

# Rules - Material Valuation Class

## **i** Definition

The valuation class has the following functions:

- Allows the stock values of materials of the same material type to be posted to different G/L accounts.
- Allows the stock values of materials of different material types to be posted to the same G/L account.
- Determines together with other factors the G/L accounts updated for a valuation-relevant transaction (such as a goods movement).

**i** The valuation class cannot be easily changed if the material code has inventory and open orders associated with it. If the valuation class needs to be changed after inventory movements then an UR needs to be raised.

**i** In WP1, the valuation class depends on the type of material

| Code | Description         | Material type | Definition  |
|------|---------------------|---------------|---|
| Z100 | CS Raw materials    | ZMAT          | Material not sold but used for the production of a finished product |
| Z110 | CS Packaging        | ZVER          | Packaging.  |
| Z130 | CS Trading goods    | ZMAT          | Material purchased but not used in the production                   |
| Z140 | CS Intermediates    | ZMAT          | Material produced but usually not be sold                           |
| Z150 | CS Finished product | ZMAT          | Material produced and can be sold                                   |

## Decision tree

It is a general principle but local rules can replace it



