

## overview

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This document is to assist with using the Foreign Exchange Rate Variance Calculator in MYOB EXO Version 8500 or greater. GL Accounts must be set up for FOREX Variances and Month END Exchange Rates should be set up / changed

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Reconciliation is carried out through the Foreign Exchange Rate Variance Calculator window, which calculates variances based on the specified rates.

EB Foreign Exchange Rate Variance Calculator

File Help

Recalculate Post to GL Reports

Realised Foreign Exchange Variances

Source Ledgers Period / Date Range

All Unposted

☒ Take up allocated Debtor transactions Destination GL Period: Source Ledger Period

☒ Take up allocated Creditor transactions

Current Foreign Exchange Variances

☒ Adjust foreign currency General Ledger a/c balances Destination GL Period: 1. June 2020

Unrealised Foreign Exchange Variances

☒ Adjust General Ledger Debtor control a/c with reversing journal Destination GL Period: 1. June 2020

☒ Adjust General Ledger Creditor control a/c with reversing journal

in Business Administration, GL Control Account Setup

WARNING: Debtors Unrealised Foreign Exchange Account has not been set up. Please do this in Business Administration, GL Control Account Setup

WARNING: Creditors Realised Foreign Exchange Account has not been set up. Please do this in Business Administration, GL Control Account Setup

WARNING: Creditors Unrealised Foreign Exchange Account has not been set up. Please do this in Business Administration, GL Control Account Setup

- The source ledger period/ date range should stay as All Upsted or 'Prior to Current' if you do this for a prior period
- **Note:** This control applies to realised variances only; the entire sub-ledger is re-valued for current and unrealised variances at the end of the specified period.
- **Take Up allocated Debtor Transactions** – Provides realised transactions as per the Details Report
- **Take Up allocated Creditor Transactions** – Provides realised transactions as per the Details Report
- **Adjust foreign currency General Ledger a/c balances** – Gives the difference in the exchange rates on the actual transactions and the rates setup in the Setup Currencies screen. CHOOSE correct Destination GL Period GL Period

- **Note:** Unrealised foreign exchange variances can only be posted into the current period or prior periods (i.e. periods 0 or 1). If Exo Intercompany is installed, they can only be posted to the current period.
- **Unrealised Foreign Exchange Variances** – if these boxes are checked the system will look at all of the unallocated invoices and payments and create a gain or loss depending on the closing rate in the FX rates table.  
**This step needs to be done before you roll over, because a reversing Journal is entered in the following period** (In EXO reversing journals are entered upon rolling the system and if you have already rolled, the reversing journal will be created in the wrong period)
- The system has additional control accounts for better managing and reconciliation of Forex transactions. They are as follows so please check with your accountant what these should be

Debtors Realised Forex Variance
Debtors Unrealised Forex Variance
Creditors Realised Forex Variance
Creditors Unrealised Forex Variance
Current Forex Variance

Unrealised foreign exchange gains and losses can be re-evaluated from the following places:

- The Setup Currencies window. A Re-evaluate button is now available on toolbar. On the Current Rates tab, clicking this button performs a re-evaluation on the current period (age 0). On the Closing Rates tab, the button is only available when the prior period (age 1) is selected.
- During the End of Period process For example, when ending June and rolling into July, the End of Period utility now re-values the unrealised gains/losses for June and sets the closing rates for June. This also applies to the End of Year process.
- The Foreign Exchange Variance Calculator.

When posting foreign exchange variances to the current period (age 0), the previous revaluation is reversed before a new auto-reversing journal takes place.

When posting to the previous period (age 1), the existing valuations in age 1 are reversed and new ones are entered for the period. These then auto-reverse themselves out in the next period, i.e. age 0. In addition to this, any existing foreign exchange auto-reversals in age 0 are reversed out as well.

When re-evaluating unrealised gains and losses from the Setup Currencies window, the Profit account (Retained Earnings) is also updated, if the period being re-evaluated is a part of previous year.

- Post to GL once all reports are run