

Guides related to FX adjustments

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FX adjustments on fixed assets

It is now possible for admin users to select system journals related to FX adjustments on fixed assets. These new FX adjustment journals allow for the foreign exchange rate on fixed assets to be calculated automatically in Konsolidator. From the list choose the FX journals you need calculated by Konsolidator. The journals will be shown as an elimination journal entry.

Confirm

Please note that this will calculate all system journals and will delete any existing system journals. Continue?

Journals to include:

Name	Accounting principle	Enable
FX adjustments on biological assets		☐
FX adjustments on intangible assets		☐
FX adjustments on investment properties assets		☐
FX adjustments on right of use assets		☐
FX adjustments on tangible assets		☐
Elimination of investments in subsidiaries	Cost	☒
Exchange rate adjustments - equity	Cost	☒
Exchange rate adjustments - net income	Cost	☒
Profit/loss distribution	Cost	☒

Showing 9 entries

✕ Close

✔ Confirm

The FX adjustment calculation

The calculation includes all the postings in the fixed asset note. The calculation uses the weighted average method for FX meaning that postings during the year Konsolidator calculates the difference between the average exchange rate and the end exchange rate.

For postings at the beginning of the year the FX adjustment is calculated using the difference between the end and beginning exchange rate.

Using the weighted average method for FX means that you need to be aware that starting the calculations during a financial year will require calculation from the beginning of the year. However, you need to be careful opening prior periods because you will change prior periods consolidations.

If the FX adjustment is enabled the journals will be calculated for all companies in all groups. The journal shows a sum of all the companies included in the group or subgroup.

The correct use of the fixed asset group accounts is required for the calculation to be correct. If you are posting only on one or two accounts, the FX adjustment journals on fixed assets should not be enabled.

Questions

If any questions should arise, please contact support on support@konsolidator.com and we will happily assist.