**Finance Charges Calculation Formula – PART 1**

**Settings**

* Tick “Finance Charge”
* Insert Number for Annual Interest Rate (%)
* Select “Due Date”



**Calculation for January**

= [(Jan Invoice Amount x Annual Interest Rate) x (Total Day of Jan – Due Date)] / 365

**Calculation for February**

= [(Feb Invoice Amount x Annual Interest Rate) x (Total Day of Feb – Due Date)] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Feb] / 365

**Calculation for March**

= [(Mar Invoice Amount x Annual Interest Rate) x (Total Day of Mar – Due Date)] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

**Calculation for April**

= [(Apr Invoice Amount x Annual Interest Rate) x (Total Day of Apr – Due Date)] / 365

+ [(Mar Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

**Finance Charges Calculation Formula – PART 2**

**Settings**

* Tick “Finance Charge”
* Insert Number for Annual Interest Rate (%)
* Tick “Include Overdue Finance Charges When Calculate Finance Charges”
* Select “Due Date”
* Set 10 Days Term (Set at Debtor or Invoice)



**Calculation for January**

= [(Jan Invoice Amount x Annual Interest Rate) x (Total Day of Jan – Due Date - Term)] / 365

**Calculation for February**

= [(Feb Invoice Amount x Annual Interest Rate) x (Total Day of Feb – Due Date - Term)] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Feb] / 365

+ [(Jan Finance Charges x Annual Interest Rate) x (Total Day of Feb - Term)] / 365

**Calculation for March**

= [(Mar Invoice Amount x Annual Interest Rate) x (Total Day of Mar – Due Date - Term)] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Feb Finance Charges x Annual Interest Rate) x (Total Day of Mar - Term)] / 365

+ [(Jan Finance Charges x Annual Interest Rate) x Total Day of Mar] / 365

**Calculation for April**

= [(Apr Invoice Amount x Annual Interest Rate) x (Total Day of Apr – Due Date - Term)] / 365

= [(Mar Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Mar Finance Charges x Annual Interest Rate) x (Total Day of Apr - Term)] / 365

+ [(Feb Finance Charges x Annual Interest Rate) x Total Day of Apr] / 365.

+ [(Jan Finance Charges x Annual Interest Rate) x Total Day of Apr] / 365

**Finance Charges Calculation Formula – PART 3**

**Settings**

* Tick “Finance Charge”
* Insert Number for Annual Interest Rate (%)
* Select “Invoice Date”
* By selecting Invoice Date, Term days will not be include or calculate.



**Calculation for January**

= [(Jan Invoice Amount x Annual Interest Rate) x (Total Day of Jan – Inv. Date)] / 365

**Calculation for February**

= [(Feb Invoice Amount x Annual Interest Rate) x (Total Day of Feb – Inv. Date)] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Feb] / 365

**Calculation for March**

= [(Mar Invoice Amount x Annual Interest Rate) x (Total Day of Mar – Inv. Date)] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

**Calculation for April**

= [(Apr Invoice Amount x Annual Interest Rate) x (Total Day of Apr – Inv. Date)] / 365

+ [(Mar Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

**Finance Charges Calculation Formula – PART 4**

**Settings**

* Tick “Finance Charge”
* Insert Number for Annual Interest Rate (%)
* Tick “Include Overdue Finance Charges When Calculate Finance Charges”
* Select “Invoice Date”
* By selecting “Invoice Date”, Term days will not be include or calculate.



**Calculation for January**

= [(Jan Invoice Amount x Annual Interest Rate) x (Total Day of Jan – Inv. Date)] / 365

**Calculation for February**

= [(Feb Invoice Amount x Annual Interest Rate) x (Total Day of Feb – Inv. Date)] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Feb] / 365

+ [(Jan Finance Charges x Annual Interest Rate) x Total Day of Feb] / 365

**Calculation for March**

= [(Mar Invoice Amount x Annual Interest Rate) x (Total Day of Mar – Inv. Date)] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Feb Finance Charges x Annual Interest Rate) x Total Day of Mar] / 365

+ [(Jan Finance Charges x Annual Interest Rate) x Total Day of Mar] / 365

**Calculation for April**

= [(Apr Invoice Amount x Annual Interest Rate) x (Total Day of Apr – Inv. Date)] / 365

+ [(Mar Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Feb Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Jan Invoice Amount x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Mar Finance Charges x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Feb Finance Charges x Annual Interest Rate) x Total Day of Apr] / 365

+ [(Jan Finance Charges x Annual Interest Rate) x Total Day of Apr] / 365