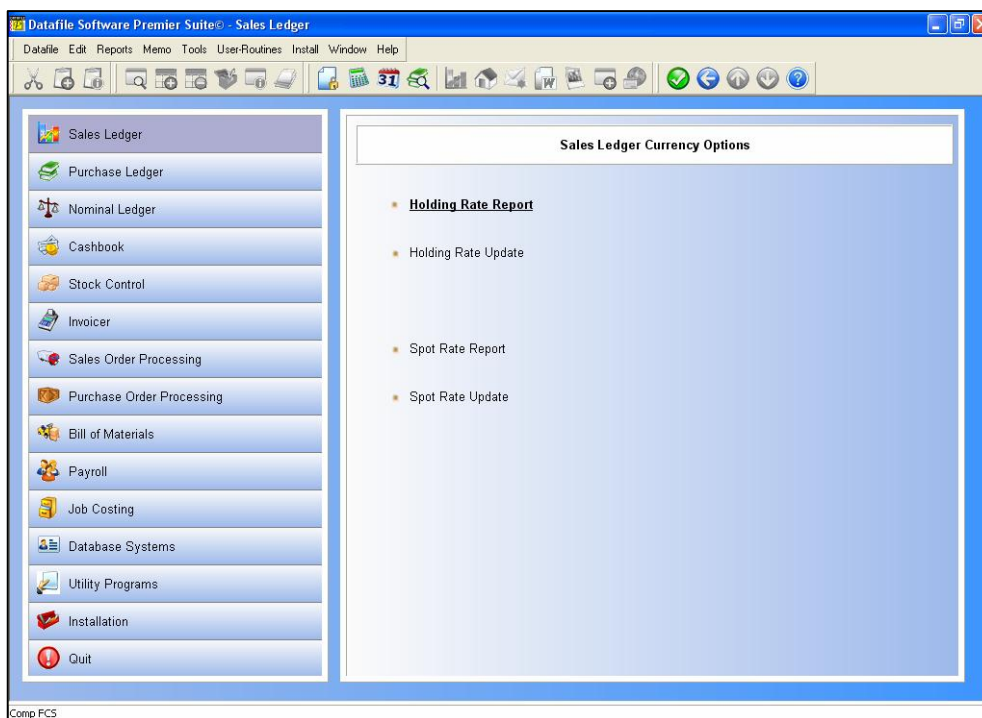
There are two exceptions. Firstly, the Aged Debtors (or Creditors) report does report the value in the currency of the account if you enter a specific currency (or use ALL). Secondly, the statement will report its values in the currency of the account (again if you enter a specific currency or ALL).

Account Enquiry

Although, by default, the transactions are listed in the base currency an additional option is offered to you under the <F7–Options> facilities, to display transaction details in the currency of the account.

Sales and Purchase Ledger Revaluations

The menu *Currency Options*, applicable for systems where the Foreign Currency application is in use, allows utilities to revalue outstanding invoices and credits via both Holding Rate revaluations (which effect the sales/purchase ledger) or Spot Rate revaluations (which effect the debtor/creditor totals in the nominal ledger).



Should management decide to alter holding rates, then you can undertake a revaluation of the ledger. You normally time this for the end of an accounting period, but it can be done at any stage. A holding rate change is a permanent change, affecting the outstanding base currency value of the ledger.

If you require a temporary change, usually to prepare and produce statutory accounts at a particular exchange rate, then you could run a revaluation at specified spot rates. As this is only for reporting purposes it is not a permanent revaluation. The spot rate revaluation creates an analysis record giving the effect of the valuation for update to the nominal ledger, but this is ignored by the sales and purchase ledgers. Your nominal reports can then be ran including this change, before being reversed (in the nominal) as required.

These menu options allow for revaluation reports to be printed without updating the ledger, or alternatively to update the ledger after the report. The former allows you to see what the ledger would look like if a revaluation were done, whereas the latter updates the account records and writes the revaluation transaction to the ledger.

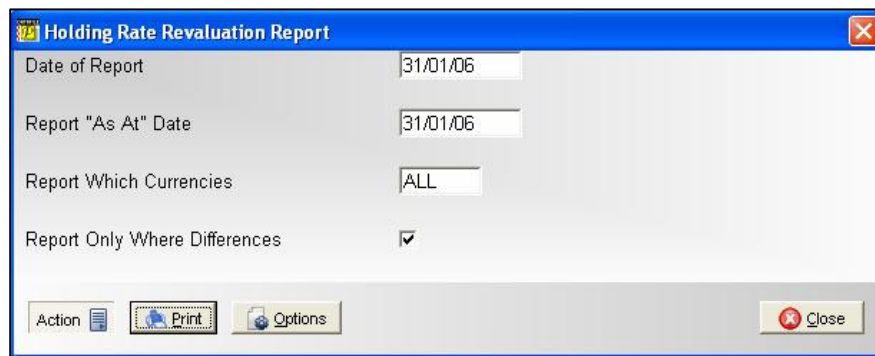
Holding Rate Revaluation

Should a management decision be taken to alter a holding rate, then a holding rate revaluation can be done. This is usually undertaken at month end and the following steps are typical:

- ☐ Alter the holding rates via the Currency Maintenance options.

- ❑ Run a holding rate revaluation without updating the file, so that the effect of the change can be viewed.
- ❑ When satisfied with the effect, re-run the revaluation selecting the option to update the files.
- ❑ Run the remainder of the period end processes.

For each account the transactions are analysed one-by-one, and any outstanding invoices or credits are revalued to the new holding rate (unless the transaction is marked as having a fixed exchange rate). The transaction is updated by updating the base currency 'allocated' value with the gain/loss caused by updating the exchange rate with the new holding rate and, if not previously revalued, updating the original rate with the previous exchange rate. A holding-rate revaluation analysis record (type "7") is written for each changed account with the base currency exchange difference value.



The pre-run parameters for the revaluation routines, whether holding or spot rate, follow the same processes.

Report Which Currencies

Leaving this as ALL process all the transactions for each account in account code order by currency, giving totals per account, per currency and overall. By specifying a particular currency then only the accounts and transactions for that currency are processed.

If you reply ALL then you are asked which currency to start with.

Report Only Where Exchange Differences

The purposes of this question is to allow you to report on all transactions outstanding, thus giving you a ledger balance per currency, or to report only those transactions where an exchange difference will result.

Sales Ledger							Report as at 31/01/05 Printed on 31/01/05	
HOLDING RATE REVALUATION REPORT								
Premier Demonstration (Currency: EUR)								Period 1 Page 1
Account	Type	Date	Reference	Outstanding	Old-Value	New-Rate	New-Value	Gain/Loss
DAT002	Inv	26/01/05	000006	100.00	156.25	1.4929	66.98	89.27-
Totals For: Datona Discount Supplies				100.00	156.25		66.98	89.27-
Totals For Currency: EUR				100.00	156.25		66.98	89.27-

Spot Rate Revaluation

Where a spot rate revaluation is required the following steps would normally be taken.

- ☐ Alter the spot rates via the Currency Maintenance options.
- ☐ Run a spot rate revaluation without updating the file, so that the effect of the change can be viewed.
- ☐ When satisfied with the effect, re-run the revaluation selecting the option to update the files.
- ☐ Run the remainder of the period end processes.

For each account the transactions are analysed one-by-one and a spot-rate revaluation analysis record (type '8') is written for each change account with the base currency exchange difference value.

The spot rate revaluation routine does **not** update the sales ledger or purchase ledger values. Its sole purpose is to generate transactions that will be updated into the nominal ledger. The effect of these transactions will be to revalue the nominal ledger control account to reflect the spot rate revaluations. Once these transactions are reversed in the nominal ledger (via standard journal entry) then the nominal ledger control account reverts to the true value of the ledger concerned.

It follows that you should **never** run a spot rate revaluation more than once at the end of the month. You will generate additional sets of revaluation transaction which update into the nominal ledger, multiplying up the effect of the spot rate revaluation.

Procedurally the spot rate revaluation operates as discussed above for the holding rate revaluation.

Nominal Ledger

The essence of the foreign currency nominal ledger is that all transactions are converted to base currency values. However, account balance and transaction details are also held in the foreign currency for all nominal accounts which you have assigned to a foreign currency. Reports can be configured to show both base currency and foreign currency values.

The following paragraphs describe the differences in use between the foreign currency and standard versions of the programs.

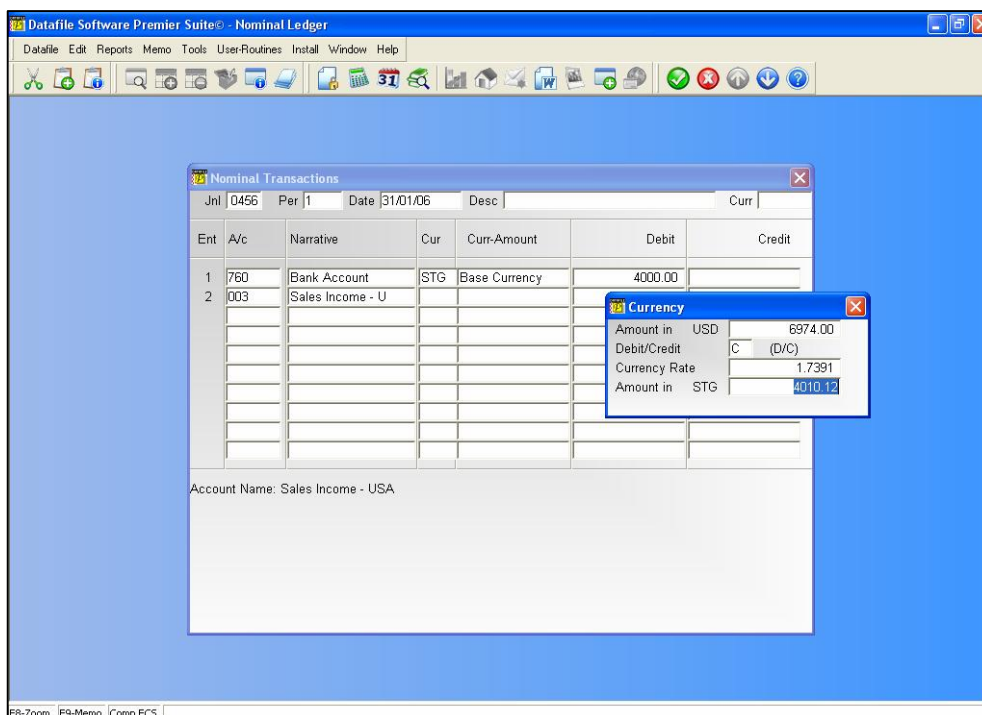
Account Maintenance

Each account in the nominal ledger should have a currency allocated to it. In the absence of a currency code being allocated (for example if using the “New/Amend option”) then the base currency is assumed.

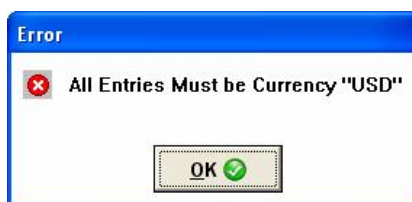
Nominal Transactions

Nominal journals offer an additional prompt for currency. You can leave this blank, in which case transactions could be in a mix of currencies, or enter a specific currency, in which case only nominal accounts in that currency are permitted.

Nominal journals can be entered in any currency, and a conversion rate is prompted for acceptance or change. Foreign currency values are converted to the base currency at the holding rate, taken from the currency file in the usual way (or at the day’s spot rate if spot rate history feature is invoked — see below). You can overwrite the exchange rate (in which case the base currency value is adjusted) or overwrite the base currency value, in which case the exchange rate is adjusted to match.



The above example shows a US Dollar entry in a journal, prompted as to whether credit or debit, and with the exchange rate proffered. The journal must balance in the base currency, but the currency values of each entry are shown for reference, as can be seen here. This journal mixes a US entry with a base currency one.



If enter the currency code in the journal header, say US Dollars, every line of the journal is based in US\$. If attempt to use a non-US account the operator will be warned accordingly..

Note that it is more usual for transaction entries in a journal all to be at one currency, but it is perfectly acceptable to have entries at different currencies, provided the base currency values of the complete journal balances. It may then sometimes become necessary to balance a journal through an additional transaction posted against the exchange difference account.

Reports

Even though you have installed foreign currency, all the standard reports print in the base currency. As such, there are no differences in the nominal ledger reporting procedures. However, you may want to use the *Application Manager* facilities to add foreign currency balances to the report formats, and the currency code too maybe.

However, with foreign currency accounts you will need to see an audit trail in the currency of the account, and so we have added an extra report for this.

Updates from Other Systems

These operate exactly the same as for the standard nominal ledger. However, where updates are made from foreign currency transactions, then the currency value of the update is also posted to the transaction when updated in detail. Where foreign currency transactions are posted into a base currency nominal account, whether in detail or in summary, any foreign currency values which may have been present are ignored.

Note that the base currency must be the same for the two systems involved in such an update.

Year-End Procedures

These operate exactly as for the standard ledger, except that when posting income and expenditure accounts to the profit and loss account, the currency values of income and expenditure accounts are zeroed at the same time as the base currency values.

Nominal Ledger Revaluations

The need to revalue nominal ledger accounts normally comes about only due to changes of holding rate. Even in this event only certain balance sheet accounts may need to be revalued. Note that debtor and creditor ledger control accounts are automatically revalued as a result of revaluing the sales and purchase ledgers (see above) and so should not be revalued here.

Two journal entry options are supplied to undertake revaluation of individual accounts. These procedures allow accounts to be selected either one-by-one for revaluation, either at the current holding rate, or the current spot rate, or to revalue all accounts for a particular currency. Any exchange difference is posted to an exchange difference account, and this difference may be posted as a provisional entry if required — such as might be needed at year-end, when a true exchange rate is needed, regardless of the current holding rate.

Revalue a Nominal Account

This procedure allows accounts to be selected one-by-one for revaluation, either at the current holding rate or spot rate. Any exchange difference is posted to the exchange difference account for that currency and this difference could be posted as a provisional journal if required.

The screenshot shows the 'Datafile Software Premier Suite - Nominal Ledger' window. A 'Revaluations' dialog box is open, displaying the following fields and values:

Period No	1	Date	31/01/06
Account Code	003	Name	Sales Income - USA
Currency	USD		
Balance in Currency	9974.00-	Balance in Home	5724.41-
New Holding Rate	1.7391	Spot Rate	0.0000
REVALUE AT CURRENT / SPOT RATE (C/S) ? <input checked="" type="checkbox"/> C			
Effect of Exchange Difference Value = 10.74 CR			
WRITE-OFF EXCHANGE DIFFERENCE TO ACC ? <input checked="" type="checkbox"/> 440			
POST AS A PROVISIONAL TRANSACTION ? <input type="checkbox"/>			

At the bottom of the dialog box, there are three buttons: 'No', 'Ok to Update Files ?', and 'Yes'.

Period No / Date

Enter the period number and date as of which you wish to revalue.

Account Code

Select the account code you wish to revalue, <F4-Select> is available. Of course, you can only revalue non-base currency accounts.

Balance in Currency

Balance in Home

New Holding Rate

New Spot Rate

The system then displays the balance of the account in both the currency of the account and the base value together with the holding and spot rates it will revalue this account at.

Revalue at Current / Spot Rate Effect of Exchange Difference Value

This asks whether you want to revalue at the current holding rate (enter 'C') or the spot rate (enter 'S'). At this point the system determines whether any exchange difference is calculated – if not then you are warned accordingly and asked if you wish to revalue another account. If a difference is calculated then the system displays the result.

Write Off Exchange Difference to Account

This asks for the account to post the exchange difference to, it defaults to the exchange difference account set for the currency but you can amend as required. <F4-Select> is available.

Post as Provisional Journal

Set accordingly.

After confirming these details you will be prompted to update the nominal files, respond as required and then confirm whether you wish to revalue another nominal account.

Revalue All Nominal Accounts

This option operates as above but allows the ability to revalue all, or selective, nominal accounts for a particular currency in one process rather than revaluing the accounts individually.

The screenshot shows the 'Datafile Software Premier Suite - Nominal Ledger' window. A 'Revaluations' dialog box is open, displaying the following fields and options:

- Period No: 1
- Date: 31/01/06
- Currency: USD
- Selective Accts: ☐
- New Holding Rate: 1.7391
- Spot Rate: 0.0000
- REVALUE AT CURRENT / SPOT RATE (C/S) ? ☐ C
- WRITE-OFF EXCHANGE DIFFERENCE TO ACC ? ☐ 440
- POST AS A PROVISIONAL TRANSACTION ? ☐
- Processing Account Code:
- Balance in Currency:
- Balance in Home:
- Effect of Exchange Difference Value =

At the bottom of the dialog box, there is a prompt: 'Process All Accounts Automatically [No to Prompt] ?' with 'No' and 'Yes' buttons.

On selection of this option you are asked to confirm the period you wish to revalue at and the date to post any revaluation transactions 'as at' (note: the date is restricted to the period you are revaluing).

You then select the currency to revalue and you have the option to enter additional selection criteria. The system displays the holding and spot rates to revalue at and asks you to confirm which rate you wish to revalue at. Next, you confirm the exchange differences account to post any revaluations to and whether the revaluation transactions are posted as 'provisional' journals or not.

After confirming these details a prompt asks you whether you wish to process accounts automatically. If you respond 'No' the system processes each applicable account in turn, shows you the suggested exchange difference and asks you to confirm whether to process. If you respond 'Yes' the system revalues the applicable accounts automatically.

Cashbook

As with the nominal ledger, the essence of the foreign currency cashbook is that all transactions are converted to base currency values. However, account balance and transaction details are also held in the foreign currency for all cashbook accounts which you have assigned to a foreign currency.

The following paragraphs describe the differences in use between the foreign currency and standard versions of the programs.

Account Maintenance

Each account in the cashbook should have a currency allocated to it. In the absence of a currency code being allocated (for example if using the "Account Codes / Names" option) then the base currency is assumed.

Cashbook Transactions

Receipt and payment transactions can apply to base currency or foreign currency bank accounts. However, if a foreign currency bank account is used, then only that currency's accounts (whether from the cashbook or sales/purchase accounts) can be entered during the analysis stage of the transaction.

The screenshot shows the 'Datafile Software Premier Suite - Cashbook' application. A 'Cash Receipts' window is open, displaying the following fields:

Journal No	0460	Period No	1	Pay In Ref	100167
Dated	31/01/06	Currency	STG	Total (STG)	4000.00
Description	Bankings for W/E 31/01			Analysed	3000.00
Cash A/c	760	Bank Account		Balance	1000.00

Below these fields is a table with columns: Ent, Col, Account, Narrative, Net-amt, Tax, Tax-amt (STG), Total.

Ent	Col	Account	Narrative	Net-amt	Tax	Tax-amt (STG)	Total
1	1	750	Baldwin Industries p	3000.00		0.00	3000.00
2	1	750	Baltimore Corporatio				

A 'Currency' dialog box is open over the table, showing:

Amount in	USD	1000.00
Currency Rate		1.7391
Amount in	STG	575.01

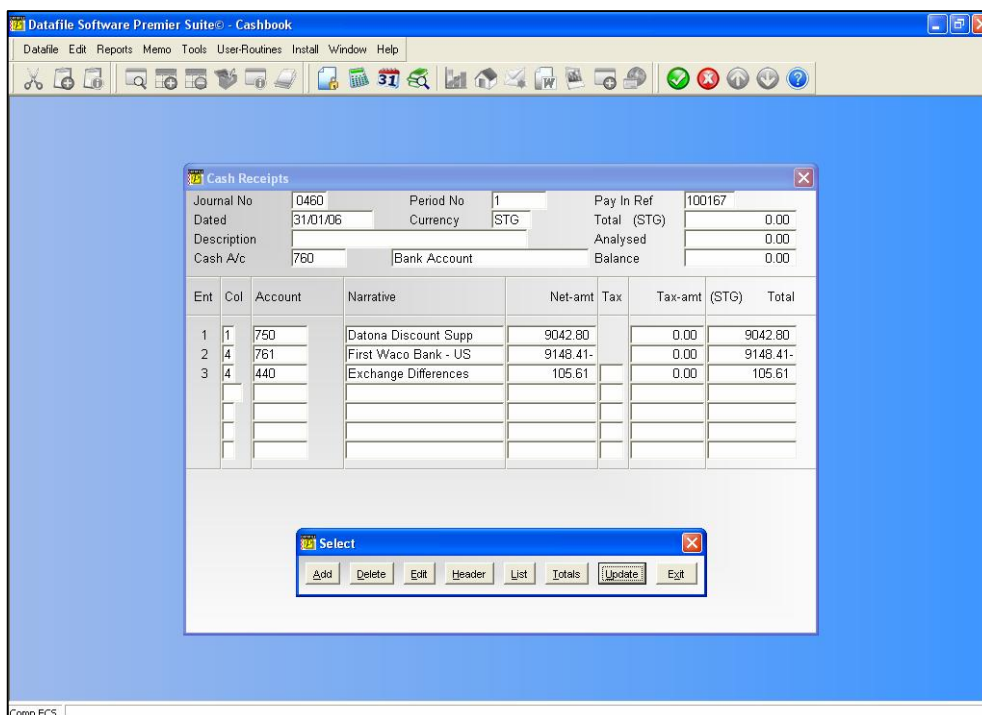
At the bottom of the 'Cash Receipts' window, there are tabs for 'Sales Ledger', 'Nominal account', and 'Sales Ledger Control'. The 'Sales Ledger' tab is active, showing:

Account Code	BAL002	Baltimore Corporation
Currency	USD	1265 Birbank Way
A/c Balance	1276.47	Birchwood

If a base currency bank account is used, then any currency can be used in subsequent entries. Base currency entries work just the same as normal. For a foreign currency entry, however, the currency amount and the exchange rate are prompted in the usual way. Again, you can overwrite the prompted exchange rate to have the base currency value recalculated, or overwrite the base currency value to have the exchange rate adjusted.

Receiving/Paying a Currency Account in Another Currency

This does occasionally happen, and the cashbook is a good place to handle it. You need an “internal” bank account, which is used as a device, and should never hold a balance. You then need to know the currency value being paid off from the account in question. In the example below, we have agreed to accept a payment of \$17,500 against some invoices which total to €13,500. Our holding rates to sterling are \$1.9129 and €1.4929 respectively.



Accordingly we enter a nil cashbook entry to our internal bank account, setting €13,500 against the sales ledger account — at €1.4929 this represents £9,042.80. We enter \$17,500 against the US Dollar bank account into which we've paid the amount, only as a negative entry here to balance against the euro amount paid off. At \$1.9129 this equates to £9,148.41. The difference of £105.61 we write off to exchange differences.

Bank Reconciliation

Foreign bank accounts are automatically reconciled in the currency of the account.

Bank Statements

The bank statement option under *Bank Reconciliation* only prints accounts in the base currency. If you use it on non-base currency accounts, you get a statement printed in the base currency — hardly a useful facility. A second option is provided which you use to print bank statements for currency accounts. This option ignores base currency accounts.

Stock Control

The stock control system essentially works in the base currency. Where stock movements are created through the sales and purchase order processing systems, and are processed in the

currency of the account, then the currency values which gave rise to the stock movements can record the currency values as well as base currency ones.

You can, however, mark a stock item as one which is purchased in a specific currency, and can store the currency cost price of the product for us by the purchase order system.

Invoice, SOP and POP Applications

In all three of these programs it is assumed that the values entered are in the currency of the account. When the sales or purchase ledger is posted after printing an invoice, then the foreign currency values are posted to the sales or purchase ledger as appropriate and base currency values calculated to complete the transaction posting in the base currency. Conversion either takes place at the holding rate, or at the spot rate for the date which is the invoice date (if the spot rate history feature is implemented).

You may be offered the chance to change the currency rate at the time a document is prepared. Other than this there is little operational difference in the applications.

Order Processing Order Revaluation

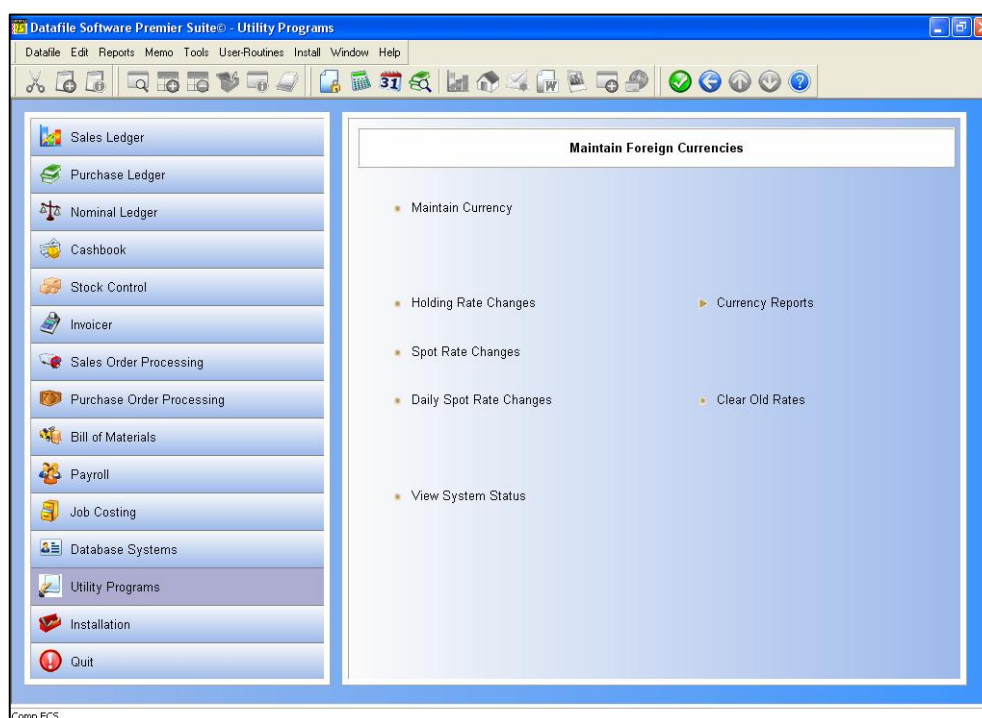
Two options are available to the order processing systems to allow you to revalue the outstanding values on foreign currency orders — if you maintain these balances on your ledger account records, this can be necessary for credit control purposes — these revalue the base (or home) values using then entered foreign currency values and the current exchange rate.

Chapter 3

Currency Management

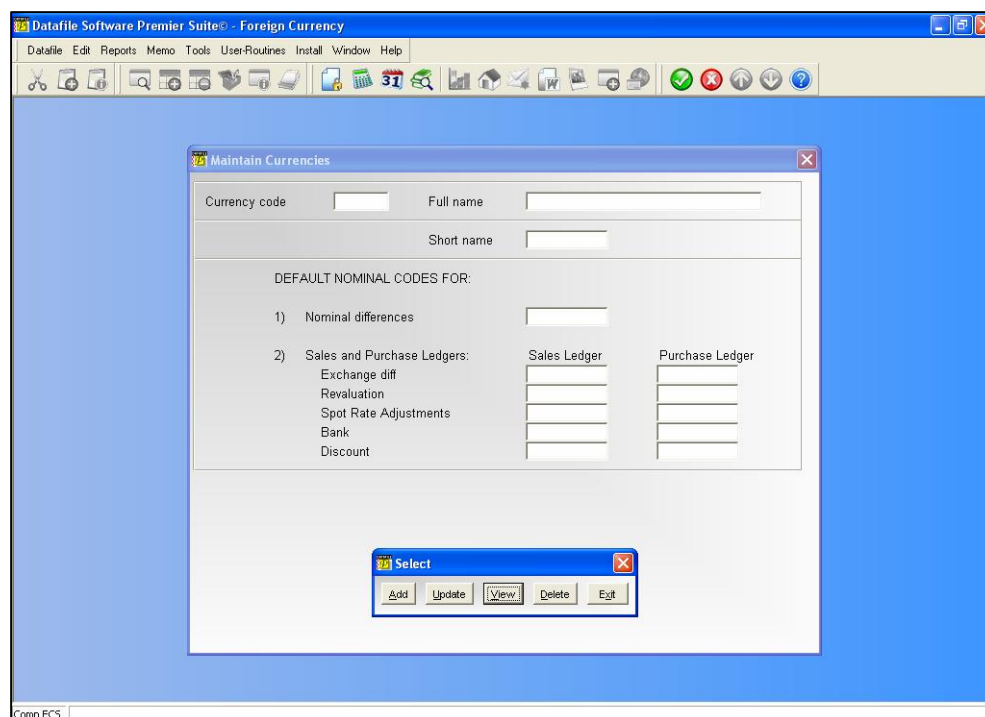
Before you can start to use the foreign currency features within your applications, you must first define some currencies and exchange rates.

The application which manages your foreign currencies must be one of your Datafile Software main menu options – usually available as a sub-menu in Utility Programs.



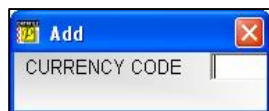
Maintain Currency

This option is used to add, change details of, view, or delete a currency from the system. With any of the sub-options of this menu choice are taken, a screen similar to the one shown below is presented. (Note that the screen design is user-configurable so that your screen layout may differ to the example shown.)



Adding a Currency

When you select the ADD option you are asked for the currency code to be added.



The code entered is preset as a maximum of three characters. If you enter a code that matches one already entered you are warned accordingly. If the code is accepted then the cursor moves on to the maintenance screen for you to enter additional currency details.

The items which are asked to complete or amend include:

Currency Name

The name of the currency is entered here.

Short Name

A word or phrase up to ten characters long for printing or display purposes where space is short (such as in a column heading).

Nominal Difference Account

When entering currency transactions to the nominal ledger in a specific currency, the converted base currency debits might not equal the credits. These differences will be due to rounding errors. The nominal ledger account quoted here is the code to which this difference is to be written for the currency code chosen. Although it is more common to use the same code for all currencies, you could define a different one for each currency.

Sales and Purchase Ledger Nominal Currency Accounts

Four other nominal ledger accounts are needed for each currency for both the sales and purchase ledgers to handle currency aspects correctly:

- ❑ **Exchange differences** — the account to which differences on exchange (i.e. on account payments and allocations) are to be posted. This must be a base currency account, since no differences arise in the foreign currency. It is common to use the same code for all currencies, but you could define one for each currency if you wish
- ❑ **Revaluations** — the account to which differences resulting from holding rate revaluations are to be posted. Again, this must be in the base currency, and again it is common to use the same code for all currencies, but you could define one for each currency if you wish
- ❑ **Adjustments** — the account to which differences resulting from spot rate revaluations are to be posted. Note that these transactions are always provisional ones, and will normally be reversed out after the period end. Once again, these must be in the base currency
- ❑ **Bank** — the default bank account associated with this currency. This must be in the same currency, or could be in the base currency if you do not have a specific bank account for each currency
- ❑ **Discounts** — the nominal account to hold settlement discounts for this currency. It is common to use the same code for all currencies, but you could define one for each currency if you wish

Updating a Currency

Selecting the UPDATE option allows you to amend the details for existing currencies. <F4-Select> is available if required.

Viewing a Currency

Selecting the VIEW option allows you to view the details for an existing currency. <F4-Select> is available if required.

Deleting a Currency

Selecting the DELETE option allows you to delete the details for an existing currency. <F4-Select> is available if required.

If you choose to delete you are warned:

<input type="radio"/> No	Ok to Delete this Currency - Rates will also be Removed ?	<input checked="" type="radio"/> Yes
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If you agree to proceed then you are further warned:

<input type="radio"/> No	Do Not Delete if Any Ledger Transactions - Still Ok to Delete ?	<input checked="" type="radio"/> Yes
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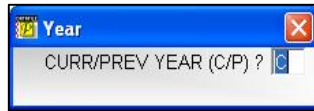
This reminds you that if there are any active transactions still in the file using this currency, then you should not delete it. If you finally decide to delete the currency, then all references to this currency are also removed from the rates file.

Holding Rate Changes

A screen similar to the one below is displayed. The currency is a three-character code, and you may use the <F4-Select> key to see which currencies are defined, and which one to select for changing. The <Escape> key at the currency code prompt returns you to the foreign currency program main menu.

The screenshot shows the 'Datafile Software Premier Suite - Foreign Currency' window. Inside, there is a 'Period Holding Rates' dialog box. The dialog has two input fields at the top: 'HOLDING RATES FOR CURRENCY' and 'PERIOD HOLDING RATES FOR YEAR'. Below these are two columns of input fields, numbered 1 through 12. At the bottom of the dialog is an 'Update' button and a 'CURRENCY CODE' input field. The main window has a menu bar with 'Datafile', 'Edit', 'Reports', 'Memo', 'Tools', 'User-Routines', 'Install', 'Window', and 'Help'. The status bar at the bottom shows 'F4-Select F5-Last F6-Next Comp FCS' and 'Last "USD"'.

After you have selected the currency you want, you are asked:



A holding rate is assumed to apply to the whole of an accounting period. You can specify a different rate for each period of the present year, or you may change those in use for the previous year.

You *must* define a holding rate for period 1 of the year, but you need not define a rate for each subsequent period until there is a rate change. Applications assume that if the holding rate for a particular period is zero, then the holding rate is the same as it was for the previous period. Thus you need specify a holding rate only for period 1, and that rate applies to all subsequent periods until you give a rate change. If the decision were taken to change the rate in period 9 (say), then you need only change the rate for period 9. Periods 1–8 would take the rate given in period 1, and periods 9–12 would take the rate given in period 9. Non-zero rates would only show in period 1 and period 9 in the above screen, however.

Note

The nominal ledger is multi-period, and allows you to post into any period of the current year, and also to any period of the previous year if that year has not yet been closed. Any transaction which is posted to the nominal ledger takes the holding rate for the period of the transaction.

Details about the currency are displayed, and new rates can be entered for each period. Note that rates can be entered with up to four places of decimal, but monetary amounts are printed only to two decimal places.

Once you have made any changes to the holding rates, press the SAVE button to update the changes.

Spot Rate Changes

These spot rates are used only for statutory revaluation purposes, so in practice you are likely to change spot rates only for the period you are working on. This program option works just like the holding rate change described above.

Note

Since this spot rate is used just for statutory revaluation purposes, the only times you really need to set spot rates is at year end (for your final accounts) or at VAT quarter ends if your base currency is not your own country's currency — see above.

Daily Spot Rate History Changes

The daily spot rate history feature can be used, as explained above, in certain sectors of commerce as an alternative to holding rates. In such cases each transaction is valued at the time it is entered at the exchange rate for the day. The currency file is designed to hold a record for each currency for each period of the year, with up to 31 different rates for each period, one per day.

As with holding rates, it is not necessary to supply an exchange rate for each day, but just for those days it has changed. If the rate for a specific day is left at zero, then applications assume that the rate was the same as the previous day, and so on until a non-zero rate is found.

Note

The daily spot history rates are entirely separate to the period spot rates used only for revaluation purposes. They are used only as an alternative to the holding rates in transactions, and are not used for revaluation purposes.

The daily spot rate history is maintained from this menu option. It works in a similar fashion to the holding rate maintenance above. First you must enter the currency code you wish to work on. Note that you may use the <F4–Select> key in the usual way to list the currencies held in the file, and choose the one you want.

Year **Month**

As explained above, spot rate history is held in the currency rate file, holding all the spot rates for a particular month in a table of up to 31 entries. If a history record is not yet present in the file, a new record is automatically created. The daily spot rates for the complete month are shown, and may now be updated, as shown above.

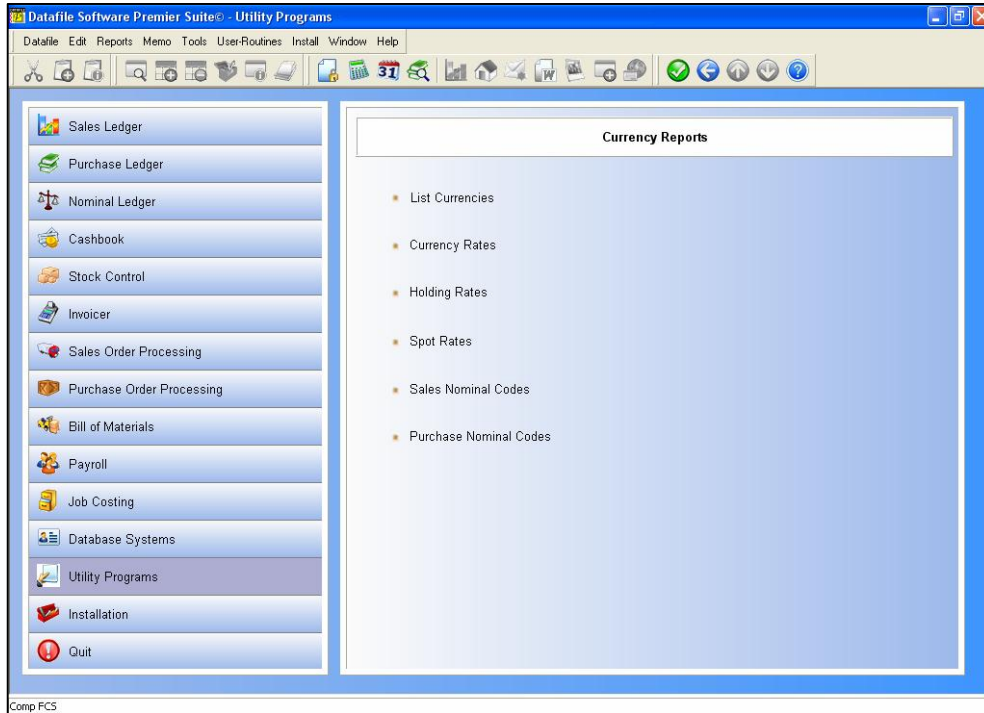
Once you have made any changes to the spot rates press the SAVE button to update the changes.

When the daily spot rate feature is used within applications, they look for a spot rate history record for the month containing the transaction date, and then choose the rate for the actual day from the table. If the rate set for the day in question is zero, then the application looks backwards

in time for the first non-zero rate set, and offers that. Thus rates need not necessarily be defined for every day of a month if the rate has not changed every day. If the rate for day 1 is zero, then the rate record for the previous period is accessed and scanned backwards from day 31. The scan goes back up to three periods, at which point the application prompts with a zero rate.

Currency Reports

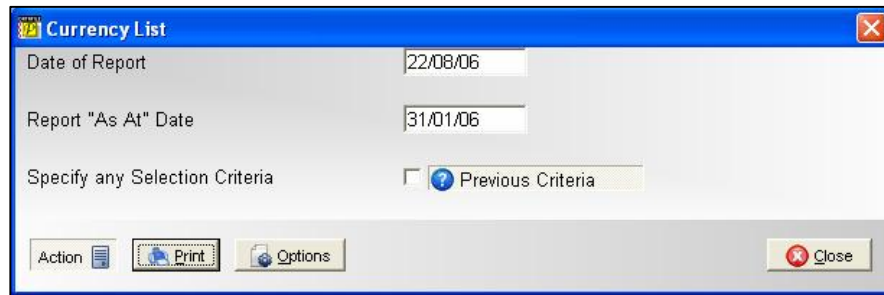
Selecting the *Currency Reports* menu offers six reports.



Prompts Used Throughout Reporting Procedures

Throughout the reporting features, there is a common set of pre-run parameters whenever a report is printed. These are supplemented by others for specific reports which will be discussed on the individual reports where appropriate.

If the pre-run parameters are set as required then you can select the PRINT option directly and proceed to print the report.



Date of Report

It is usual to print the system date on the report. This is displayed and maybe accepted or amended as required.

Report “As At” Date

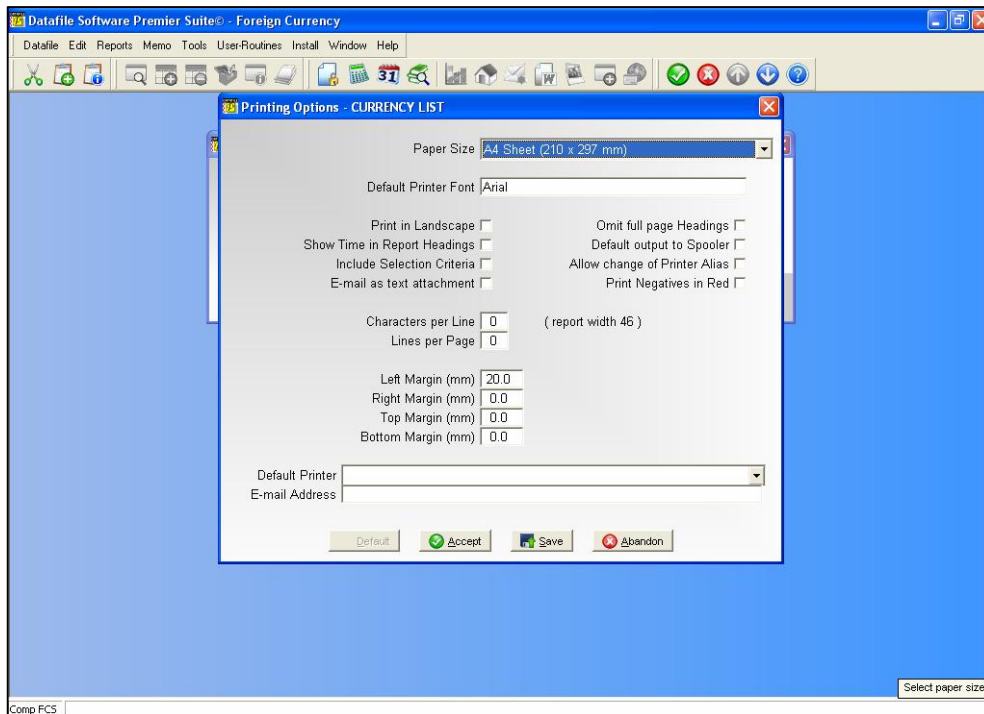
Whilst the ‘Date of Report’ represents the date the report was printed, this date represents the date up to which transactions have been entered. For example, on the 3rd March 20xx you may want to produce reports up to the 28th February 20xx. Other than the Aged Analysis reports, where this date controls the aged analysis, the ‘As At’ date has no effect on the accounts or transactions reported.

Specify Any Selection Criteria

Leaving this input blank processes all records in the file. If you wish to apply criteria select this option.

The OPTIONS Button

The Options button allows configuration facilities for the printing of the report – selecting margins and fonts. When you select the OPTIONS button a pop-up form is displayed.



Before discussing the parameters you should note the buttons available at the footer of this parameter screen.

Default - This option updates the individual parameters from your user default when they are set, overwriting presets where applicable. If no user defaults are set then this option is 'greyed' out and cannot be selected.

Accept - This option accepts your entered parameters for this print only, reverting to defaults next time the report is run.

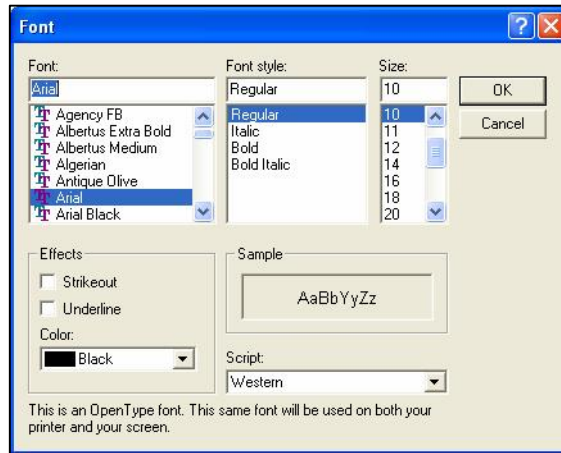
Save - Depending on whether the user is configured as an 'Install' user then the next option will be SAVE. This saves your set parameters so they are offered as default next time this report is run (Note: this is system wide not per user). Setting the user as an 'Install' user is achieved through the user configuration available under the MASTER sign-on.

Abandon - This option abandons any changes made and returns you to the report screen.

The report parameters available are:

- ❑ **Paper Size** - select the paper size the report is to be printed to (i.e. A4). You can elect to leave this blank in which case the report is printed as per the last/default page size of the printer, however, if you do this you can only choose fixed pitch fonts (and the screen is a slightly different layout) – selecting a page size is mandatory to use proportional fonts.

- ❑ **Default Printer Font** – a font dialog is display allowing you to select as required, the default font to be used for this report. If you’ve sent the page size then all fonts are available, if you haven’t set this then only fixed pitch fonts can be assigned. You can also set bold/italic attributes and font size – note that if you haven’t set a page size then the font size option is not applicable (font is sized as per previous rules).



Selecting the Font Size

Generally you can’t go far wrong with 10point. However, if you have a lot of data items on your report, and are printing in portrait, 10point may be too big to fit all the required information without overlapping fields.

The positioning of fields across the page is determined by the item size – if you view the Currency Listing report this shows, by default, the currency code (4 characters – as field name CODE is bigger than field size X3), the currency name (30), and the short name (10), together with spaces between the items this gives a total of 47 characters, or columns required. As this is less than 80 characters then the system, for clarity, assumes you have 80 characters across the page (think graph paper – you have 80 ‘cells’ across the page).

Those 80 columns are split equally across the available page (page size and margins taken into account) as starting positions for data items – so the currency code starts at column 1, the currency name at column 6 (currency code plus 1 space is 6), etc. If you select a font size too big then the currency code may not finish printing before the currency name starts causing the name to overlap the end of the code. If this occurs then you can either reduce the font size, or consider swapping the report to landscape orientation if the font size would go too small.

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- ❑ **Default to Landscape** – set to default the printed report to landscape, leave blank for usual portrait orientation. You may want to set reports such as the Sales Ledger Aged

Debtors Report, or the Cashbook Receipts Analysis Listing, to landscape to increase the size of print as these reports require a large amount of detail to be printed.

- ☐ **Show Time in Report Headings** – set to include the printed time in the report headings in addition to the printed date.
- ☐ **Include Selection Criteria** – set to print any selection criteria that were applied to the report.
- ☐ **Email as Text** – if send this report via email this option allows you to send as a text file attachment as opposed to, if left blank, PDF.
- ☐ **Omit Full Page Headings** – When printing a multi-page report the system repeats the headings for each page. Setting this option reduces the heading details for the second and subsequent pages allowing more record detail to be printed per page.
- ☐ **Default Output to Spooler** – Usually, when printing a report, the default printer is the last print device used. Select this option to set the default printer as the spooler for this report. This acts only as a default and doesn't prevent you electing to print the report instead.
- ☐ **Allow Change of Printer Alias** – when these options are configured then it is assumed you are printing as 'direct windows print' and this is the alias set by default. Setting this option allows you to change the default alias at run-time to one of the list of Datafile configured printers. If you change the alias to a 'DOS' style alias then the page size (length/width) is again picked up from the Print Style Profile and fonts depend on ASCII codes configured, although other settings such as 'include time' etc. remain from the OPTIONS display.
- ☐ **Print Negatives in Red** – on selected reports, assuming you have a colour printer; it may be useful to print negative values in red. This option is not applicable if the page size is left blank.

The next set of parameters allows you to specify formatting and margin settings for both portrait and landscape when the page size has been set. The appropriate setting being used based on the orientation of the output selected at run-time.

- ☐ **Characters Per Line** – the system displays the width of the report items on the right. If you leave this value at 0 (recommended) then the report width used in determining the start column positions of data items (as discussed above with regards to font size) is the larger of either the report print items or 80 columns. You can manually set a report width – from 64 to 255 columns. You may want to increase the number of columns on (say) a landscape report with few print items to bring the fields closer together to aid in reading.
- ☐ **Lines Per Page** – if left at 0 (recommended) then the number of lines per page is determined by the font and page size. Alternatively you can set a number of lines per page, perhaps to give a greater gap between rows of data items.

- ☐ **Left Margin (mm)** – set the size of the left hand margin (relative to page orientation in millimetres).
- ☐ **Right Margin (mm)** – set the size of the right hand margin.
- ☐ **Top Margin (mm)** – set the size of the top margin.
- ☐ **Bottom Margin (mm)** – set the size of the bottom margin.

This set of parameters allows you to specify formatting and margin settings for both portrait and landscape when the page size has not been set. Two columns are definable, one to use if printing in portrait, the other if printing in landscape - the appropriate setting being used based on the orientation of the output selected at run-time.

- ☐ **Minimum Characters Per Line** – the system displays the width of the report items to the right. If you leave this value as 0 then the report width is the larger of either the report print items or 80 characters. You can manually set a report width – from 64 to 255 characters wide – but if you set a width less than the items actually printed then this is overridden by the report width at run-time.
- ☐ **Maximum Lines Per Page** – if left at 0 then when printing a report the system will determine the number of lines per page based on the report width and the printable area of the page up to a maximum of 72 lines per page in portrait mode or 50 lines per page in landscape mode. Alternatively you can set the number of lines per page, from 16 to 255, and this is then taken into account when deciding font size to ensure that number of lines is printed. If left at 0 then when sending to the spooler the lines per page is assumed to be 72 in portrait mode and 50 in landscape. If you require an identical print from the printer and the spooler then a maximum number of lines should be set.
- ☐ **Left Margin** – set the number of characters to be used as a margin from 1 to 64. If you require a margin then when entering the value you need to take into account the report print width – a margin of 4 characters on an 80-character report will be bigger than a margin of 4 characters on a 132-character report. If left at 0 no left margin is applied.
- ☐ **Right Margin** – if you require a margin to be applied on the right of the report set the number of characters accordingly (again 1-64), if leave as 0 then no right margin is applied.
- ☐ **Top Margin** – set the number of lines to leave as a margin at the top of the page (1-32 lines). If left at 0 then no top margin is applied.
- ☐ **Bottom Margin** – set the number of lines to leave as a margin at the bottom of the page (1-32 lines). If left at 0 then no bottom margin is applied.

Finally, you can set default options that are used when you send the report to print or e-mail.

- ☐ **Print Device** – if using a stand-alone Datafile system then you can set a default printer to output to. This option only applies when sending to a print device; if last printer was

spooler or fax then this remains the default. If using a networked Datafile system then you can still set this where you are printing to a networked printer – provided all terminals have a consistent device path. If the print device isn't valid then the normal printer is offered instead.

- ❑ **E-mail Address** – if the report is sent to email then here you can enter an email address that is to be used by default for this report – though it can be amended at run-time.

Once you've set the desired parameters select the ACCEPT option to apply the settings for this print or, if available, the SAVE option to apply for this and future prints.

List of Currencies

This report lists all the currencies so far defined — codes, short name and full name.

Foreign Currency		Report as at 31/01/05 Printed on 02/11/05	
CURRENCY LIST			
Premier Demonstration (Base currency: STG)			Page 1
Code	Name	Short-Name	
AUS	Austrailian Dollars	AUD	
EUR	EURO	EUR	
USD	US Dollars	US\$	
YEN	Japanese Yen	Yen	
Totals ...			
Number of Records: 4			
End of Report.			

Currency Rates

This report lists all the currencies together with the holding and revaluation spot rates which applied as at the "As At" date supplied when you initiated the report.

Foreign Currency		Report as at 31/01/05 Printed on 31/03/05	
CURRENCY RATES			
Premier Demonstration (Base currency: STG)			Page 1
Code	Name	Holding-Rate	Spot-Rate
AU\$	Austrailian Dollars	2.2521	2.2521
EUR	EURO	1.4929	1.4219
USD	US Dollars	1.9129	1.9129
YEN	Japanese Yen	199.1230	199.1230
Totals ...			
Number of Records: 4			
End of Report.			

Holding Rates

This report lists the holding rates which apply for each period for each currency. It prints one page per currency. In addition to the standard report pre-ample given above, you are asked two extra questions:

Current or Previous Year (C/P)

If you want to print out only the rates which applied last year, reply P <Enter>. Otherwise accept the default of C <Enter> to print the rates which apply to this year.

Currency Code (blank for all)

You may choose to print just one page for a specified currency — give the currency code here, using <F4–Select> to choose it if you don't know the code. If you leave this question blank, then all currencies are printed.

Foreign Currency		Report as at 31/01/05 Printed on 31/01/05	
HOLDING RATE CALENDAR			
Premier Demonstration (Base currency: STG)		Page 1	
Currency: AU\$ Austrailian Dollars			
1 .	2.2521	01/01/05	- 31/01/05
2 .	-	01/02/05	- 28/02/05
3 .	-	01/03/05	- 31/03/05
4 .	-	01/04/05	- 30/04/05
5 .	-	01/05/05	- 31/05/05
6 .	-	01/06/05	- 30/06/05
7 .	-	01/07/05	- 31/07/05
8 .	-	01/08/05	- 31/08/05
9 .	-	01/09/05	- 30/09/05
10 .	-	01/10/05	- 31/10/05
11 .	-	01/11/05	- 30/11/05
12 .	-	01/12/05	- 31/12/05

Spot Rates

This report gives you the daily spot rate history, listing the last three month's rates — one page per currency. In addition to the standard report pre-ample given above, you are asked two extra questions:

3 month calendar up/including (YYMM)

The year (YY) and month (MM) number of the report date displays here as a prompt, but you can change it for any other month. If you reply (say) "0512" then the report will print all the rates for October, November and December 2005

Currency Code (blank for all)

You may choose to print just one page for a specified currency — give the currency code here, using <F4-Select> to choose it if you don't know the code. If you leave this question blank, then all currencies are printed.

Foreign Currency				Report as at 31/01/05 Printed on 31/01/05	
SPOT RATE CALENDAR					
Premier Demonstration (Base currency: STG)				Page 1	
Currency: AU\$ Austrailian Dollars					
01/11/04	-	01/12/04	-	01/01/05	2.5241
02/11/04	-	02/12/04	-	02/01/05	-
03/11/04	-	03/12/04	-	03/01/05	-
04/11/04	-	04/12/04	-	04/01/05	-
05/11/04	-	05/12/04	-	05/01/05	-
06/11/04	-	06/12/04	-	06/01/05	-
07/11/04	-	07/12/04	-	07/01/05	-
08/11/04	-	08/12/04	-	08/01/05	-
09/11/04	-	09/12/04	-	09/01/05	-
10/11/04	-	10/12/04	-	10/01/05	-
11/11/04	-	11/12/04	-	11/01/05	-
12/11/04	-	12/12/04	-	12/01/05	-
13/11/04	-	13/12/04	-	13/01/05	-
14/11/04	-	14/12/04	-	14/01/05	-
15/11/04	-	15/12/04	-	15/01/05	-
16/11/04	-	16/12/04	-	16/01/05	-
17/11/04	-	17/12/04	-	17/01/05	-
18/11/04	-	18/12/04	-	18/01/05	-
19/11/04	-	19/12/04	-	19/01/05	-
20/11/04	-	20/12/04	-	20/01/05	-
21/11/04	-	21/12/04	-	21/01/05	-
22/11/04	-	22/12/04	-	22/01/05	-
23/11/04	-	23/12/04	-	23/01/05	-
24/11/04	-	24/12/04	-	24/01/05	-
25/11/04	-	25/12/04	-	25/01/05	-
26/11/04	-	26/12/04	-	26/01/05	-
27/11/04	-	27/12/04	-	27/01/05	-
28/11/04	-	28/12/04	-	28/01/05	-
29/11/04	-	29/12/04	2.5200	29/01/05	-
30/11/04	-	30/12/04	-	30/01/05	-
		31/12/04	-	31/01/05	-

Sales Nominal Codes

Purchase Nominal Codes

These reports list the additional nominal codes (exchange and revaluation differences etc.) defined for each currency for your reference.

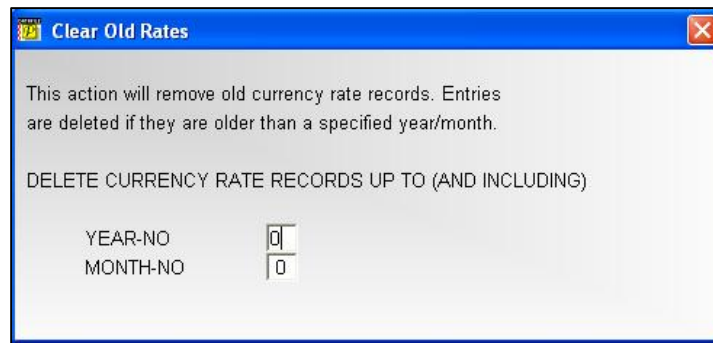
Foreign Currency		Report as at 31/01/05 Printed on 02/11/05				
CURRENCY NOMINAL CODES: SALES						
Premier Demonstration (Base currency: STG)						Page 1
Code	Name	SI-Exhg-Diff	SI-Revalue	SI-Adjust	SI-Bank	SI-Disc
AU\$	Austrailian Dollars	440	440	440		
EUR	EURO	440	440			
USD	US Dollars	440	440			
YEN	Japanese Yen	440	440			
Totals ...						
Number of Records: 4						
End of Report.						

Foreign Currency		Report as at 31/01/05 Printed on 02/11/05				
CURRENCY NOMINAL CODES: PURCHASE						
Premier Demonstration (Base currency: STG)						Page 1
Code	Name	PI-Exhg-Diff	PI-Revalue	PI-Adjust	PI-Bank	PI-Disc
AU\$	Austrailian Dollars	440	440	440		
EUR	EURO	440	440			
USD	US Dollars	440	440			
YEN	Japanese Yen	440	440			
Totals ...						
Number of Records: 4						
End of Report.						

Clear Old Rates

As noted above, a daily spot rate history record can be created for each currency for each month of each year as time progresses. However, the rate used is itself written into the transaction records, so these history records have no further purpose once all transactions for the dates concerned have been entered.

In time the currency rate file may fill up, and must either be enlarged or old history records deleted. The purpose of this option is to delete old history records to conserve space. In practice the history records of (say) twelve months and more ago need not be kept on file and so may be deleted without affecting the system.



In operation you are asked for:

YEAR-NO
MONTH-NO

Supply the year and month required, and the process is automatic.

System Status

This option supplies information about the currency files, including the size of the files, records in use and the base currency for the system.

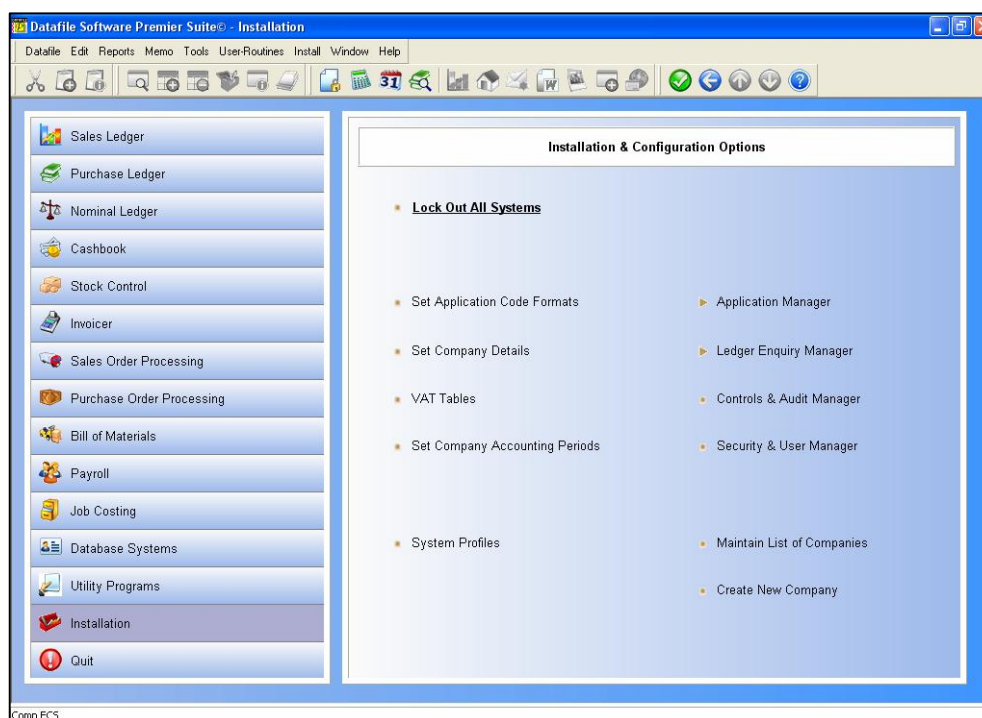
Chapter 4

Configuration

Your Datafile Software ledger systems have a wide range of possible facilities, and you can undertake a great amount of structuring so that it suits your particular operation. This section describes how to use the Installation program to set up your ledger system.

You can use the program for the requirements of many companies, and each may have a different configuration and its own set of data files. For each company specified, a parameter file is written to disk which holds details of the configuration. Each company is identified by a three-letter code such as "DEM".

When you select the Installation option a menu will be displayed that contains the installation and configuration options – only operators with the highest authority level (0) are allowed to process any of the options within this menu.



Lock Out All Systems

When making changes then that application has to be locked out. To lockout the application you select the option 'Lock Out All Systems'. Firstly, you are prompted to lock out all systems – it can sometimes be easier to lock all systems as you may have to change settings in other applications at the same time – if you respond 'Yes' then all applications are locked, if you respond 'N' then you can select to lock just the applications required.

Set Application Code Formats

Whilst the code format for the currency and rates files are pre-determined this parameter screen does contain two parameter settings which relate to the foreign currency system.

Company

This is the company name used in the reports printed from the foreign currency maintenance.

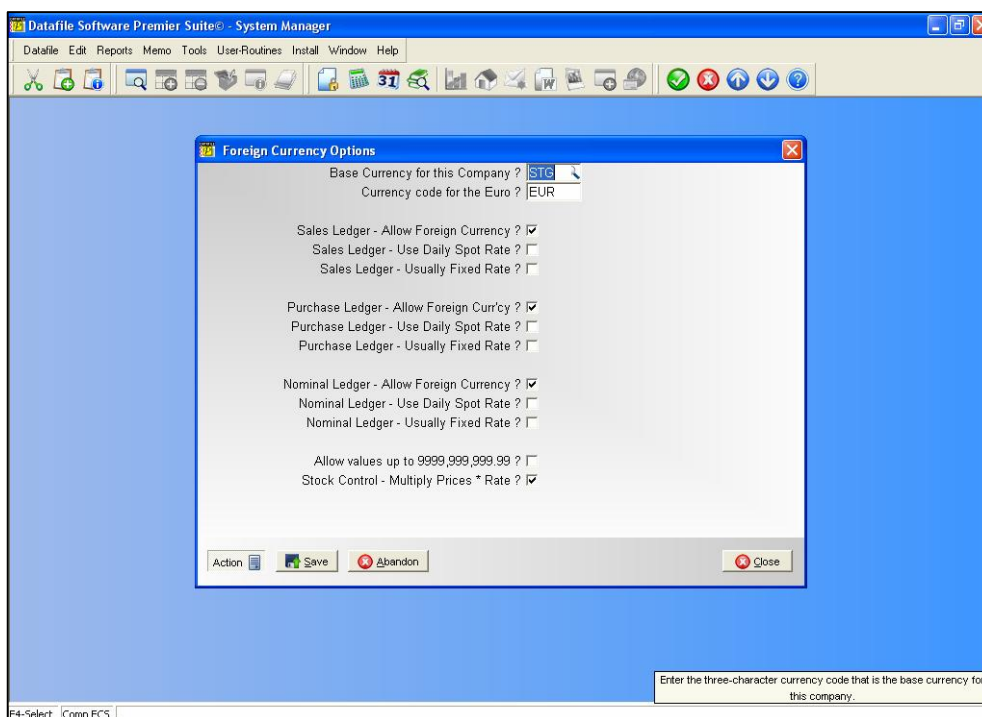
Euro Rate

This option is used when your base currency is to become the Euro. Invoicer and Order Processing documents print their totals in the currency of the account, when this currency is the base currency and it is scheduled to become part of the Euro-Zone you may wish to include these values in their euro equivalent. Entering the fixed exchange rate, to six decimal places, from the base currency to the euro enables this.

Similarly, if your base currency has recently been converted to the Euro but several of your customers and suppliers are still using your original currency then entering the exchange from the Euro to the original currency enables you to print these alternative totals in the original currency.

System Profiles

The System Profiles set the general configuration options for the currency system.



Base Currency for this Company

Enter here the three-character code of the currency defined as the base currency for this company. Note that the ledgers for one company must all use the same base currency.

Currency Code for the Euro

If the Euro is one of the currencies you trade in enter the currency code here.

Sales Ledger - Allow Foreign Currency

You activate foreign currency procedures for the sales ledger by setting this option. If you leave this blank, then foreign currency procedures are not invoked at all for the sales ledger. Although you may have foreign currency data items defined in the files, these fields are updated with the base currency.

Sales Ledger - Use Daily Spot Rate

This is usually left blank. If spot rate history facilities are to be used in the sales ledger (see descriptions in above sections) then set this.

It is likely that you would only use the spot rate history feature if you were a commodity dealer, currency trader, or otherwise occupied in a business where exchange rate fluctuations are a prime aspect of your business.

Sales Ledger - Usually Fixed Rate

This defines the default for the question asked when entering foreign currency transactions into the sales ledger. It is usually left blank. Where the usual default is to be Y (for example, if you choose spot rate history) then set this option.

Purchase Ledger - Allow Foreign Currency

Purchase Ledger - Use Daily Spot Rate

Purchase Ledger - Usually Fixed Rate

Nominal Ledger - Allow Foreign Currency

Nominal Ledger - Use Daily Spot Rate

Nominal Ledger - Usually Fixed Rate

The same three questions are posed for each of the ledgers.

Allow Values Up To 9,999,999,999.99

Selecting currencies, like the old Italian Lira, have a large exchange rate where a comparatively small value in your base currency results in a large value in the currency of your customer/supplier. The data items for values are typically 'L' type which allows 10 significant figures but the account enquiry screen and allocations etc. reduce this to 8 significant figures for display purposes (so more detail can be displayed). Setting this option displays the value in full.

Stock Control - Multiply Prices * Rate

Reply Y to this question if the order processing systems are to take the base currency price and apply the appropriate currency rate to derive the foreign currency price.

Ledger Enquiry Manager

There are no specific ledger enquiry options for the foreign currency system although, when introducing foreign currency into an existing system, you may want to amend the sales ledger, etc., to include the currency as well as the base values.

Controls & Audit Manager

The Controls and Audit Manager contains all the utility routines used to check the integrity of the database files, and to undertake various housekeeping actions.

The tools supplied allow:

- ☐ Check integrity of the databases (audit) and rebuild their index's
- ☐ Define the auto-expand parameters for databases
- ☐ Recover Unused Space.

After selecting the 'Controls & Audit Manager' menu option you are prompted to select the application, and then you are presented with the Controls & Audit options for that application.



Edit System Status Display

Displays the number of records in use and reserved in the currency codes and rates file.

Database Audit

Use this option to check the internal integrity of any of the currency files. If you're sure that a particular record is in the file but you cannot select it via the indexes then you might want to use this option on that file.

Really the only events liable to disturb the integrity of a database are power/hardware failures or an attempt to process a database in an outside program. The database audit checks every record in the file to make sure it is genuinely active, and rebuilds its indexes from scratch.

When you choose this option all the application databases are listed for you to select from.

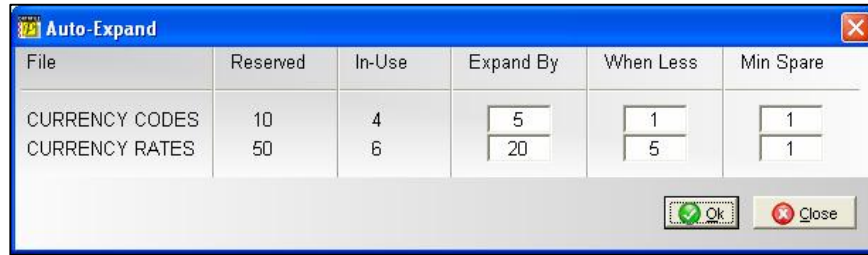
Compact & Audit Database

The internal processing of databases does not necessarily re-use the space occupied by records that have been deleted. New records are always added to the end of the file. Therefore, over a period of time, it is possible a file may appear full but there could be gaps in the middle, where records were deleted. Using this option consolidates the active data and frees up space.

Set Auto Expand Data Files

Datafile reserves a fixed space for database files and you need to expand that space should the file become full. This option allows you to set internal system parameters, so that it automatically

attempts to enlarge a file that is becoming full. The file is expanded when a user opens the file, provided no-one else is already using that file, typically it would occur at the start of the day when the first user accesses an application.



File	Reserved	In-Use	Expand By	When Less	Min Spare
CURRENCY CODES	10	4	5	1	1
CURRENCY RATES	50	6	20	5	1

Expand By

Enter the number of records by which you wish the system to expand the file when triggered. Strike a balance between too small a number, meaning that it would happen to frequently, and too large a number which would mean it would take a long time to expand the file, and take up unnecessary disk space.

When Less

This represents the quantity of free records, which when the database is below, will trigger the automatic expansion when a user has exclusive access to the file.

Minimum Spare

This is an important parameter for files where batches of records are added – it represents the minimum quantity that must be free at all times. It would normally be less than the ‘When Less’ setting and if this setting reached it implies that no user has had exclusive access to the file since the ‘When Less’ quantity was reached. You should set the minimum to be the largest number that can be added through an automatic update.

Expand Data Files

If not setting the auto-expand options then this option allows you to manually expand the data files as necessary.

Security and User Manager

The Security and User Manager allows you to set authority levels and passwords on specific application options and to define any user authority overrides. After selecting the application two screens of options are allowed for security checks.

SET PASSWORDS FOR USER OPTIONS		LEVEL	LOG	NAMED USERS	
HOLDING RATE	?	9	<input type="checkbox"/>	Overrides Company	
PERIOD SPOT RATES	?	9	<input type="checkbox"/>	Authority Level Check	
DAILY SPOT RATES	?	9	<input type="checkbox"/>	1	<input type="text"/>
MAINTAIN CURRENCIES	?	9	<input type="checkbox"/>	2	<input type="text"/>
REPORTS	?	9	<input type="checkbox"/>	3	<input type="text"/>
REMOVE OLD RATES	?	9	<input type="checkbox"/>	4	<input type="text"/>
SYSTEM STATUS	?	0	<input type="checkbox"/>	5	<input type="text"/>
				6	<input type="text"/>
				7	<input type="text"/>
				8	<input type="text"/>

Buttons: Action, Opt-1, Opt-2, Save, Abandon, Close

In the first screen you may attach a password and/or an authority level for each of the main ledger options. If *Premier* and logging options have been enabled, then you can log operators who attempt to enter password/authority protected areas and fail. You can also nominate operators, who are nominally blocked from this application by their authority level, to be allowed in.

On the second screen you are allowed to specify passwords/authority-levels for more specific record maintenance options.

Document Design Manager

Whilst there are no specific currency documents, documents for other applications can include currency details.

Sales and Purchase Ledger

Statements and Remittances are usually printed in the currency of the account (controlled by a run-time parameter). Additional options in the document allow you to print the currency code, name and short name.

Invoice

Invoice documents are printed in the currency of the account (all values are entered in the currency as well). The document allows parameters to print the currency code, name, short name

and rate used. In addition parameter options allow you to confirm the exchange rate when posting the invoice (if not set the 'current' rate is used by default).

Order Processing

Again documents are printed in the currency of the account (all values are entered in the currency as well). The document allows parameters to print the currency code, name, short name and rate used. In addition parameter options allow you to control the confirmation of the exchange rate.

These parameters (available on screen 19 of the document parameters) include:

Allow Confirm of Currency Rate

Set to allow run-time confirmation of exchange rate when processing the document.

Write Back and Fix Currency Rate

Occasionally set on delivery notes so that the currency rate used for the delivery is used for the subsequent invoice.

Allow Confirm of Write Back and Fix

If setting to 'write back and fix' above then this option allows you to confirm whether you wish to write back the amended rate at run-time.

Application User Facilities

The Application User Facilities allow configuration of the individual Foreign Currency options.



The options – Period Holding Rates, Period Spot Rates, Daily Spot Rates, Clear Old Rates and System Status – currently have no user-definable options they are here as place-holders for any future development.

Currency Maintenance

The Currency Maintenance option allows you to design the maintenance screen for the currency. On selection the current design is displayed.

To enter **text** on the screen, position the cursor where you want to start entering the text by clicking the mouse in the appropriate position, and type in the details.

To draw a line **border** around the screen select the 'Border' option on the Tools menu.

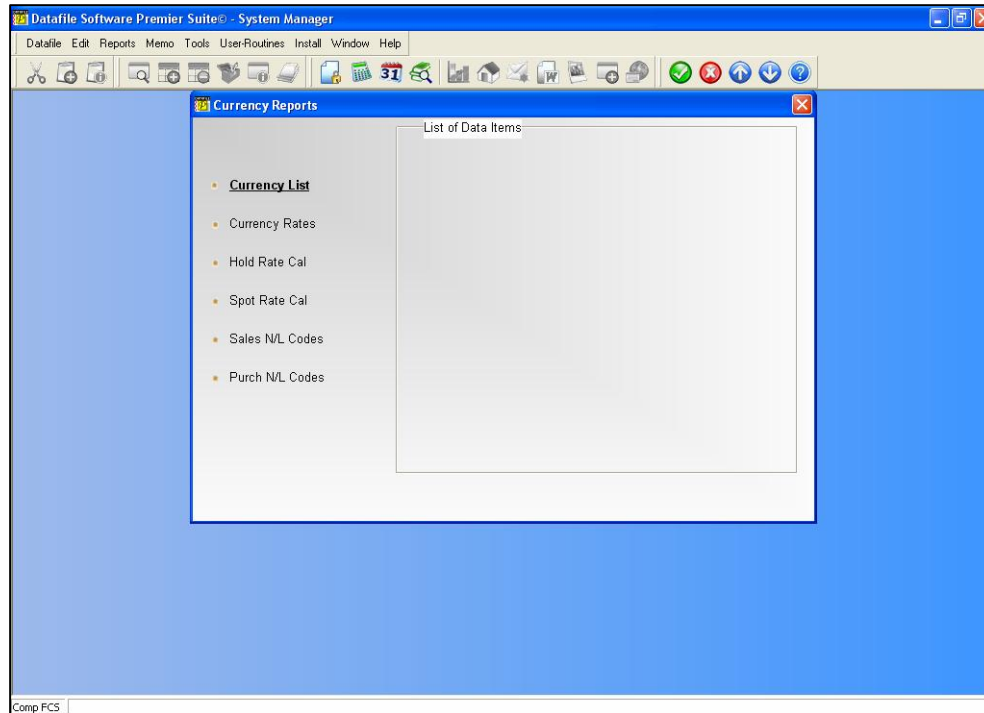
To draw **lines** on the screen switch to line mode using the 'Line Mode' option on the Tools menu and use the mouse to draw a line by clicking its start position and then dragging the line to where you want it to finish (horizontal/vertical lines only). To switch back to 'Text Mode' call the option on the tools menu again.

To position a **data item** click the starting position and either right-click with the mouse or press the <F4-Select> key – the available data items are then displayed. You select a data item by pressing <Enter> against it and the field is then updated to the screen. You are then asked some supplementary questions – view-only, upper-case input, mandatory – set as required.

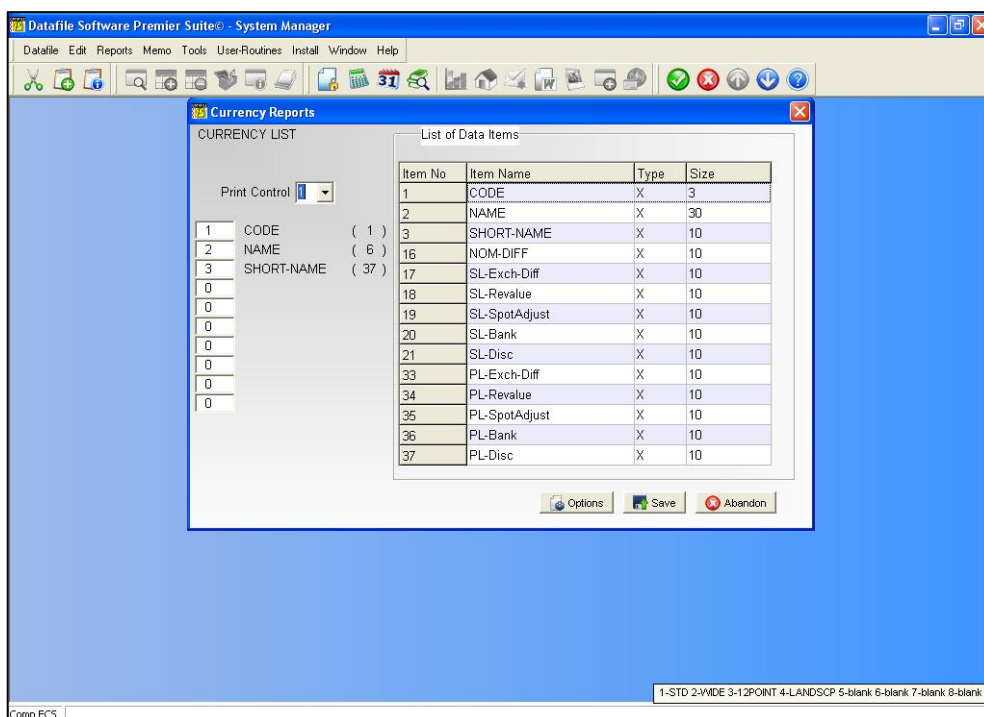
Once the screen design is complete select the 'Save & Exit' option off the File menu to update the layout for the system and then exit back to the menu.

Reports

Here you define how the currency reports are to print. For most reports the parameters you must give include the print style (type of printing) and the data items to print.



The set-up for most reports follows a standard pattern as illustrated by the 'Currency Listing' report.



Print Control

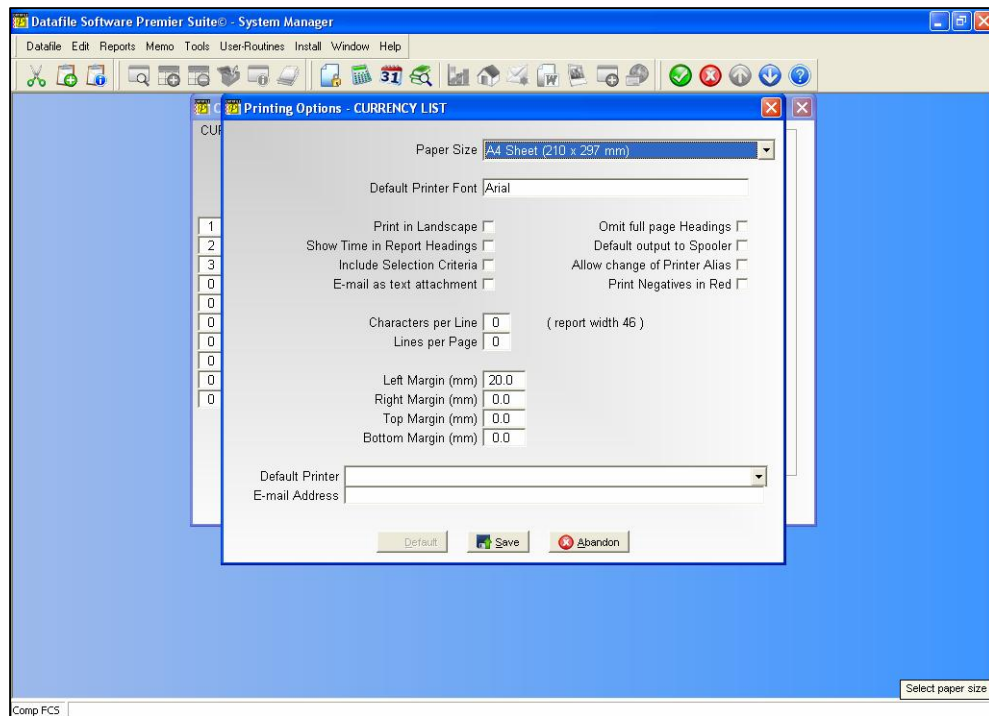
Used when the OPTIONS parameters have not been enabled this option controls the page size. Up to eight report styles can be defined on your system through the CONFIG user. These control the length/width of page to print. The styles available are listed at the bottom right of the screen.

Data Items

Here you can select up to ten items to print across the page for each report. The data items available for selection are listed to the right of the screen – you can also, however, use the F4-Select key to select items for the report.

The OPTIONS Button

The Options button allows configuration facilities for the printing of the report – selecting margins and fonts. When you select the OPTIONS button a pop-up form is displayed.



Before discussing the parameters you should note the buttons available at the footer of this parameter screen.

Default - This option updates the individual parameters from your user default when they are set, overwriting presets where applicable. If no user defaults are set then this option is 'greyed' out and cannot be selected.

Save - This saves your set parameters so they are offered as default next time this report is run

Abandon - This option abandons any changes made and returns you to the report screen.

The report parameters available are:

- ❑ **Paper Size** - select the paper size the report is to be printed to (i.e. A4). You can elect to leave this blank in which case the report is printed as per the last/default page size of the printer, however, if you do this you can only choose fixed pitch fonts (and the screen is a slightly different layout) – selecting a page size is mandatory to use proportional fonts.
- ❑ **Default Printer Font** – a font dialog is display allowing you to select as required, the default font to be used for this report. If you've sent the page size then all fonts are available, if you haven't set this then only fixed pitch fonts can be assigned. You can also set bold/italic attributes and font size – note that if you haven't set a page size then the font size option is not applicable (font is sized as per previous rules).

Selecting the Font Size

Generally you can't go far wrong with 10point. However, if you have a lot of data items on your report, and are printing in portrait, 10point may be too big to fit all the required information without overlapping fields.

The positioning of fields across the page is determined by the item size – if you view the Currency Listing report this shows, by default, the currency code (4 characters – as field name CODE is bigger than field size X3), the currency name (30), and the short name (10), together with spaces between the items this gives a total of 47 characters, or columns required. As this is less than 80 characters then the system, for clarity, assumes you have 80 characters across the page (think graph paper – you have 80 'cells' across the page).

Those 80 columns are split equally across the available page (page size and margins taken into account) as starting positions for data items – so the currency code starts at column 1, the currency name at column 6 (currency code plus 1 space is 6), etc. If you select a font size too big then the currency code may not finish printing before the currency name starts causing the name to overlap the end of the code. If this occurs then you can either reduce the font size, or consider swapping the report to landscape orientation if the font size would go too small.

- ☐ **Default to Landscape** – set to default the printed report to landscape, leave blank for usual portrait orientation. You may want to set reports such as the Sales Ledger Aged Debtors Report, or the Cashbook Receipts Analysis Listing, to landscape to increase the size of print as these reports require a large amount of detail to be printed.
- ☐ **Show Time in Report Headings** – set to include the printed time in the report headings in addition to the printed date.
- ☐ **Include Selection Criteria** – set to print any selection criteria that were applied to the report.
- ☐ **Email as Text** – if send this report via email this option allows you to send as a text file attachment as opposed to, if left blank, PDF.
- ☐ **Omit Full Page Headings** – When printing a multi-page report the system repeats the headings for each page. Setting this option reduces the heading details for the second and subsequent pages allowing more record detail to be printed per page.
- ☐ **Default Output to Spooler** – Usually, when printing a report, the default printer is the last print device used. Select this option to set the default printer as the spooler for this report. This acts only as a default and doesn't prevent you electing to print the report instead.

- ☐ **Allow Change of Printer Alias** – when these options are configured then it is assumed you are printing as ‘direct windows print’ and this is the alias set by default. Setting this option allows you to change the default alias at run-time to one of the list of Datafile configured printers. If you change the alias to a ‘DOS’ style alias then the page size (length/width) is again picked up from the Print Style Profile and fonts depend on ASCII codes configured, although other settings such as ‘include time’ etc. remain from the OPTIONS display.
- ☐ **Print Negatives in Red** – on selected reports, assuming you have a colour printer; it may be useful to print negative values in red. This option is not applicable if the page size is left blank.

The next set of parameters allows you to specify formatting and margin settings for both portrait and landscape when the page size has been set. The appropriate setting being used based on the orientation of the output selected at run-time.

- ☐ **Characters Per Line** – the system displays the width of the report items on the right. If you leave this value at 0 (recommended) then the report width used in determining the start column positions of data items (as discussed above with regards to font size) is the larger of either the report print items or 80 columns. You can manually set a report width – from 64 to 255 columns. You may want to increase the number of columns on (say) a landscape report with few print items to bring the fields closer together to aid in reading.
- ☐ **Lines Per Page** – if left at 0 (recommended) then the number of lines per page is determined by the font and page size. Alternatively you can set a number of lines per page, perhaps to give a greater gap between rows of data items.
- ☐ **Left Margin (mm)** – set the size of the left hand margin (relative to page orientation in millimetres).
- ☐ **Right Margin (mm)** – set the size of the right hand margin.
- ☐ **Top Margin (mm)** – set the size of the top margin.
- ☐ **Bottom Margin (mm)** – set the size of the bottom margin.

This set of parameters allows you to specify formatting and margin settings for both portrait and landscape when the page size has not been set. Two columns are definable, one to use if printing in portrait, the other if printing in landscape - the appropriate setting being used based on the orientation of the output selected at run-time.

- ☐ **Minimum Characters Per Line** – the system displays the width of the report items to the right. If you leave this value as 0 then the report width is the larger of either the report print items or 80 characters. You can manually set a report width – from 64 to 255 characters wide – but if you set a width less than the items actually printed then this is overridden by the report width at run-time.

- ❑ **Maximum Lines Per Page** – if left at 0 then when printing a report the system will determine the number of lines per page based on the report width and the printable area of the page up to a maximum of 72 lines per page in portrait mode or 50 lines per page in landscape mode. Alternatively you can set the number of lines per page, from 16 to 255, and this is then taken into account when deciding font size to ensure that number of lines is printed. If left at 0 then when sending to the spooler the lines per page is assumed to be 72 in portrait mode and 50 in landscape. If you require an identical print from the printer and the spooler then a maximum number of lines should be set.
- ❑ **Left Margin** – set the number of characters to be used as a margin from 1 to 64. If you require a margin then when entering the value you need to take into account the report print width – a margin of 4 characters on an 80-character report will be bigger than a margin of 4 characters on a 132-character report. If left at 0 no left margin is applied.
- ❑ **Right Margin** – if you require a margin to be applied on the right of the report set the number of characters accordingly (again 1-64), if leave as 0 then no right margin is applied.
- ❑ **Top Margin** – set the number of lines to leave as a margin at the top of the page (1-32 lines). If left at 0 then no top margin is applied.
- ❑ **Bottom Margin** – set the number of lines to leave as a margin at the bottom of the page (1-32 lines). If left at 0 then no bottom margin is applied.

Finally, you can set default options that are used when you send the report to print or e-mail.

- ❑ **Print Device** – if using a stand-alone Datafile system then you can set a default printer to output to. This option only applies when sending to a print device; if last printer was spooler or fax then this remains the default. If using a networked Datafile system then you can still set this where you are printing to a networked printer – provided all terminals have a consistent device path. If the print device isn't valid then the normal printer is offered instead.
- ❑ **E-mail Address** – if the report is sent to email then here you can enter an email address that is to be used by default for this report – though it can be amended at run-time.

Once you've set the desired parameters select the SAVE option to apply for future prints of the report.

Currency List

Lists the currencies so far defined.

Currency Rates

Lists the currencies, together with their current holding and spot rates. Special items 161 and 162 are used to print the current rates.

Hold Rate Cal(endar)

Lists the holding rates for the year for each currency. The print items included in this report are pre-defined and you can only control the print style/options settings.

Spot Rate Cal(endar)

Lists the spot rates for the last three months for each currency. The print items included in this report are pre-defined and you can only control the print style/options settings.

Sales N/L Codes

Lists the sales nominal codes defined for use against each currency.

Purchase N/L Codes

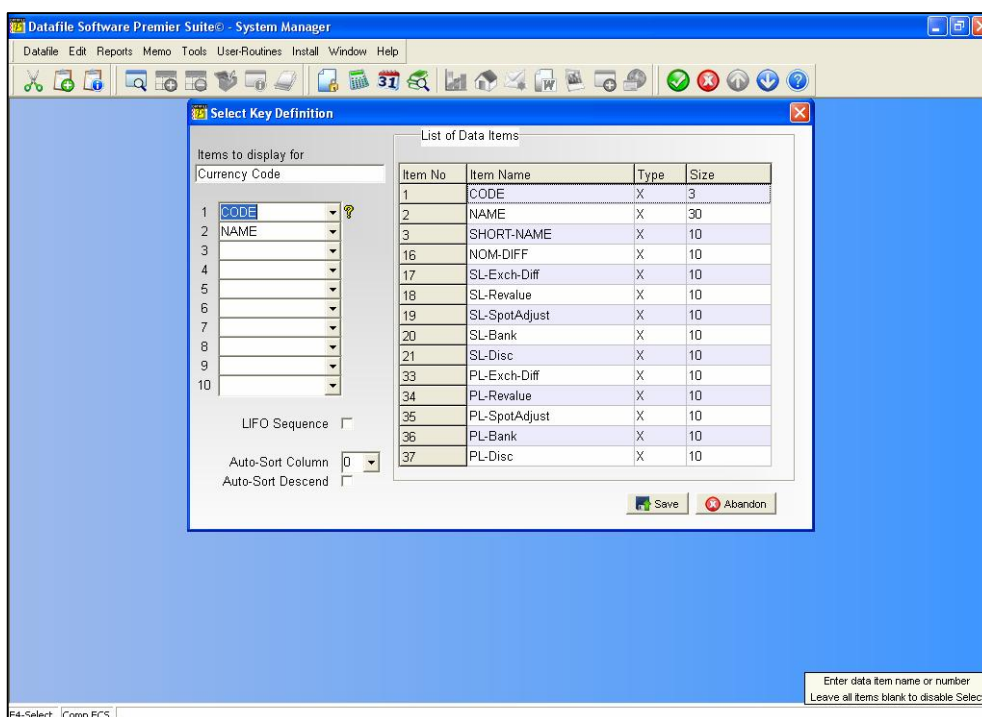
Lists the purchase nominal codes defined for use against each currency.

Application Screen Layouts

This option allows access to the 'Maintain Currency' section of the Application User Facilities. Refer to this section above for further details.

Select Key Definition

Whenever you press <F4-Select> against a database within the currency maintenance the details displayed can be configured to show what you require. This is done via the 'Select Key Definition'.



As you select this option the system displays each of the 'system' databases used within the application in turn asking you to select the items, up to ten, that you wish to display. You are also asked:

LIFO Sequence

The details listed when using <F4-Select> depend on the item searched upon. If search on the prime-index (which for the currency file would be the currency code) then items are listed in account code order, if enter a search on a secondary index (for the currency file this could be the currency name) then items are listed in the order they were created. Setting this option reverses this sequence so that details are listed in either reverse prime-index or reverse entry order.

Auto-Sort Column Auto-Sort Descending

As an alternative to the above you could set the records to be listed in a set sequence. This could include, in the case of the currency file, the currency code. The item you sort on must be one of the list items you have set to be displayed and, here you select the column number of the data item you wish to sort upon and whether the records are to be sorted in descending order (leave blank for ascending order).

Notes

These items only affect the items displayed in the list when selected within the ledger; they do not affect the items you can filter on (i.e. the header selection inputs). These are the prime and secondary indexes of the databases concerned.

Recall Standard Text

Recall Standard Text allows you to attach a word or phrase to a specific key combination (such as <Shift> + <F1>).

Up to fifteen phrases can be entered and these are available for update into a text field throughout the application.

Database Structures

The database structures for the currency code and rates files are fixed. User changes are allowed but only towards the end of the file.

Currency Codes

No	Item Name	Type	Description
1	CODE	X (3)	Prime Index. Holds the three-letter identifier for the currency.
2	NAME	X (30)	Secondary Index. Holds the currency name.
3	SHORT-NAME	X (10)	Secondary Index. Holds short description of the currency.
16	NOM-DIFF	X (10)	Holds the nominal code for nominal exchange differences (max field size is 16)
17	SL-EXCH-DIFF	X (10)	Holds the nominal code for sales ledger exchange differences.
18	SL-REVALUE	X (10)	Holds the nominal code for sales ledger currency revaluations.
19	SL-ADJUST	X (10)	Holds the nominal code for sales ledger spot rate revaluations.
20	SL-BANK	X (10)	Holds the bank a/c nominal code for sales ledger payments.
21	SL-DISC	X (10)	Holds the nominal code for sales ledger discounts.

33	PL-EXCH-DIFF	X (10)	Holds the nominal code for purchase ledger exchange differences.
34	PL-REVALUE	X (10)	Holds the nominal code for purchase ledger currency revaluations.
35	PL-ADJUST	X (10)	Holds the nominal code for purchase ledger spot rate revaluations.
36	PL-BANK	X (10)	Holds the bank a/c nominal code for purchase ledger payments.
37	PL-DISC	X (10)	Holds the nominal code for purchase ledger discounts.

NB: If adding your own items to this file they must be added from item 49 plus.

Currency Rates File

No	Item Name	Type	Description
1	CODE	X (8)	Prime Index. Holds a combined code of the currency code and the period for which it applies.
2	01-RATE	M	Daily Spot Rate for the 1 st of a month Daily Spot Rate for the 2 nd of a month
3	02-RATE	M	
4	03-RATE	M	
5	04-RATE	M	
6	05-RATE	M	
7	06-RATE	M	
8	07-RATE	M	
9	08-RATE	M	
10	09-RATE	M	
11	10-RATE	M	
12	11-RATE	M	
13	12-RATE	M	
14	13-RATE	M	
15	14-RATE	M	
16	15-RATE	M	
17	16-RATE	M	
18	17-RATE	M	
19	18-RATE	M	
20	19-RATE	M	
21	20-RATE	M	
22	21-RATE	M	
23	22-RATE	M	
24	23-RATE	M	
25	24-RATE	M	
26	25-RATE	M	
27	26-RATE	M	
28	27-RATE	M	

29	28-RATE	M	
30	29-RATE	M	
31	30-RATE	M	
32	31-RATE	M	
33	P01-RATE	M	Holding rate for 1 st period of the year
34	P02-RATE	M	Holding rate for 2 nd period of the year
35	P03-RATE	M	
36	P04-RATE	M	
37	P05-RATE	M	
38	P06-RATE	M	
39	P07-RATE	M	
40	P08-RATE	M	
41	P09-RATE	M	
42	P10-RATE	M	
43	P11-RATE	M	
44	P12-RATE	M	
45	P13-RATE	M	
46	SPOT-RATE	M	
49	SPOT-P01	M	Spot rate for 1 st period of the year
50	SPOT-P02	M	Spot rate for 2 nd period of the year
51	SPOT-P03	M	
52	SPOT-P04	M	
53	SPOT-P05	M	
54	SPOT-P06	M	
55	SPOT-P07	M	
56	SPOT-P08	M	
57	SPOT-P09	M	
58	SPOT-P10	M	
59	SPOT-P11	M	
60	SPOT-P12	M	
61	SPOT-P13	M	

NB: If adding your own items they should be from item 101 onwards.

Chapter 5

Converting Existing Ledgers

If you purchase the Foreign Currency application on initial installation of your system then the databases, menus and screens are configured to allow input and reporting of foreign currency values. If, however, you purchase the foreign currency application at a later point then your system needs 'converting' to foreign currency – adding fields to the application databases, updating these fields and the database profiles and adding new options to the menu. This process should be taken by your Datafile Reseller or under their supervision as it is a complex procedure. Notes on the processes required are detailed below.

Sales and Purchase Ledgers

Database Changes

New items are required on both the accounts and transaction files. In addition it has to be assumed that all existing accounts and transactions are held in the base currency and these additional currency fields need to be updated from the existing (base currency) equivalent using the DataFile Global Update procedures.

Accounts File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Holds the currency code for the account. Global Update with base-currency code (STG / GBP etc.)
FC-BAL-B/F	L	Holds the balance brought-forward at the start of the period in the currency of the account. Globally Update from existing balance-b/f field.
FC-BALANCE	L	Holds the current balance in the currency of the account. Globally update from existing balance field.
FC-UNALLOC	L	Holds the total of unallocated payments and credits on the account. Update from existing unallocated field.

FC-OPEN-YR	L	Holds the opening balance for the year on non-open item accounts. Globally update from existing open-year-balance field.
FC-FWD-BAL	L	Holds the balance of the forward period transactions on the account. Update from existing forward balance field.
FC-FWD-UNALL	L	Holds the total of unallocated forward period payments and credits on the account. Update from existing forward unallocated field.
FC-FWD-T/O	L	Holds the turnover from forward period transactions against the account. Update from existing forward turnover field.
FC-T/O-YEAR	L	Holds the turnover for the year so far. Update from existing turnover-year field.
FC-T/O-PERD	L	Holds the turnover for the period so far. Update from existing turnover-per field.
FC-T/O-1	L	Holds the turnover for period 1. Update from existing turnover-period-1 field.
FC-T/O-2	L	Turnover for period 2.
FC-T/O-3	L	Turnover for period 3.
FC-T/O-4	L	Turnover for period 4.
FC-T/O-5	L	Turnover for period 5.
FC-T/O-6	L	Turnover for period 6.
FC-T/O-7	L	Turnover for period 7.
FC-T/O-8	L	Turnover for period 8.
FC-T/O-9	L	Turnover for period 9.
FC-T/O-10	L	Turnover for period 10.
FC-T/O-11	L	Turnover for period 11.
FC-T/O-12	L	Turnover for period 12.
FC-T/O-13	L	Turnover for period 13.
FC-T/O-LYR	L	Turnover for last year. Update from existing turnover for last year field.

Transactions File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Holds the currency code of the transaction. Globally update with currency code of base currency (STG / GBP etc.)
FC-RATE-ORIG	M	Holds the exchange rate of the transaction before revaluation. Update with 1.0000
FC-RATE-NOW	M	Holds the current exchange rate of the transaction. Update with 1.0000
FC-FIXED	?	Flag to identify exchange rate as being fixed (unavailable for revaluation).

FC-AMOUNT	L	Holds the amount of the transaction in the currency of the account. Update from existing AMOUNT field.
FC-TAX-AMNT	L	Holds the tax-amount of the transaction in the currency of the account. Update from existing TAX-AMT field.
FC-PAY-DISC	L	Holds the payment discount of the transaction in the currency of the account. Update from existing PAY-DISC field.
FC-TOTAL	*	Calculation of FC-AMOUNT plus FC-TAX-AMNT plus FC-PAY-DISC.
FC-ALLOC	L	Holds the allocated amount of the transaction in the currency of the account. Update from existing ALLOCATED field.
FC-O/S	*	Calculation of FC-TOTAL less FC-ALLOC
FC-FWDALLOC	L	Holds the amount of the transaction allocated against a forward transaction in the currency of the account. Update from existing FWD-ALLOC field.
FC-LASTALLOC	L	P/L only. Holds the amount allocated last against the transaction in the currency of the account. Update from existing LAST-ALLOC field.

Database Profiles

The items added need to be updated into the Database Profiles for the Sales and Purchase Ledgers. Items added are referenced within **Account Currency** and **Account Currency T/O** for the accounts file and **Trans Currency** for the transaction file.

Screen Design, Reports and Statements

The only mandatory change is to provide an option on the accounts maintenance screen(s) to enter the currency code for the account. You may want to amend the ledger enquiry options to include currency values (for when the customer/supplier enquires on balances or transactions)

Report changes are unlikely, except for potentially including the currency code for reference purposes, as the reports are for internal use you will be primarily concerned with base values.

Statement changes are also unlikely. A run-time parameter controls whether details are printed in the base currency or the currency of the account.

Menu Design

Options need to be added to support the revaluation of transactions. Menu changes are enabled via the CONFIG sign-on. The menu changes are all held on a 'Currency Options' menu (SLCURR.D03 for the Sales Ledger, PLCURR.D03 for the purchase ledger) so you could add a call to this from your ledger main menu (SL.D03/PL.D03).

Alternatively you could manually add calls to the following:

Name	Parameter
Holding Rate Revaluation Report	6001
Holding Rate Revaluation Update	6002
Spot Rate Revaluation Report	6003
Spot Rate Revaluation Update	6004

Nominal and Cashbook

Database Changes

New items are required on both the accounts and transaction files. In addition it has to be assumed that all existing accounts and transactions are held in the base currency and these additional currency fields need to be updated from the existing (base currency) equivalent using the DataFiler Global Update procedures.

Accounts File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Contains the currency code of the account. Update with base currency code (STG / GBP etc.)
F-CURR-ST-YR	L	Contains the opening balance for the year in the currency of the account. Update from CURR-ST-YEAR.
F-CURR-01 to F-CURR-13	L	A series of 13 fields containing the movement for period 1 through 13. Update from CURR-ACT-01 or equivalent.
F-CURR-BAL	L	Contains the closing balance for the year in the currency of the account. Update from CURR-BALANCE.
DATE-REVALUE	D/E	Will hold the last date of revaluation.
F-PREV-ST-YR	L	Contains the opening balance for last year in the currency of the account. Update from PREV-ST-YEAR.

F-PREV-01 to F-PREV-13	L	A series of 13 fields containing the movement for periods 1 through 13 of the last year. Update from PREV-ACT-01 or equivalent.
F-PREV-BALANCE	L	Contains the closing balance of the account for the last year. Update from PREV-BALANCE.
F-PREV1-ST-YR	L	Contains the opening balance for the year before last in the currency of the account. Update from PREV1-ST-YEAR
F-PREV1-01 to F-PREV1-13	L	A series of 13 fields containing the movement for periods 1 to 13 in the year before last. Update from PREV1-ACT-01 or equivalent.
F-PREV1-BAL	L	Holds the closing balance for the year before last in the currency of the account. Update from PREV1-BALANCE

Transactions File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Holds the currency code of the transaction. Update with base currency (STG / GBP etc.)
FC-RATE	M	Holds the exchange rate of the transaction. Update with 1.0000
FC-AMOUNT	L	Holds the amount of the transaction in the appropriate currency. Update from existing AMOUNT field.
FC-NET	L	Holds the amount exclusive of tax in the appropriate currency. Update from existing CASH-NET field.
FC-TAX	L	Holds the tax amount on the transaction in the appropriate currency. Update from existing CASH-TAX field.

Database Profiles

The items added need to be updated into the Database Profiles for the Nominal Ledger (or Cashbook). Items added are referenced within **A/C Currency – 1**, **A/C Currency – 2**, and **A/C Currency - 3** for the accounts file and **Trans Currency** for the transaction file.

Screen Design and Reports

The only mandatory change is to provide an option on the accounts maintenance screen(s) to enter the currency code for the account. You may want to amend the ledger enquiry options to include currency balance and transaction values

Report changes are unlikely, except for potentially including the currency code for reference purposes, as the reports are for internal use you will be primarily concerned with base values.

Menu Design

Options need to be added to support the revaluation of transactions and adding the option for the currency audit trail and bank statement reports.

<u>Nominal Menu Options</u>	<u>Parameter</u>	
Revalue A Currency Account	2009	Add to Other Journals Menu (NLREV.D03)
Revalue ALL Currency Accounts	2010	Add to Other Journals Menu
Account Audit Trail (Currency)	3102	Add to Reports Menu (NLREP.D03)
<u>Cashbook Options</u>	<u>Parameter</u>	
Account Audit Trail (Currency)	5102	Add to Reports menu (CBREP.D03)
Bank Statement Report (FC)	4102	Add to Reconciliation menu (CBBNK.D03)

Stock Control

Database Changes

New items are required on the transaction file and optional items can be added to the stock file. In addition it has to be assumed that all existing transactions are held in the base currency and these additional currency fields need to be updated from the existing (base currency) equivalent using the DataFiler Global Update procedures.

Stock File

Item Name	Type	Description / Update From
FC-CODE	X (3)	If recording a currency cost against the stock code you need to enter the currency code that the cost is in.
FC-COST	L, M	Field for holding the currency cost. These two options apply for Purchase Order Processing – if an order detail is entered for a supplier whose currency matches that of the stock code then the FC-COST field is used instead of the standard cost field.

Transactions File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Holds the currency code of the customer/supplier. Update with base currency (STG / GBP etc.)
FC-RATE	M	Holds the exchange rate of the transaction. Update with 1.0000
FC-COST/PRICE	L, M	Holds the cost price for type 2, 3, 4, 5, 7, 8 and 9 transactions. Holds the selling price for type 1 and 6. Update from existing cost or selling price accordingly.

Database Profiles

The items added need to be updated into the Database Profiles for Stock Control. Items added are referenced within **Stock Optional 2** for the stock file and **Trans Optional** for the transaction file.

Screen Design

If using the option to record the stock cost in the currency of the supplier then you need to update the stock maintenance screen(s) to include these items. You may also want to amend the Stock Ledger Enquiry to include the currency details of the transaction.

Order Processing

Database Changes

New items are required on both the order header and detail files. In addition it has to be assumed that all existing accounts and transactions are held in the base currency and these additional currency fields need to be updated from the existing (base currency) equivalent using the DataFiler Global Update procedures.

Order Header File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Holds the currency code for the order. Update with the base currency.
FC-RATE	M	Holds the exchange rate for the order. Update with 1.0000

FC-FIXED	?	Identifies whether the order was entered with a fixed exchange rate (i.e. excluded from revaluation).
FC-ORD-VAL	L	Holds the value of the order in the currency of the account. Update from ORDER-VALUE.
FC-INV-VAL	L	Holds the value of invoices against this order, exclusive of VAT, in the currency of the account. Update from INVOICE-VALUE.
FC-INV-INCVAT	L	Optional. Holds the value of invoices against this order inclusive of VAT. Update from INV-INC-VAT.
FC-ORIG-RATE	M	Optional. Holds the original rate of the order before revaluation. Update with 1.0000

Order Detail File

Item Name	Type	Description / Update From
FC-CODE	X (3)	Holds the currency code for the order. Update with the base currency.
FC-RATE	M	Holds the exchange rate for the order. Update with 1.0000
FC-PRICE	L, M	Holds the unit price of the stock item in the currency of the account. Update from existing PRICE field (SOP) or COST field (POP).
FC-ORD-VAL	L	Holds the value of the order in the currency of the account. Update from DETAIL-VALUE.
FC-INV-VAL	L	Holds the value of invoices against this order, exclusive of VAT, in the currency of the account. Update from INVOICE-VALUE.
FC-INV-INCVAT	L	Optional. Holds the value of invoices against this order inclusive of VAT. Update from INV-INC-VAT.
FC-ORIG-RATE	M	Optional. Holds the original rate of the order before revaluation. Update with 1.0000

Database Profiles

The items added need to be updated into the Database Profiles for Order Processing. Items added are referenced within **Header Optional 2** for the order header file and **Detail Optional 5** for the order detail file.

Screen Design and Documents

Changes are required to the order detail entry screen – when using the designable entry screen – to replace the displays of COST/PRICE and DETAIL-VALUE with their currency equivalents.

You will also want to include displays of the currency code in the order header and detail screens and, optionally, the rate and fixed flag as well. You may also wish to amend the ledger enquiry screens to include the FC equivalent values as well.

As for documents it is likely the only change you have to make is to include the currency code and exchange rate used on the documents. If printing price fields direct from the database you should change to using either the FC equivalent or to using the price field from the category 'Document Detail Lines' (which will update automatically). In addition, if you have a confirm item set for the cost/selling price you will need to amend this to use the FC equivalent.

Menu Design

Options can be added to support the revaluation of orders.

<u>Menu Options</u>	<u>Parameter</u>
Revalue A Order	1007
Revalue All Active Orders	1008