



FOREIGN VENDOR / CURRENCY SETUP

Microsoft Dynamics NAV Version 4

Created by Tanzina Hussain

Adept Software Consultancy Ltd

July 2009

Table of Contents

Foreign Vendors Setup..... 3
 Currency Setup:..... 3
 Exchange rates:..... 4
 Create Vendor:..... 5

Foreign Vendors Setup

The following document will aid in creating foreign vendors with the correct currency. There are a number of factors to consider these are Currency, Exchange Rates and VAT Posting Group, all of which will be explained within this document.

Currency Setup

Before setting up your currencies you will need to create a new G/L Accounts for the realised gains and losses, the same account can be used for all 4. As this is where all foreign exchange differences will be posted.

- Within the *Financial Management* Menu select *Setup* → *General* → *Currencies*
- The Currency window will then open

Code	Description	E...	Realized ...	Realized ...	Unrealize...	Unrealize...	Amount R...	Amount D...	Invoice R...	I...	Unit-Amo...	Unit-Amo...	Appl. Ro...
CHF	Swiss franc		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
CSD	Serbian Dinar		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
CZK	Czech koruna		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
DKK	Danish krone		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
DZD	Algerian dinar		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
EEK	Estonian kroon		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
EUR	Euro	✓	9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
FJD	Fiji dollar		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
HKD	Hong Kong dollar		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00
HRK	Croatian Kuna		9330	9340	9310	9320	0.01 2:2		0.01 N..		0.001 2:5		0.00

- Populate the form:
 - *Code* – is the type of currency i.e. EUR, USD etc (abbreviation of the description field)
 - *Description*
 - *Realised Gains Acc.*
 - *Realised Losses Acc.*
 - *Unrealised Gains Acc.*
 - *Unrealised Losses Acc.*
 - *Amount Rounding precision*
 - *Amount Decimal Places* – this is normally set to 2:2
 - *Invoice Rounding Precision*
 - *Invoice Rounding Type*
 - *Unit Rounding Amount Precision* is used to round the item prices on invoice lines
 - For example: Unit amounts rounded to whole numbers enter 1.00. for Unit Amounts rounded to two decimals enter 0.01
 - *Unit Rounding Decimal Places* this is used to specify how many decimal places NAV will display for sales, purchase documents etc.

Exchange rates

Once the currency has been setup select the line and click on the *Exch. Rates* button at the bottom of the screen.

The exchange rates window opens as shown below.

Starting ...	Currency Code	Relational...	Exchange Rat...	Relational Exc...	Adjustment E...	Relational Adj...	F...
01/01/06	EUR		1.0	0.6898	1.0	0.6898	C..

The following fields required are:

- *Starting Date From* is the date of which NAV will start using the rate from
- *Currency Code*
- *Exchange Rate Amount* is the amount to be converted.
- *Relational Exchange Rate Amount* is the amount in GBP (this is calculated by yourself)
 - For Example: the exchange rate is €1.04 to the £.
 $1 / 1.04 = 0.9615 * 1$ (Exchange Rate Amount) = £0.97
- *Adjustment Exch. Rate Amount* and *Relational Adjmt. Rate Amt* is the same as the fields above.

NOTE: It is at your discretion as to when and how frequently you wish to update the exchange rates. The *Relational Exchange Rate Amount* field can only have a maximum of 6 decimal places.

Create Vendor

In the *Purchase* menu select *Planning* → *Vendor* (this will open the Vendor card)

- Populate the relevant tabs
- Within the *Invoicing* tab all Posting Groups need to be setup (all of which should be setup within the VAT setup table as zero VAT)
 - VAT setup can be found in *Financial Management* → *Setup* → *VAT Posting Group* → *Posting Setup* OR alternatively click on Assist (Up Arrow) within the field (on vendor card) select a line then click on *Setup* at the bottom of the screen
- The *Foreign Trade* is where you select the appropriate currency (to setup currency codes refer to the previous section of this document)