

# How to Create Inventory Receipt with foreign currency

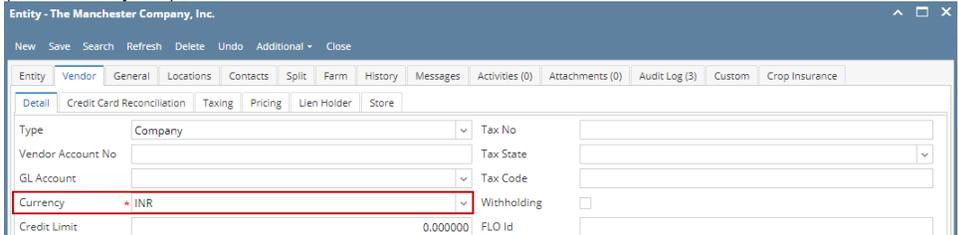
Before you can start creating foreign transactions, follow the steps on [How to Setup Multi-Currency](#).

The following will guide you on how to create Inventory Receipt for foreign customer.

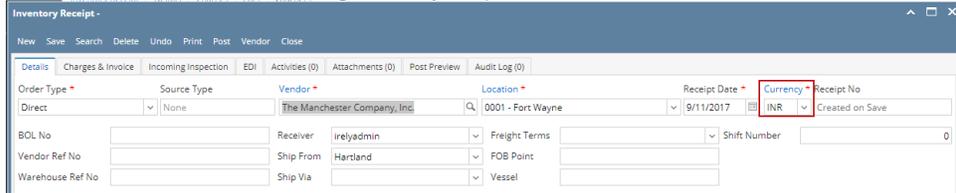
Example 1: This example will show you when forex rate is below 1.

1 INR = 0.015678 USD

1. Say this is your foreign Vendor. In this example, **Currency** field is setup as INR (Indian Rupee). You can open Vendor screen from Purchasing (Accounts Payable) > Vendors.

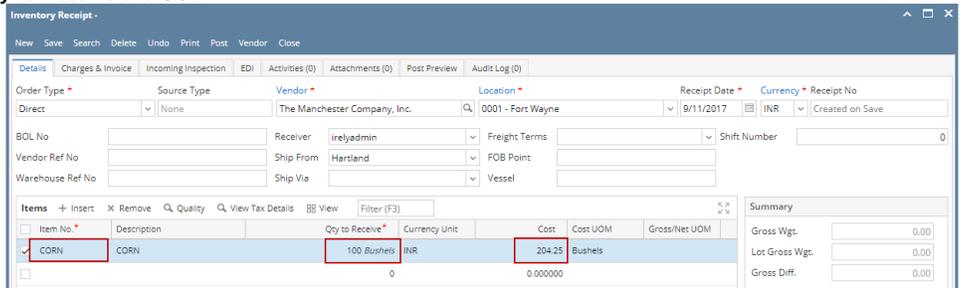


2. Create **Inventory Receipt**.
  - a. Inventory > Inventory Receipts > click New
  - b. Details tab
    - i. In the **Order Type** field select Direct.
    - ii. In the **Vendor** field select the Vendor with foreign currency setup.



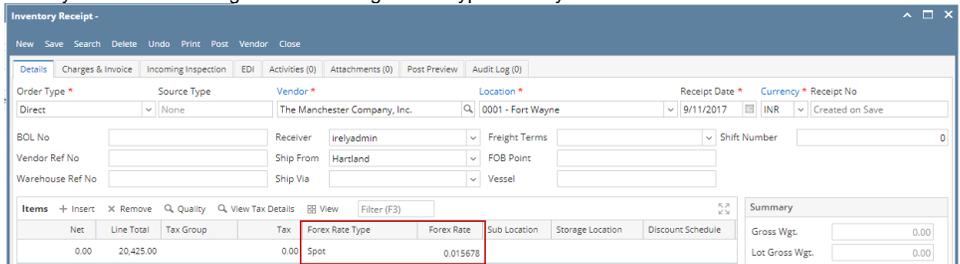
- 1.
2. Notice that Currency field will automatically show the Currency set for the selected Vendor.
- iii. In the Items grid area,

1. Select Item from **Item No.** field.
2. Enter **Qty to Receive** and **UOM**.

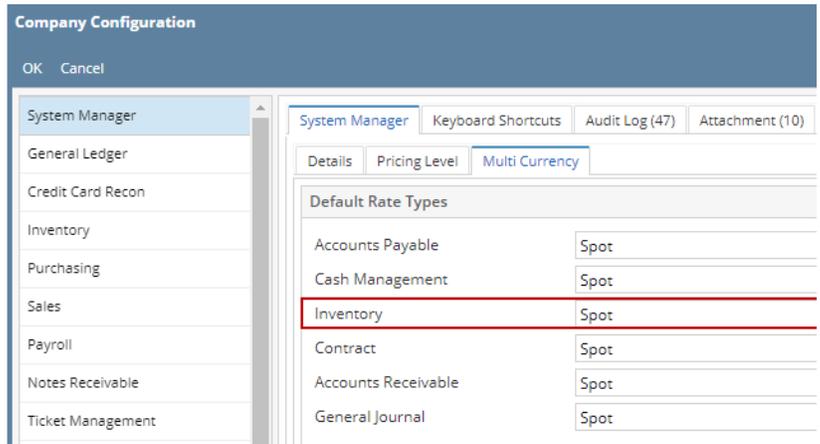


- a. Notice the **Currency Unit** will also show as INR. This field will default to the Currency assigned in the Inventory Receipt > Currency field.

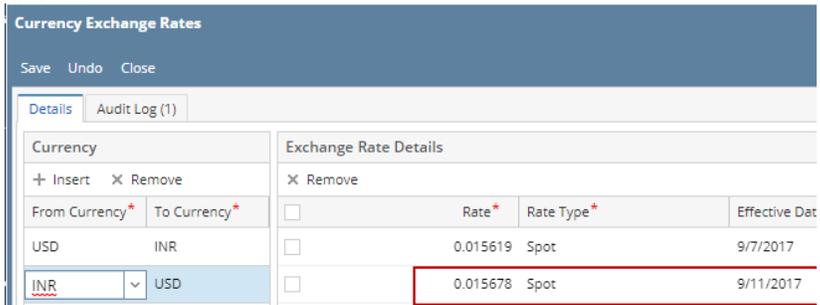
3. In the **Cost** field enter the Cost of the item.
4. The **Forex Rate Type** and **Forex Rate** fields are defaulted based on your Multi-Currency setup. That is why it is recommended that you have your multi-currency setup prior to doing foreign transactions. This will make the transaction entry easier than having to select Foreign Rate Type in every transaction.



- i. The **Foreign Rate Type** is showing Spot since default setup for Inventory > Rate Type is Spot.

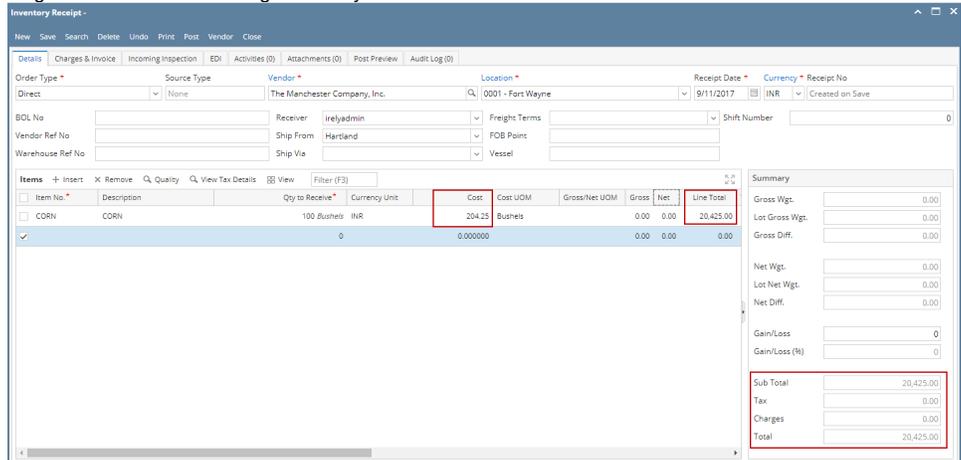


- 1.
- ii. The **Forex Rate** is showing the forex rate that matches the Forex Rate Type selected and the Date of the transaction.



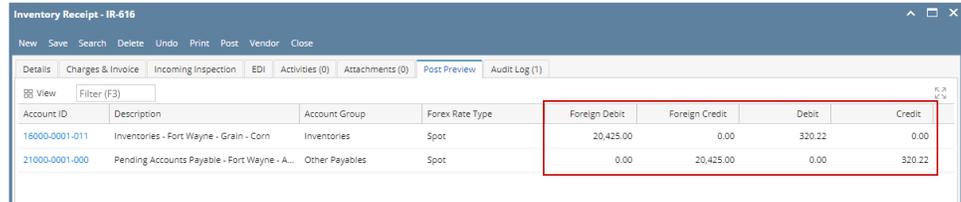
- 1.
2. Also, the number of decimals to show in the Forex Rate field follows that of the Company Configuration > System Manager tab > Details tab > Default Values section > **Currency Decimals** field setup.

5. The following fields are shown in foreign currency value.



- a.
- i. Cost
- ii. Line Total
- iii. Sub Total
- iv. Total

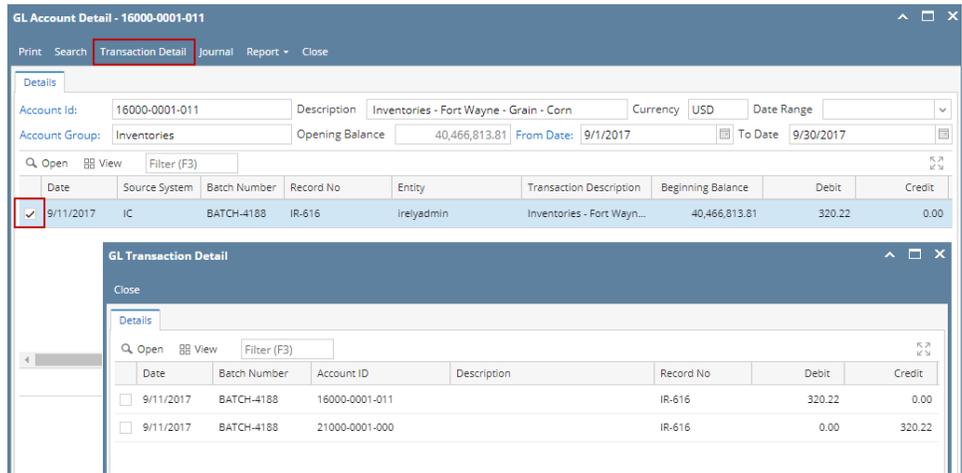
6. Click on **Post Preview** tab.



- a.
- i. **Foreign Debit** and **Foreign Credit** will show the foreign value of the transaction. In this example, this is the INR value.
- ii. **Debit** and **Credit** will show the value of the transaction in functional currency. In this example, this is the USD value. This is what gets posted to the General Ledger when the transaction is Posted.

7. Click **Post** to post the transaction.

8. Once transaction is posted, it will then be recorded in the GL Account Detail.

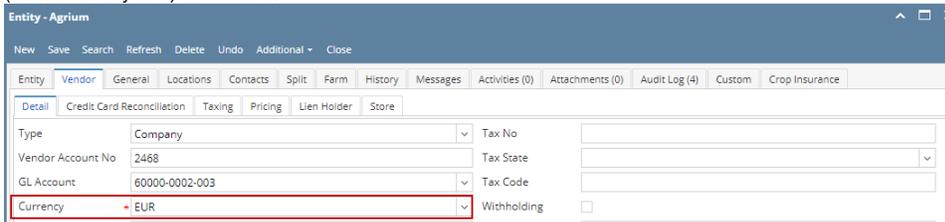


- a.
- i. GL Account Detail can be opened from General Ledger > GL Account Detail > select to open any of the accounts used in Inventory Receipt transaction, in this example it is 16000-0001-001 or 21000-0001-000.
  - ii. To check the complete set of entries for the selected transaction, select for the transaction created (use the Record No. to look for the transaction) by checking the checkbox before the Date and click Transaction Detail.

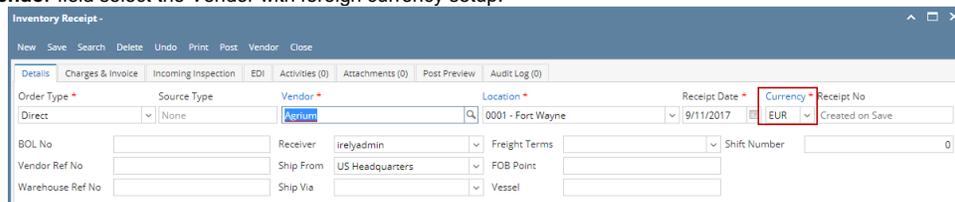
## Example 2: This example will show you when forex rate is higher than 1.

1 EUR = 1.201435 USD

1. Say this is your foreign Vendor. In this example, **Currency** field is setup as INR (Indian Rupee). You can open Vendor screen from Purchasing (Accounts Payable) > Vendors.

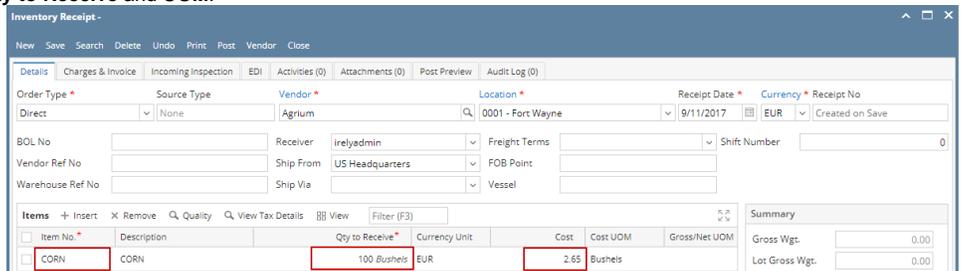


2. Create **Inventory Receipt**.
  - a. Inventory > Inventory Receipts > click New
  - b. Details tab
    - i. In the **Order Type** field select Direct.
    - ii. In the **Vendor** field select the Vendor with foreign currency setup.



- 1.
2. Notice that Currency field will automatically show the Currency set for the selected Vendor.
- iii. In the Items grid area,

1. Select Item from **Item No.** field.
2. Enter **Qty to Receive** and **UOM**.



- a.
- b. Notice the **Currency Unit** will also show as INR. This field will default to the Currency assigned in the Inventory Receipt > Currency field.
3. In the **Cost** field enter the Cost of the item.

4. The **Forex Rate Type** and **Forex Rate** fields are defaulted based on your Multi-Currency setup. That is why it is recommended that you have your multi-currency setup prior to doing foreign transactions. This will make the transaction entry easier than having to select Foreign Rate Type in every transaction.

The screenshot shows the 'Inventory Receipt' window. The 'Items' table at the bottom has the following data:

Net	Line Total	Tax Group	Tax	Forex Rate Type	Forex Rate	Sub Location	Storage Location	Discount Schedule
0.00	265.00	Tax Exempt	0.00	Spot	1.201435			

a.

- i. The **Foreign Rate Type** is showing Spot since default setup for Inventory > Rate Type is Spot.

The screenshot shows the 'Company Configuration' window, 'System Manager' tab, 'Multi Currency' sub-tab. The 'Default Rate Types' section is as follows:

Account Type	Rate Type
Accounts Payable	Spot
Cash Management	Spot
<b>Inventory</b>	<b>Spot</b>
Contract	Spot
Accounts Receivable	Spot
General Journal	Spot

1.

- ii. The **Forex Rate** is showing the forex rate that matches the Forex Rate Type selected and the Date of the transaction.

The screenshot shows the 'Currency Exchange Rates' window, 'Details' tab. The 'Exchange Rate Details' table is as follows:

From Currency	To Currency	Rate	Rate Type	Effective Date
USD	INR	1.200000	Spot	6/12/2017
INR	USD	1.201435	Spot	9/11/2017
EUR	USD			
USD	EUR			
CAD	USD			
USD	CAD			

1.

2. Also, the number of decimals to show in the Forex Rate field follows that of the Company Configuration > System Manager tab > Details tab > Default Values section > **Currency Decimals** field setup.

5. The following fields are shown in foreign currency value.

**Inventory Receipt -**

Order Type: Direct, Source Type: None, Vendor: Agrium, Location: 0001 - Fort Wayne, Receipt Date: 9/11/2017, Currency: EUR

Qty to Receive*	Currency Unit	Cost	Cost UOM	Gross/Net UOM	Gross	Net	Line Total
100 Bushels	EUR	2.65	Bushels		0.00	0.00	265.00
0		0.000000			0.00	0.00	0.00

Summary	
Gross Wgt.	0.00
Lot Gross Wgt.	0.00
Gross Diff.	0.00
Net Wgt.	0.00
Lot Net Wgt.	0.00
Net Diff.	0.00
Gain/Loss	0
Gain/Loss (%)	0
<b>Sub Total</b>	<b>265.00</b>
Tax	0.00
Charges	0.00
<b>Total</b>	<b>265.00</b>

- a.
- Cost
  - Line Total
  - Sub Total
  - Total

6. Click on **Post Preview** tab.

**Inventory Receipt - IR-617**

Post Preview

Account ID	Description	Account Group	Forex Rate Type	Foreign Debit	Foreign Credit	Debit	Credit
16000-0001-011	Inventories - Fort Wayne - Grain - Corn	Inventories	Spot	265.00	0.00	318.38	0.00
21000-0001-000	Pending Accounts Payable - Fort Wayne - A...	Other Payables	Spot	0.00	265.00	0.00	318.38

- a.
- Foreign Debit** and **Foreign Credit** will show the foreign value of the transaction. In this example, this is the INR value.
  - Debit** and **Credit** will show the value of the transaction in functional currency. In this example, this is the USD value. This is what gets posted to the General Ledger when the transaction is Posted.

7. Click **Post** to post the transaction.

8. Once transaction is posted, it will then be recorded in the GL Account Detail.

**GL Account Detail - 16000-0001-011**

Transaction Detail

Date	Source System	Batch Number	Record No	Entity	Transaction Description	Beginning Balance	Debit	Credit	
<input type="checkbox"/>	9/11/2017	IC	BATCH-4188	IR-616	irelyadmin	Inventories - Fort Wayn...	40,466,813.81	320.22	0.00
<input checked="" type="checkbox"/>	9/11/2017	IC	BATCH-4192	IR-617	irelyadmin	Inventories - Fort Wayn...	40,467,134.03	318.38	0.00

**GL Transaction Detail**

Date	Batch Number	Account ID	Description	Record No	Debit	Credit
<input type="checkbox"/>	9/11/2017	BATCH-4192	16000-0001-011	IR-617	318.38	0.00
<input type="checkbox"/>	9/11/2017	BATCH-4192	21000-0001-000	IR-617	0.00	318.38

- a.
- GL Account Detail can be opened from General Ledger > GL Account Detail > select to open any of the accounts used in Inventory Receipt transaction, in this example it is 16000-0001-001 or 21000-0001-000.
  - To check the complete set of entries for the selected transaction, select for the transaction created (use the Record No. to look for the transaction) by checking the checkbox before the Date and click Transaction Detail.