

SSC Offline KELs

Monday 19 Mar

HORIZON KEL AChambers2252R

KEL type: Information
Title: Discrepancy after reversing a Bureau de Change transaction
Summary: Discrepancy after reversing a Bureau de Change transaction
Raised: by Anne Chambers on 06/12/2005
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System product: Counter
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Symptoms

PM sold some foreign currency (1000 Euros, sale value £750), but then realised it had been settled to the wrong product (cash instead of debit card). So he used Existing Reversal to reverse the transaction, and then redid it correctly.

When he came to balance at the end of the Trading Period, his currency stock holding on the system was too high by 1000 Euros. When corrected, this gave him a gain on currency of £720 and a cash loss of £750 - a net loss of £30

Problem

Foreign currency transactions consist of two parts: the currency itself, which has a value based on the exchange rate, and margin, which is added to cover the cost of the transaction.

When the transaction was reversed, the PM entered the transaction id for the cash settlement part of the transaction. So although he thought he had reversed the whole transaction, he had not.

When the stock unit was balanced, the wrong number of Euros became apparent. The stock holding was corrected by the declaration of the actual number held. But this does not correct the margin, which is generated as part of the currency sale and is not directly linked to the stock.

Solution - ATOS

If a PM reports a loss connected with a currency transaction that was reversed, it is possible that the reversal had not been carried out successfully.

Ask the PM to check the Reversal Receipt. If this shows

Cash FROM CUSTOMER 750.00
Cash TO CUSTOMER 750.00

they have reversed just the cash settlement part of the transaction, which has no overall effect. The currency and margin part of the transaction has not been reversed.

Do a transaction log search using the Session Id from the original receipt, or by date/time.

This should show 3 elements - for example

2-29826-2 SC Euro 1- 720.00-
2-29826-2 SC Curr Sell Margin 1- 30.00-
2-29826-3 SC Cash 1 750.00

The element which should be reversed is 2-29826-2 (i.e. Euros and margin). As long as the PM has not yet rolled over the stock unit, they should be able to reverse this transaction now.

If the stock unit has been rolled over, NBSC will have to advise on what can be done to resolve the

system loss relating to this transaction.