

How to show a payment for a foreign currency invoice from a different foreign currency bank account

Example: Your Base currency is Euro, you have an invoice in rubles and they are paying into your dollar account. To accomplish this you need to have an interim Euro contra account. You apply the payment for the foreign currency invoice from this Euro Contra Account and then transfer from the Euro contra to the US dollar account.

This method ensures all transactions are brought back to base currency for the accounts.

Bank Accounts to set up

Name	Type	Currency
Euro contra	Bank	EUR
Dollar Bank	Bank	USD
Ruble Bank	Bank	RUB
euro	Bank	EUR
sterling	Bank	GBP

You will need to set up a separate euro contra account.

Foreign Currency Invoice


Details Payments Refunds Recurring Delete

Customer: Ruble Customer + Invoice No: 767 Currency: Russia Rubles RL Exchange Rate: 0.0137209000 Edit Rate

VAT period: Jul-Aug 2016

Date: 05/08/2016 Due: 05/08/2016

Reference: Note: Sequence No:

 The currency has been converted through xe.com which updates the currency rates hourly once. The currency rates that is shown on screen denotes the rate when the invoice has been actually created into SMBO. Please refer [xe site](#)

Details

Add New Line

Item	Description	Nominal	Quantity	Price	VAT rate	Net	VAT	Job	Gross
Service	Sales		1	0.0000	Zero	65,000.00	0.00	multic	65,000.00
									Subtotal: 65000.00
									VAT total: 0.00
									Profit Margin: 0.00%
									Total: 65000.00

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Payment for Foreign Currency Invoice

Note: Even though it is ultimately paid in dollars, it must be first recorded from the Euro Contra Account.

The screenshot shows a web form for creating a new payment. The form has tabs for 'Details', 'Payments', 'Refunds', 'Recurring', and 'Delete'. The 'Payments' tab is active. The form contains the following fields and values:

- Amount: 65000.00
- Due: 0.00 py6
- EUR Equivalent: 891.85850
- Payment Type: Bank transfer
- Bank Account: Euro contra
- Date: 05/08/2016
- Slip No: (empty)
- Reference: (empty)

Two red callout boxes with arrows pointing to the 'EUR Equivalent' and 'Bank Account' fields contain the following text:

- the euro equivalent will be automatically calculated
- first record the payment into the Euro contra account

An 'Add payment' button is located at the bottom right of the form.

Transfer to second foreign currency

Go to Accounts, Bank, select the Euro Contra Account, and Transfer

The screenshot shows a 'Payment Edit' form. The form contains the following fields and values:

- Amount: 891.86
- Date: 05/08/2016
- Reference: (empty)
- Source Account: Euro contra
- Destination Account: Dollar Bank
- Type: Bank transfer
- Cheque No: (empty)
- Slip No: (empty)
- Actual Money Transferred: 1000.00

Two red callout boxes with arrows pointing to the 'Amount' and 'Actual Money Transferred' fields contain the following text:

- Now transfer from the Euro Contra to the dollar account.
- Specify the actual dollar amount transferred

Buttons for 'Duplicate', 'OK', and 'Cancel' are visible at the bottom of the form.

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Final shot of bank accounts

Name	Type	Current Balance	Base Equivalent	Currency
Euro contra	Bank	-0.00	-0.00	EUR
Dollar Bank	Bank	1,000.00	891.86	USD
Ruble Bank	Bank	0.00	0.00	RUB

The Euro contra should always be zero at the end of the transaction sequence.

The dollar bank reflects receipt of payment of the \$1000, which is the equivalent of the 65,000 rubles.

The base equivalent of the \$1000 is the 891.86.