Localization for Republic of Chile

Monetary Correction

V2020.05.01

Financial Monetary Correction

The system carries out the Financial Monetary Correction on a monthly basis, according to Chilean legislation.

The system calculates monetary correction of the following non-monetary concepts:
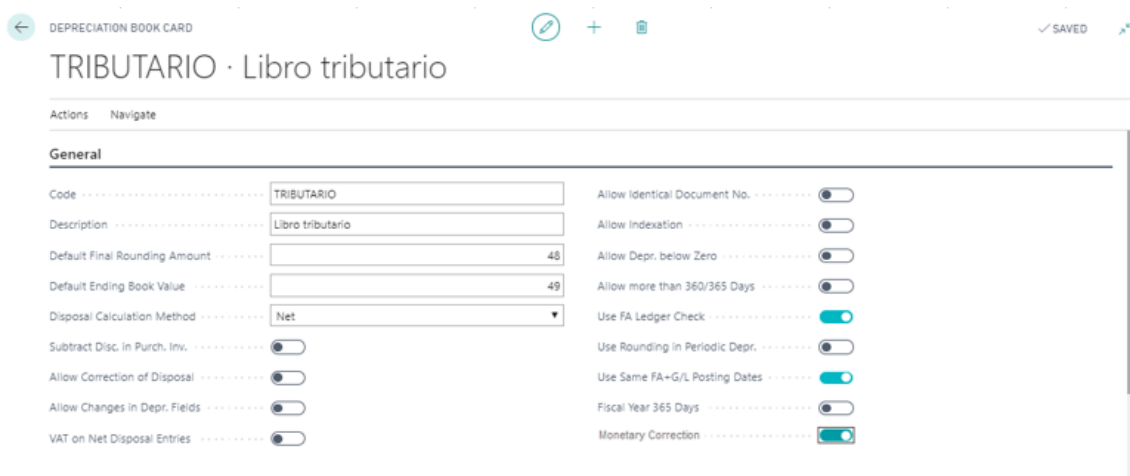
- Foreign currency balances from bank accounts
- Foreign currency balances from cash accounts or fixed funds
- Pending debtors for currency operations
- Pending creditors for currency operations

Fixed Asset Monetary Correction

The System calculates Fixed Assets Monetary Correction using a monthly frequency, according to the legal statements.

Setup

a) The checkbox 'Monetary Correction' must be marked in the Depreciation book Card, if needed. This allows the valuation of fixed assets to be generated.

b) The assets affected by monetary correction, must be identified in their Card. This option can be found in the General Section.

c) The SII coefficients must be configured so the monetary correction can be generated correctly. This setup can be found in the following path:

Localization/ Setup/ Monetary Correction Factor FA

d) The coefficients can be consulted, following the instructions:

Pick the year:

And by pressing 'Preview' option, the coefficients can be seen:

Factores Correccion Monetaria

Porcentajes de Actualización Corrección Monetaria, Año 2017

	Ene	Feb	Mar	Abr	May	Jun	Jul	Ago	Sep	Oct	Nov	Dic
Capital Inicial	-0,2	0,3	0,6	1,0	1,2	1,3	0,9	1,2	1,4	1,2	1,8	1,9
Enero		0,5	0,8	1,2	1,4	1,5	1,1	1,4	1,6	1,4	2,0	2,1
Febrero			0,2	0,6	0,9	1,0	0,6	0,8	1,0	0,9	1,5	1,6
Mazo				0,4	0,6	0,8	0,4	0,6	0,8	0,7	1,2	1,3
Abril					0,2	0,4	0,0	0,2	0,4	0,3	0,9	0,9
Mayo						0,1	-0,3	0,0	0,2	0,0	0,6	0,7
Junio							-0,4	-0,2	0,1	-0,1	0,5	0,6
Julio								0,2	0,4	0,3	0,9	1,0
Agosto									0,2	0,1	0,6	0,7
Septiembre										-0,2	0,4	0,5
Octubre											0,6	0,7
Noviembre												0,1
Diciembre												0,0

16.1   Depreciation calculation

Initial cost: $24.000.000.-

The initial cost must be posted:

During the first month, NAV generates the register.

And the depreciation transaction is generated in the Depreciation Journal:

After proper revision, the transaction must be posted. Once this is done, the value is updated:

e) The depreciation during the 2nd month, is done including monetary correction:

This calculation creates and post the monetary correction transaction and the transaction in the Fixed Asset journal. Due this, the monetary correction transaction affects the fixed asset value, immediately:

This is the depreciation transaction in the Fixed Asset journal:

Once posted, the fixed asset value is updated:

c) This process is repeated until the full value of the asset is depreciated.