

# Business One in Action – How to Transfer Funds from Different Currency Accounts?



## Applies to:

SAP Business One, [Accounting](#), [Currency/Exchange Rates](#).

## Summary:

Frequently companies dealing internationally need to reflect the movement of monies from one account to another. In some instances these accounts are defined within SAP Business One to carry one currency only. The application does not allow the direct transfer of funds from one mono-currency account to another defined to a different single currency. This article describes a simple procedure by which the transfer is facilitated.

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## Biography:

Kerstin Pauquet joined SAP in 2003 and is currently active as Global Topic Lead and Support Expert for SAP Business One. She has worked as both technical and business consultant. She authored this article as a direct response to a partner enquiry during the Expert-on-Phone project, where she consulted on mainly financial and banking related topics.

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## How to Transfer Monies from One Mono-Currency Account to Another?

Frequently, companies dealing internationally need to reflect the movement of monies from one account to another. In some instances, these accounts are defined within SAP Business One to carry one currency only.

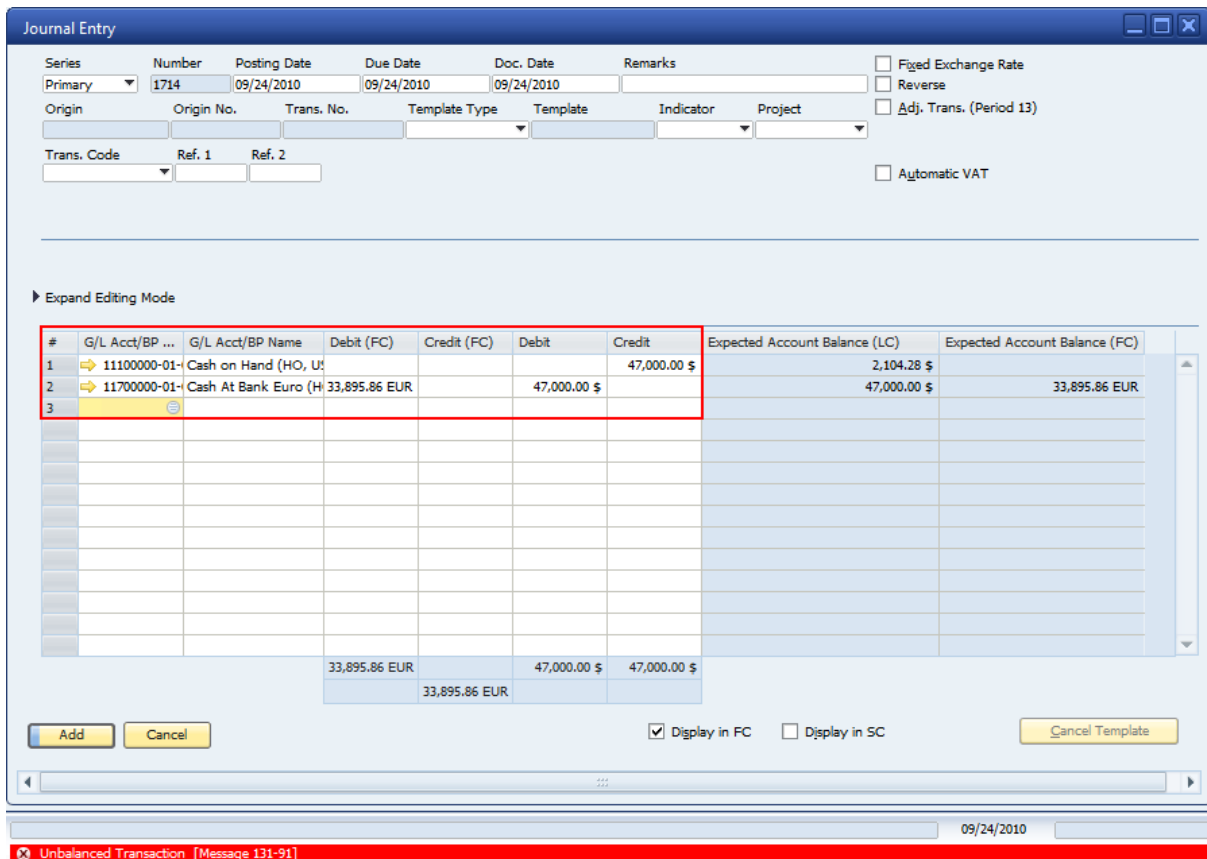
*General Ledger* (GL) accounts may be defined to trade in local currency (LC) only, in foreign currency (FC) only or in all defined currencies.

In this example, an US localization database is used, local and system currency (SC) is US Dollar. Other currencies defined are Canadian Dollar and Euro. The drop down menu in the *Currency* field within the *Chart of Accounts* (CoA) will display all defined foreign currencies and the additional entry *All Currencies*.

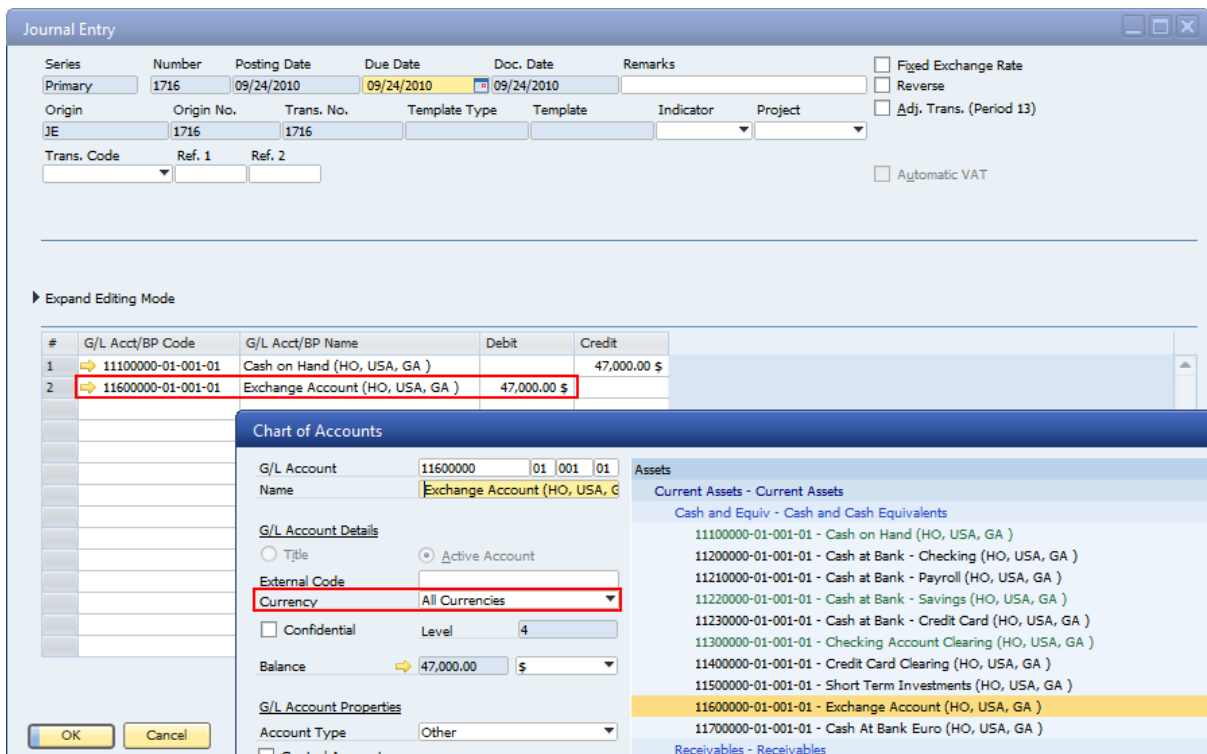
As long as an account does not have any postings, it is possible to switch from one mono-currency to another. Once a transaction is posted, the account is fixed to that currency. The only currency definition update allowed is to *All Currencies*.

The screenshot shows the 'Chart of Accounts' dialog box in SAP Business One. The 'G/L Account' field contains '12500000' and the 'Name' is 'Interest Receivable (HO, USA, G)'. Under 'G/L Account Details', 'Active Account' is selected, 'External Code' is empty, 'Currency' is set to 'All Currencies' (highlighted in a red box), 'Confidential' is unchecked, and 'Balance' is 'US Dollar'. Under 'G/L Account Properties', 'Account Type' is 'Other', 'Control Account' and 'Cash Account' are unchecked, and 'Reval. (Currency)' is checked. The 'Assets' list on the right shows various account types like 'Current Assets', 'Receivables', and 'Inventory'. The 'Interest Receivable (HO, USA, G)' account is highlighted in the list.

In this example, the requirement is to transfer 47,000 US Dollar to a Euro account since this account is used to pay the company's suppliers in Ireland. Attempting to directly post this amount from the US Dollar cash account to the Euro cash account will produce the error message *Unbalanced Transaction [Message 131-91]*:



The field *Credit (FC)* for the US Dollar account is not active and the application cannot post an unbalanced transaction. We can, however, post funds from a US Dollar account to a multi-currency account:



Once there, the funds may be transferred to the Euro account, the exchange rate depends on the rate defined for the posting date. The field *Credit (FC)* is active for the multi-currency account and the journal can be added:

**Journal Entry**

Series: Primary, Number: 1717, Posting Date: 09/24/2010, Due Date: 09/24/2010, Doc. Date: 09/24/2010, Remarks:  Fixed Exchange Rate,  Reverse,  Adj. Trans. (Period 13),  Automatic VAT

Origin: , Origin No.: , Trans. No.: , Template Type: , Template: , Indicator: , Project:

Trans. Code: , Ref. 1: , Ref. 2:

► Expand Editing Mode

#	G/L Acct/BP Code	G/L Acct/BP Name	Debit (FC)	Credit (FC)	Debit	Credit	Expected Account Balance (LC)	Expected...
1	11600000-01-001-01	Exchange Account (HO, USA, GA )		33,895.86 EUR		47,000.00 \$	0.00 \$	
2	11700000-01-001-01	Cash At Bank Euro (HO, USA, GA )	33,895.86 EUR		47,000.00 \$		47,000.00 \$	
3								
			33,895.86 EUR	33,895.86 EUR	47,000.00 \$	47,000.00 \$		

Display in FC
  Display in SC

## Related Contents

- [SAP Business One in Action Catalog Page](#)
- How-to-Guides are available from the [Documentation Resource Centre](#)
- SAP Note [1260658](#)
- SAP Note [1512488](#)
- For more information, visit the [Business One homepage](#)

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