USER MANUAL
Auto Forex Adjustments

Auto Forex Adjustments

1. INTRODUCTION

When exchange rates fluctuate Tally automatically reports a gain or loss to balance the reports. These unadjusted gain / loss balances may be resolved using the voucher class in journal voucher type and manually selecting each customer or supplier and then by selecting each invoice of the respective customer or supplier.

This add-on helps in creating the journals automatically thereby eliminating the manual selection of customer or supplier ledgers and their individual invoices by allowing the user to create the vouchers with the click of a button.

2. ACTIVATATION

For Tally.ERP9 Series A version lower than Release 3.2

Gateway of Tally->__F11__:Features->__A__ccounting Features->Enable Auto Forex Adjustments->Yes

For Tally.ERP9 Series A Release 3.2 and above

Gateway of Tally->__F11__:Features->Add-__O__n Features->Enable Auto Forex Adjustments->Yes

3. SETUP

Create a voucher type which will be used to automate the adjustments as shown below with the "Method of Voucher Numbering" set to "Automatic". Please note that the Voucher class is not required.

Voucher Type Alteration	Auto Forex Adjustments			
Name : **Forex**				
(alias) :				

	General		**Printing**	**Name of Class**
Type of Voucher	: **Journal**	Print after saving Voucher	? **No**	
Abbr.	: **Jrnl**	**Types of Numbering**		
Method of Voucher Numbering	? **Automatic**	**Automatic**		

Setup separate ledgers for Realised (cleared invoices) and Unrealised (pending invoices) adjustments

Ledger Alteration	
Name : **Forex Gain/loss-Realised**	
(alias) :	
Under	: **Indirect Expenses**
Currency of Ledger	: **RM**
Inventory values are affected	? **No**

Ledger Alteration	
Name : **Forex Gain/loss-UnRealised**	
(alias) :	
Under	: **Indirect Expenses**
Currency of Ledger	: **RM**
Inventory values are affected	? **No**

4. UNADJUSTED FOREX GAIN/LOSS

As an example if the exchange rate between the base currency (RM) and foreign currency (USD) has been entered as follows,

Currency Alteration		Auto Forex Adjustments	

Symbol : **USD**

Formal Name : **US Dollars**

Number of Decimal Places	: **2**	Show Amounts in Millions	
Decimal Places for Printing Amounts in Words	: **2**	Put a SPACE between Amount and Symbol	
Is Symbol SUFFIXED to Amounts	? **No**		
Symbol for Decimal Portion of Amount	: **Cents**		

Rates of Exchange

Standard		Selling			Buying		
Date	Specified Rate	Date		Last Voucher Rate	Specified Rate	Date	Last Voucher Rate
31-Jan-2012 RM 3.10/USD		1-Jan-2012		RM 3.10/USD		1-Jan-2012	RM 3.10/USD
29-Feb-2012 RM 3.30/USD		2-Jan-2012		RM 3.10/USD		3-Jan-2012	RM 3.10/USD
		1-Feb-2012		RM 3.30/USD		1-Feb-2012	RM 3.30/USD
		25-Feb-2012		RM 3.30/USD		3-Feb-2012	RM 3.30/USD
		26-Feb-2012		RM 3.30/USD			
		27-Feb-2012		RM 3.30/USD			

And the following vouchers have been created with different exchange rates as per the specified rates in the currency master,

Day Book	Auto Forex Adjustments	Ctrl + M
Day Book		1-Jan-2012 to 27-Feb-2012

Date	Particulars		Vch Type	Vch No.	Debit Amount Inwards Qty	Credit Amount Outwards Qty
1-1-2012	**Supplier A**		Purchase	1		1,550.00
	USD500.00 @ RM 3.10/USD					
	Purchases	1,550.00 Dr				
	USD500.00 @ RM 3.10/USD					
2-1-2012	**Customer A**		Sales	INV/1	3,100.00	
	USD1,000.00 @ RM 3.10/USD					
	Sales	3,100.00 Cr				
	USD1,000.00 @ RM 3.10/USD					
1-2-2012	**Customer A**		Receipt	1		3,300.00
	USD1,000.00 @ RM 3.30/USD					
	Cash	3,300.00 Dr				
	USD1,000.00 @ RM 3.30/USD					
1-2-2012	**Supplier A**		Purchase	2		1,650.00
	USD500.00 @ RM 3.30/USD					
	Purchases	1,650.00 Dr				
	USD500.00 @ RM 3.30/USD					
3-2-2012	**Supplier A**		Purchase	3		660.00
	USD200.00 @ RM 3.30/USD					
	Purchases	660.00 Dr				
	USD200.00 @ RM 3.30/USD					
26-2-2012	**Customer A**		Sales	INV/2	3,300.00	
	USD1,000.00 @ RM 3.30/USD					
	Sales	3,300.00 Cr				
	USD1,000.00 @ RM 3.30/USD					
27-2-2012	**Customer A**		Sales	INV/3	1,650.00	
	USD500.00 @ RM 3.30/USD					
	Sales	1,650.00 Cr				
	USD500.00 @ RM 3.30/USD					
27-2-2012	**Customer B**		Sales	INV/4	2,970.00	
	USD900.00 @ RM 3.30/USD					
	Sales	2,970.00 Cr				

Tally automatically calculates and reports the "Unadjusted Forex Gain/Loss" in all the related reports

Balance Sheet

Balance Sheet	Auto Forex Adjustments	Ctrl + M
		RJ Auto Forex Adjustments as at 29-Feb-2012

Assets :	
Current Assets	10,740.00
Unadjusted Forex Gain/Loss	140.00
Total	10,880.00
Liabilities :	
Capital Account	
Loans (Liability)	
Current Liabilities	3,720.00
Profit & Loss A/c	7,160.00
Opening Balance	
Current Period	7,160.00
Total	10,880.00

The Ledger vouchers report,

Date	Particulars	Vch Type	Vch No.	Debit	Credit
	Customer A				
2-1-2012 Cr	Sales USD1,000.00 @ RM 3.10/USD	Sales	INV/1	3,100.00	
1-2-2012 Dr	Cash USD1,000.00 @ RM 3.30/USD	Receipt	1		3,300.00
26-2-2012 Cr	Sales USD1,000.00 @ RM 3.30/USD	Sales	INV/2	3,300.00	
27-2-2012 Cr	Sales USD500.00 @ RM 3.30/USD	Sales	INV/3	1,650.00	
29-2-2012	*Unadjusted Forex Gain/Loss*				100.00
				8,050.00	3,400.00
Dr	Closing Balance				4,650.00
				8,050.00	8,050.00
	Customer B				
27-2-2012 Cr	Sales USD900.00 @ RM 3.30/USD	Sales	INV/4	2,970.00	
29-2-2012	*Unadjusted Forex Gain/Loss*				180.00
				2,970.00	180.00
Dr	Closing Balance				2,790.00
				2,970.00	2,970.00
	Supplier A				
1-1-2012 Dr	Purchases USD500.00 @ RM 3.10/USD	Purchase	1		1,550.00
1-2-2012 Dr	Purchases USD500.00 @ RM 3.30/USD	Purchase	2		1,650.00
3-2-2012 Dr	Purchases USD200.00 @ RM 3.30/USD	Purchase	3		660.00
29-2-2012	*Unadjusted Forex Gain/Loss*			140.00	
				140.00	3,860.00

The Outstandings report

         Auto Forex Adjustments

Bills Receivable				1-Jan-2012
Date Ref. No.		**Party's Name**		**Pending Amount**
26-Feb-2012 INV/2		**Customer A**		**3,100.00**
	26-Feb-2012 *Sales*	*INV/2*	*3,300.00 Dr*	
	27-Feb-2012 *Forex Gain/Loss*		*200.00 Cr*	
27-Feb-2012 INV/3		**Customer A**		**1,550.00**
	27-Feb-2012 *Sales*	*INV/3*	*1,650.00 Dr*	
	27-Feb-2012 *Forex Gain/Loss*		*100.00 Cr*	
27-Feb-2012 INV/4		**Customer B**		**2,790.00**
	27-Feb-2012 *Sales*	*INV/4*	*2,970.00 Dr*	
	27-Feb-2012 *Forex Gain/Loss*		*180.00 Cr*	

5. ADJUSTING THE FOREX GAIN/LOSS

*Gateway of Tally->**D**isplay->E**X**ception Reports->Auto **F**orex Adjustment*

Press Ctrl+S: Change Setup button to setup the voucher types and the ledgers

Please note that you may change the Date by using the button F2: Date. The report will display the adjustments required from both the realized and unrealized invoices,

To create the forex adjustment journals, press the button Ctrl+B:Create Both. Alternatively you may select to create the journals for realized and unrealized selectively using the buttons Ctrl+R:Realised and Ctrl+U:Unreaslised respectively.

You may check the statistics to verify the forex journals created,

The "Unadjusted Forex Gain/Loss" balance in the Balance Sheet will not be shown.

Balance Sheet	Auto Forex Adjustments	Ctrl + M ⊠
		RJ Auto Forex Adjustments as at 29-Feb-2012
Assets :		
Current Assets		10,740.00
Total		10,740.00
Liabilities :		
Capital Account		
Loans (Liability)		
Current Liabilities		3,720.00
Profit & Loss A/c		7,020.00
Opening Balance		
Current Period		*7,020.00*
Total		10,740.00

The Profit & Loss report will show the realized and unrealized balances

Profit & Loss A/c	Auto Forex Adjustments	Ctrl + M ⊠
Particulars		RJ Auto Forex Adjustments 1-Jan-2012 to 29-Feb-2012
Trading Account :		
Sales Accounts		11,020.00
Cost of Sales :		3,860.00
Purchase Accounts	*3,860.00*	
Gross Profit :		7,160.00
Income Statement :		
Indirect Expenses		140.00
Forex Gain/loss-Realised	*(-)200.00*	
Forex Gain/loss-UnRealised	*340.00*	
Nett Profit :		7,020.00

The customer and supplier outstanding reports will show the forex adjustments made against the invoices and the revalued outstanding.

Bills Receivable				1-Jan-2012
Date	Ref. No.	Party's Name		Pending Amount
26-Feb-2012 INV/2		**Customer A**		3,100.00
26-Feb-2012 Sales	*INV/2*	*3,300.00 Dr*		
29-Feb-2012 Forex	*2*	*200.00 Cr*		
27-Feb-2012 INV/3		**Customer A**		1,550.00
27-Feb-2012 Sales	*INV/3*	*1,650.00 Dr*		
29-Feb-2012 Forex	*2*	*100.00 Cr*		
27-Feb-2012 INV/4		**Customer B**		2,790.00
27-Feb-2012 Sales	*INV/4*	*2,970.00 Dr*		
29-Feb-2012 Forex	*2*	*180.00 Cr*		

Bills Payable				1-Jan-2012
Date	Ref. No.	Party's Name		Pending Amount
1-Jan-2012 9876		**Supplier A**		1,550.00
1-Jan-2012 Purchase	*1*	*1,550.00 Cr*		
1-Feb-2012 9934		**Supplier A**		1,550.00
1-Feb-2012 Purchase	*2*	*1,650.00 Cr*		
29-Feb-2012 Forex	*2*	*100.00 Dr*		
3-Feb-2012 9878		**Supplier A**		620.00
3-Feb-2012 Purchase	*3*	*660.00 Cr*		
29-Feb-2012 Forex	*2*	*40.00 Dr*		

Frequently Asked Questions

- *Can the automatic calculation of "Unadjusted Forex Gain/Loss" be switched off in Tally?*

  No, this is an in-built feature and currently Tally does not allow this to be turned off.

- *Can the add-on create separate forex journals for each customer or supplier?*

  The add-on creates two journals combining customer and supplier ledgers. If this feature is required please contact support@ramjaya.com for the cost and time estimates.

- *Does this add-on automatically create the journals without any manual intervention?*

  Currently the add-on requires the user to select the "Auto Forex Adjustment" report for a particular date (preferably the end of the month) and press the button(s) to create the journals. If you require the feature of automatic creation of journals, please contact support@ramjaya.com for the cost and time estimates.

- *What Tally.ERP9 versions/releases does this add-on support?*

  This add-on will work only with Tally.ERP 9 Series A, release 2.1 – 3.3

- *What about future releases of Tally.ERP9 Series A?*

  On purchase of this add-on one year updates will be available free of charge. After the first year you can continue to get updates and support by paying the nominal charge of 30% of the purchase cost.

- *If I need changes to be made to the add-on?*

  Please contact support@ramjaya.com providing details of the changes you require and we will revert to you with the cost and time estimates.

- *When I start using it if I have any questions or need support?*

  Please contact support@ramjaya.com providing details of your requirements and we will support you through email or remote support.