

I fill the template IAC 01.02

STEP 1

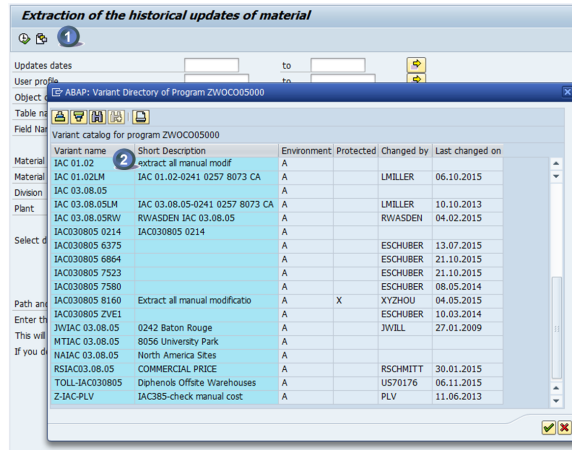
Start the transaction **ZWOCO050**

Select the Layout

1. Select Layout by clicking on

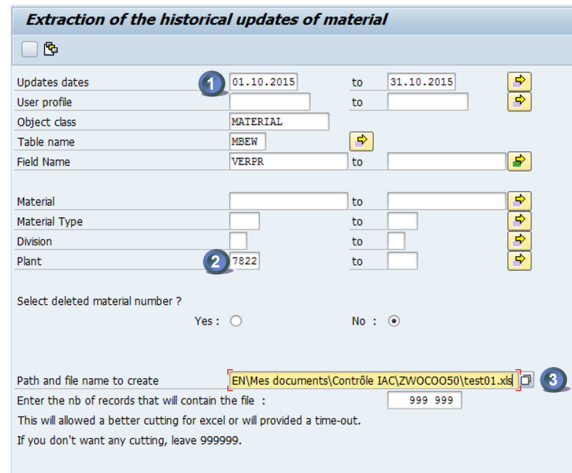


2. Click on **IAC 01.02**



STEP 2

1. enter the period
2. enter a plant or a list of plants
3. click on to enter the path & the file name



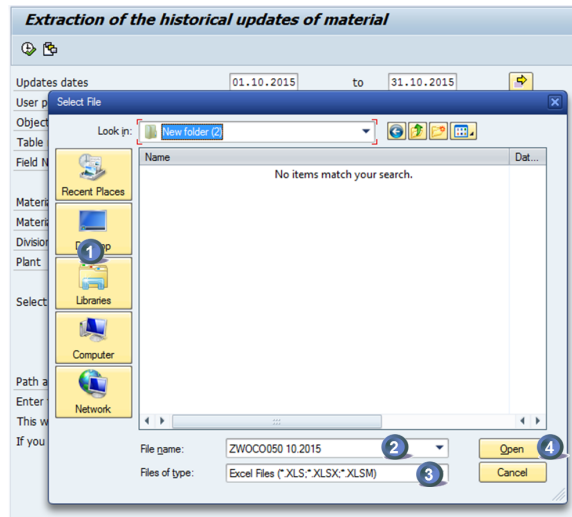
Confirm 4 tables codes in "Field Name"

VERPR	BEPH1
BWPRH	VJBWH

STEP 3

Upload the file in excel

1. choose the folder where you want to save the file
2. enter the file name
3. Select "Excel files" in files of type



STEP 4



Execute

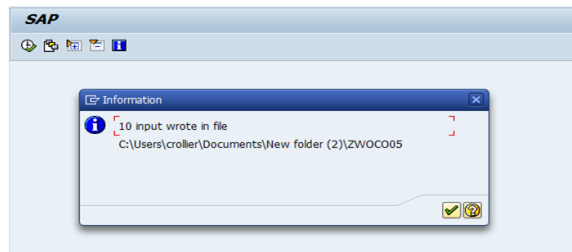
It may result in a long runtime

Extraction of the historical updates of material

Updates dates: 01.10.2015 to 31.10.2015
User profile: to
Object class: MATERIAL
Table name: MBEW
Field Name: VERPER to
Material: to
Material Type: to
Division: to
Plant: 7822 to
Select deleted material number ?
Yes : No :
Path and file name to create: C:\Users\croller\Documents\New folder (2)\ZWOCO050
Enter the nb of records that will contain the file : 999 999
This will allowed a better cutting for excel or will provided a time-out.
If you don't want any cutting, leave 999999.

STEP 5

There is an information message that informs that inputs were written in the file



STEP 7

The report was saved in excel

Each line of the file has to be justified with the following reason code :

1. Co-product /Sold waste /Recycled material
2. Integrated FIFO
3. Wrong Material file purchase info
4. Erroneous reception
5. Other (detailed explanation to be provided)

Save the file

Example

Material 64569 Blocs exutoire vrac was modified on July, 2nd

The old value was 550 € / T, the new value is 650 € / T

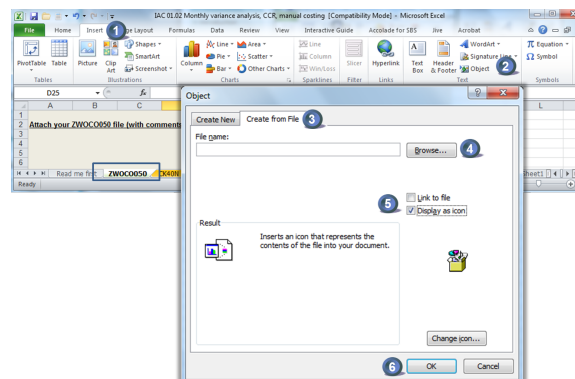
This material is a waste, that's the reason why it has a commercial price. The reason code that corresponds to this modification is the first one : 1-Co-product /Sold waste/Recycled material.

Material nb	Description	Material type	Plant	Table name	Field code	Field name	update date	Old value	New value
64569	BLOCS EXUTOIRE VRAC	MAT	7822	MBEW	BWPRC	Valuation price based on commercial level 1	02.07.2009	550.00	650.00

STEP 8

Insert the file ZWOCO050 in the file IAC 01.02 of the month

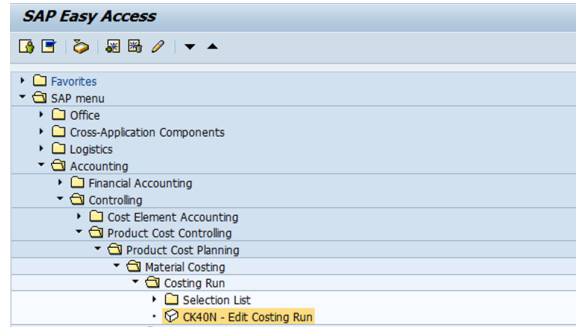
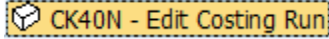
1. Select "insert"
2. Click on "Object"
3. Select "Create from File"
4. Click on "Browse" and select the file
5. Check "Display as icon"
6. Click on OK



STEP 1

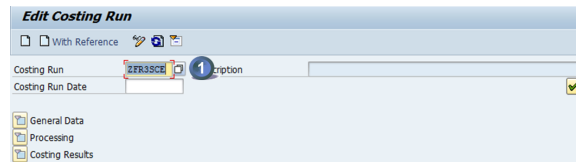
Start the transaction using the menu path or transaction code CK40N

Double-click



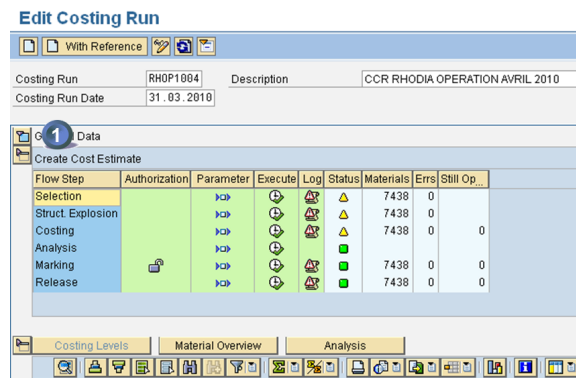
STEP 2

1. enter the costing run of the month and



STEP 3

1. Expand



STEP 4

All error messages must be cleared

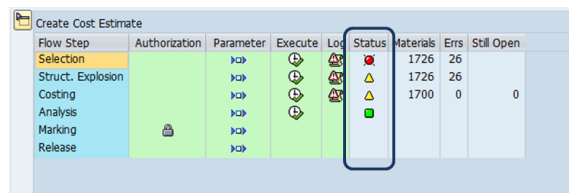
When there is a warning message, it often happens that there is a mistake in the costing. So even if it is not compulsory, it is recommended to check the warning messages and try to correct it.

Note: Sometimes, despite not having any error, some materials remain in column "Still Open". This is related with a technical issue linked to the mixed-costing materials. In order to correct the display table it's necessary to execute transaction CKSU.

STEP 1


WP1 + PF1

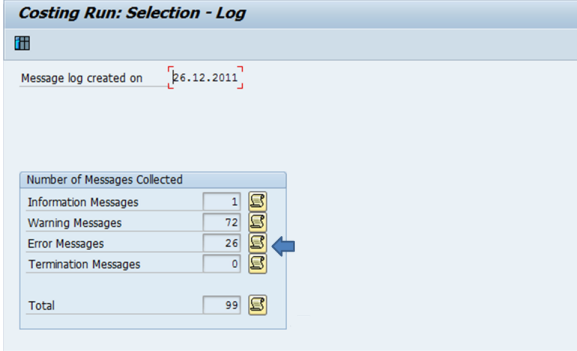
When there are error or warning messages, you must click on messages, you must click on to analyse and clear them



STEP 2

WP1 + PF1


Click on  to have the list of messages





STEP 3

WP1 + PF1

1 - Type of message

 **E** Error messages, must be cleared

 **W** Warning messages, must be analysed and cleared as much as possible

 **I** Information messages

2 - Message code

3 - Plant code

4 - Material code

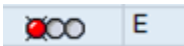
5 - Message description

Excep...	M...	M...	Plant	Material	P...	A...	Message Text
○○○	W	128	7811	32787	1	CK	Material 32787 in plant 7811 has no accounting data
○○○	W			77069	1	CK	Material 77069 in plant 7811 has no accounting data
○○○	W			115117	1	CK	Material 115117 in plant 7811 has no accounting data
○○○	W		7818	49739	1	CK	Material 49739 in plant 7818 has no accounting data
○○○	W		7819	110142	1	CK	Material 110142 in plant 7819 has no accounting data
○○○	I	172	7787	1615996	1	CK	Material 1615996 in plant 7787: No cost est. exists -> ra...
○○○	E	310	7714	68858	1	CK	Material 68858 is marked for deletion
○○○	E			19398	1	CK	Material 19398 is marked for deletion
○○○	E			40928	1	CK	Material 40928 is marked for deletion
○○○	E			50775	1	CK	Material 50775 is marked for deletion
○○○	E			66785	1	CK	Material 66785 is marked for deletion
○○○	E			101132	1	CK	Material 101132 is marked for deletion
○○○	E			101628	1	CK	Material 101628 is marked for deletion
○○○	E		7779	66785	1	CK	Material 66785 is marked for deletion

STEP 4

WP1 + PF1

You can double-click on a message to have a more detailed description of the issue



- CK060 - Object was not costed
- CK249 - Cost component split for material not saved
- CK310 - Material is marked for deletion
- CK380 - No valid source of supply could be found
- CK468 - No price could be determined for subcontracting
- CK023 - No control record for Activity type CHEF/X332900700/ZZANO2 in version 000 / 2017 activity planning/qty planning
- CK354 - Material XXXX in plant YYY has material status Z4 : Material deleted
- CK430 - Missing formula in work center xxxxx
- CK862 - Material XXX in plant XXX does not contain any segment for in-house production

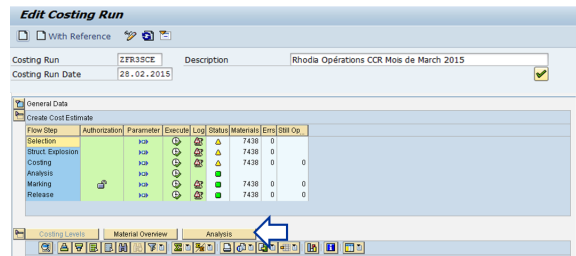


- CK053 - Deletion indicator set in material - plant
- CK054 - Deletion indicator set in material - valuation area
- CK080 - Material plant : BOM not active
- CK082 - Material plant: no suitable BOM found
- CK128 - Material in plant has no accounting data.
- CK382 - Material does not exist in withdrawal plant
- CK858 - No suitable or valid production version

STEP 5

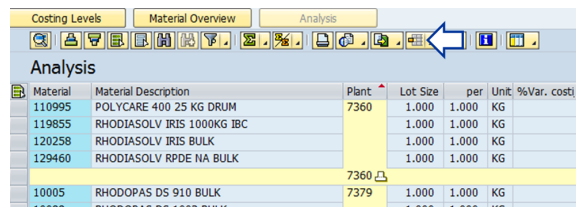
When errors are corrected and warning messages checked, costing analysis can begin. Click on

Analysis



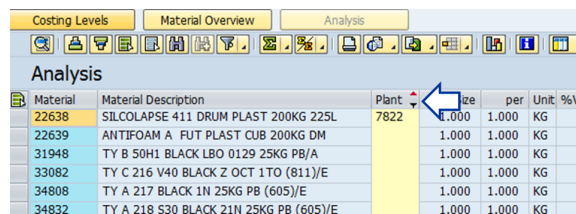
STEP 6

Select the variant. In this example, we are using the variant /IAC0102



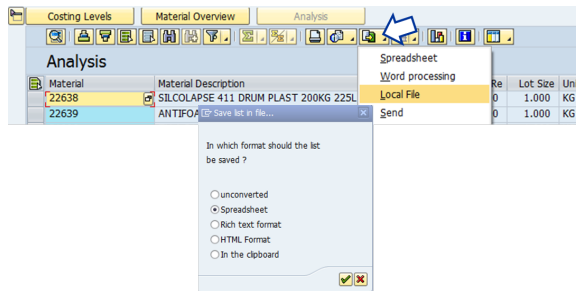
STEP 7

Filter the plant you are responsible for



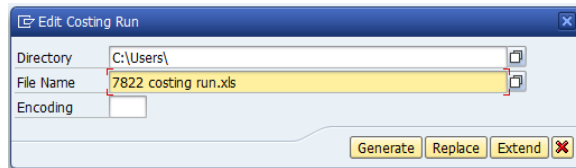
STEP 8

Save in excel : local file => spreadsheet



STEP 9

Enter the directory & the file name and generate the file



STEP 10

All variances above a defined threshold must be commented. The threshold is defined by the FRA :

- Unit cost variance %
- Inventory revaluation value.

If the threshold is above +/- 10% at unit cost level or +/- 50 k€ at item inventory revaluation level should be authorized by RCOM.

Open the file

If:

- the unit variation is > 10% (or local threshold)
- or Anticipated reval is > 50 kEUR (or local threshold),

a deeper analysis is requested

Material	Material description	Pint	Lot Size	per	BUN	%Var costing/MM	Anticip. reval	TotalStock	Val. MatMs	Costing Re	Var costing/MM
60444	TY A 206F NOIR 210 25KG SP (605)E	7822	1 000	1 000	KG	18.23		0	1 990.48	2 353.40	362.92
60447	TY A 206F NOIR 210 XXXX	7822	1 000	1 000	KG	-0.99		0	1 941.18	1 922.04	-19.14
60541	MM 8498 C RIVET SAC 25 KG	7822	1 000	1 000	KG	-2.83	-36.34	67	7 685.68	7 488.01	-217.66
60701	TY A 225F NATUREL 25KG SP (605)E	7822	1 000	1 000	KG	-8.97	-128.65	6 500	2 029.13	2 029.43	-0.30
60858	MM 8650 C CANULE SAC 25 KG	7822	1 000	1 000	KG	-3.54	-78.13	428.2	5 019.53	4 841.73	-177.8
61075	TY SX 11 BL NATUREL 25KG SP (605)E	7822	1 000	1 000	KG			0	2 360.00	2 360.00	0.00
61079	TY SX 11 BL NATUREL OCT 110 CP8 (811)E	7822	1 000	1 000	KG			9 101.40	2 608.26	2 608.26	0.00
61118	CAPROLACTAME 60% VRAC	7822	1 000	1 000	KG			14 693.29	795.75	795.75	0.00
61151	MM 8328 C CALECHE SAC 25 KG	7822	1 000	1 000	KG	-33.65		0	5 157.50	3 422.12	-1735.38
64158	MM 8399 C PRISON SAC 25 KG	7822	1 000	1 000	KG	10.78	31.69	61	4 826.89	5 346.46	519.57
64235	BASE DE NIGROSINE/SOLVANT NOIR 7 FUT	7822	1 000	1 000	KG	21.05	786.29	489.737	6 642.91	8 933.94	1 441.03
64248	OXYDE ZINC QUALITE NEIGE 360/5 25KG SAC	7822	1 000	1 000	KG	112.4	159.31	66.624	2 159.92	4 887.65	2 427.73

In this example, the costing of the following materials 60444, 64151, 64158, 64235, 64248 have to be checked and validated

as the variance is above 10% or/and the revaluation above 50 k€

Material	Material description	Pint	Lot Size	per	BUN	%Var costing/MM	Anticip. reval	TotalStock	Val. MatMs	Costing Re	Var costing/MM
60444	TY A 206F NOIR 210 25KG SP (605)E	7822	1 000	1 000	KG	18.23	> 10 %	0	1 990.48	2 353.40	362.92
60447	TY A 206F NOIR 210 XXXX	7822	1 000	1 000	KG	-0.99		0	1 941.18	1 922.04	-19.14
60541	MM 8498 C RIVET SAC 25 KG	7822	1 000	1 000	KG	-2.83	-36.34	67	7 685.68	7 488.01	-217.66
60701	TY A 225F NATUREL 25KG SP (605)E	7822	1 000	1 000	KG	-8.97	-128.65	6 500	2 029.13	2 029.43	-0.30
60858	MM 8650 C CANULE SAC 25 KG	7822	1 000	1 000	KG	-3.54	-78.13	428.2	5 019.53	4 841.73	-177.8
61075	TY SX 11 BL NATUREL 25KG SP (605)E	7822	1 000	1 000	KG			0	2 360.00	2 360.00	0.00
61079	TY SX 11 BL NATUREL OCT 110 CP8 (811)E	7822	1 000	1 000	KG			9 101.40	2 608.26	2 608.26	0.00
61118	CAPROLACTAME 60% VRAC	7822	1 000	1 000	KG			14 693.29	795.75	795.75	0.00
61151	MM 8328 C CALECHE SAC 25 KG	7822	1 000	1 000	KG	-33.65		0	5 157.50	3 422.12	-1735.38
64158	MM 8399 C PRISON SAC 25 KG	7822	1 000	1 000	KG	10.78	> 10 %	61	4 826.89	5 346.46	519.57
64235	BASE DE NIGROSINE/SOLVANT NOIR 7 FUT	7822	1 000	1 000	KG	21.05		489.737	6 642.91	8 933.94	1 441.03
64248	OXYDE ZINC QUALITE NEIGE 360/5 25KG SAC	7822	1 000	1 000	KG	112.4		66.624	2 159.92	4 887.65	2 427.73

STEP 1


Ex : 64235 BASE DE NIGROSINE /SOLVANT NOIR 7 FUT

The MAP increased from 6 643 € to 8 083 €

- We have to validate the MAP (Moving Average Price) by checking purchase orders of the month.
- It can also help to check the purchase variance of this

material (KE30) to define where does the increase come from.

MAP end M-1	MAP end M
6 643 €	8 083 €



 + 1 441 €
 + 21,69 %

STEP 2

Display purchase orders with the transaction **ME2M**

Enter

1. the material code & the plant
2. the period

Purchasing Documents for Material

Choose...

Material 64235 to

Plant 7822 to

Purchasing organization to

Scope of list BEST

Selection parameters to

Document type to

Purchasing group to

Item category to

Account assignment category to

Delivery date 01.03.2010 to 31.03.2010

STEP 3

There is one purchase order to check.

=> Double-click on it

PO	Type	Vendor	Name	PGP	Order Date
4501142662	NB	53552	IMCD FRANCE SAS	FKK	17.03.2010
0001	FR59	7822	BASE DE NIGROSINE/SOLVANT NOIR 7 FUI	0451	
			80 KG	16,55 EUR	1 KG
			Still to be delivered	0,00 EUR	0,00 %
			Still to be invoiced	0,00 EUR	0,00 %
00020	FR59	7822	BASE DE NIGROSINE/SOLVANT NOIR 7 FUI	0451	
			20 KG	16,55 EUR	1 KG
			Still to be delivered	0,00 EUR	0,00 %
			Still to be invoiced	0,00 EUR	0,00 %

In march, the purchase price is 16,55 € / KG

Standard PO 4501142662 Created by Chan-Moly OEUR

Document Overview On Print Preview Messages Personal Setting

Standard PO 4501142662 Vendor 53552 IMCD FRANCE SAS Doc. date 17.03.2010

ES	S	Item	A	I	Material	Short Text	PO	Quantity	UoM	Deliv. Date	Net Price	Cur.	Per	UoM	Mat. Group	Plant
		10			64235	BASE DE NIGROSINE/SO...		80	KG	23.03.2010	16,55 EUR			1	KG	CHEM PROD_ZFR
		20			64235	BASE DE NIGROSINE/SO...		20	KG	04.04.2010	16,55 EUR			1	KG	CHEM PROD_ZFR

It corresponds to the price invoiced

= 1 324 € / 80 kg

= 16,55 € / kg

At the end of M-1, the MAP was 6,64 € / kg. As the purchase price of M is 16,55 € / kg, it is normal that the MAP increases in M.

Item [10] 64235, BASE DE NIGROSINE/SOLVANT

Material Data Quantities/Weights Delivery Schedule Delivery Invoice Conditions Purchase Order History

Sh. Text	MvT	Posting Date	Material Document	Item	Entry Date	Quantity	Time of Entry	Reference	Amount	Crcy
GR		101 22.03.2010	5007814821	1	22.03.2010	80	13:30:44	111558	1 324,00	EUR
Tr./Ev.	Goods receipt					80			1 324,00	EUR
IR-L		25.03.2010	5106826979	1	25.03.2010	80	10:24:22	111558	1 324,00	EUR
Tr./Ev.	Invoice receipt					80			1 324,00	EUR



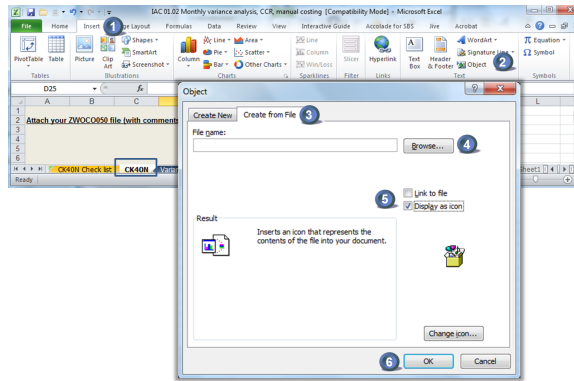
If there is a mistake in the calculation of the new MAP due to an error in the purchase order, invoice price etc:

- Ask to correct the purchase order,
- If the MAP is still not correct => use the field Commercial 1 in view accounting 2 to correct it manually,
- Prepare a documentation for control IAC 01.02

STEP 11

When the analysis is completed, insert the file with your comments in the file IAC 01.02 of the month (sheet "CK40N").

1. Select "insert"
2. Click on "Object"
3. Select "Create from File"
4. Click on "Browse" and select the file
5. Check "Display as icon"
6. Click on OK



Once the CK40N analysis was completed, fill the checklist to confirm that all tasks have been properly performed

1. enter your site, name, date & period
2. enter the status of the task
3. when a task has not been performed, it is compulsory to comment
4. integrated FIFO is only applicable in limited cases

Site					
FRA's name					
Date					
Period					
Standard Cost Calculation Check-List / FRA					
IAC 01.02					
N°	Control description	Done ?		Comments (compulsory for No and N/A)	Control Evidence (optional)
		Yes	N/A		
1	Messages analysis				
1a	Error messages in CK40N are checked and corrected (red squares)	No			
1b	Varning messages are analysed (yellow triangles)	Yes			
2	Excel analysis : all variances above threshold are analysed*	Yes			
3	If applicable, valid legal entity integrated FIFO is used	N/A			
4	Control evidences are posted in the IAC e-room				
4a	Excel file with variance analysis & comments	Yes			
4b	Check-list	Yes			

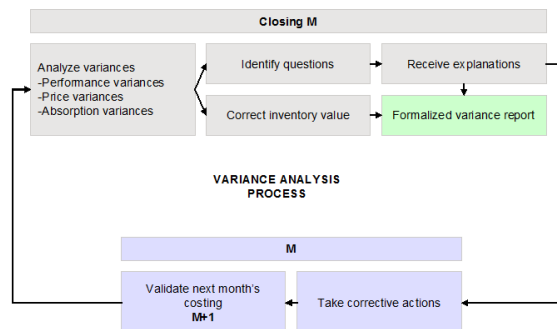
The variance is the difference between the expected standard cost and the actual cost incurred. Variance analysis involves breaking down the total variance to explain how much of it is caused by usage of resources being different from the standard and how much of it is caused by the price of resources being different from the standard.

Each site controller has the responsibility to analyze each month the variance and to explain this variance in order to :

- Understand the reasons
- Initiate corrective actions
- If needed adjust the inventory value and change the semi-standard way of calculation, depending on the origin of the variance.

This process of analysis, whatever the result be a change of costing or not, must be formalized, and archived as a justification of records based on following sheets :

Variance Template / Perf. analysis / Revaluation / CC variance / IAC 01.09



Open the sheet "Variance Template"

STEP 1

Step 1: Open the file.

Choose the authorization scope and the period / fiscal year

SCOPE : SCO

BW File on

[BW - IMEP - WP2 Variance Analysis](#)

STEP 2

Control that the report BW = KE30:
 Total column P = D05
 Total column Q = E05
 Total column R = F05

STEP 3

List the products that generate the main variances

		Total
128581	FENTAMINE MADHT BULK(CN)	101,523 CNY
128201	FENTACARE DHT21 I 75 BULK	109,349 CNY
128428	FENTACARE EAPB BULK(CN)	145,125 CNY
128568	FENTAMINE DMAPA CRUDE BULK(CN)	170,968 CNY
128192	FENTACARE DHT21 E 75 BULK	201,829 CNY
124051	FENTAMINE DMA1270 BULK	204,609 CNY
128620	JAGUAR C 14 S BULK(CN)	224,074 CNY
128541	FENTAMINE DMA1270D BULK(CN)	246,764 CNY
128567	FENTAMINE DMAPA BULK(CN)	354,980 CNY
128278	INT NITRIL HT BULK(CN)	618,017 CNY
TOTAL		2,377,238 CNY

STEP 4

Explain the main variances

a. structure: Production version change / Raw material / Recycling / Others

How to read this variance ?

- Material 53789 TY A 218 V30 BLACK 34NG XXXX was produced with a different production version than the one used for the costing
- In the production version (B332) used for the costing, it is forecasted to produce one batch in 18,239 hours. But this material was produced in 17,90 h on an other production line.

It creates the following variance on process order :

Order	Mat	Material description	Origin	Actual Qty	Tgt Qty	SCE	Item UM	FC Var	DEP Var	PrdVar	PrVn
208455	53789	TY A 218 V30 BLACK 34NG 3000	7822-1133 AMO	17,900	0,000	H	0,00	376,83	B332	A413	
	53789	TY A 218 V30 BLACK 34NG 3000	7822-1133 CNP	17,900	0,000	H	3 620,24	0,00	B332	A413	
	53789	TY A 218 V30 BLACK 34NG 3000	7822-1133 MANHO	17,900	0,000	H	2 665,67	0,00	B332	A413	
	53789	TY A 218 V30 BLACK 34NG 3000	7822-1141 AMO	0,000	18,239	H	0,00	385,40	B332	A413	
	53789	TY A 218 V30 BLACK 34NG 3000	7822-1141 CNP	0,000	18,239	H	3 719,52	0,00	B332	A413	
	53789	TY A 218 V30 BLACK 34NG 3000	7822-1141 MANHO	0,000	18,239	H	2 665,63	0,00	B332	A413	
208489				53,799	54,217	H	239,24	8,57			

	Actual hours	Standard hourly rate	Actual costs	Std hours	Standard hourly rate	Standard costs	Variances
MANHO	17,90	148,92	2 665,67	18,24	153,83	2 865,63	-139,96
CNP	17,90	202,25	3 620,24	18,24	203,93	3 719,52	-99,28
E05 FC Process0 Var			6 285,91			6 525,15	-239,24
AMO	17,90	21,05	376,83	18,24	21,13	385,40	-8,57
F05 DEP Process0 Var			376,83			385,40	-8,57

b. yield: RM consumption is higher or lower than std quantity

How to read this variance ?

- The actual time (96 h) to produce material 64712 PA 66 MOLTEN POLYMER is higher than the standard time (84,261h)
- It creates the following variance on process order :

Order	Mat	Material description	Origin	Origin Description	Actual Qty	Tgt Qt	Item	FC Var	DEP Var	PrdVar	PrVn
208026	64712	PA 66 MOLTEN POLYMER	7822-1304 AMO	ATY Z006/7822-1304/AMO	96,000	84,261	H	0,00	284,50	PC41	PC41
	64712	PA 66 MOLTEN POLYMER	7822-1304 CNP	ATY Z006/7822-1304/CNP	96,000	84,261	H	1 686,32	0,00	PC41	PC41
	64712	PA 66 MOLTEN POLYMER	7822-1304 MANHO	ATY Z006/7822-1304/MANHO	96,000	84,261	H	497,75	0,00	PC41	PC41
208050					288,000	252,783	H	2 164,07	264,50		

	Actual hours	Standard hourly rate	Actual costs	Std hours	Standard hourly rate	Standard costs	Variances
MANHO	96,00	42,45	4 075,83	84,26	42,45	3 576,73	499,30
CNP	96,00	141,95	13 626,91	84,26	141,95	11 960,68	1 666,33
E05 FC Process0 Var			17 702,74			15 537,32	2 164,62
AMO	96,00	22,55	2 164,84	84,26	22,55	1 900,12	264,72
F05 DEP Process0 Var			2 164,84			1 900,12	264,72

c. purchased vs produced: material is purchased instead of produced or vice & versa

How to read this variance ?

- Material 63324 is supposed to be produced but it was purchased
- As it is purchased, the production cost = 100 % CP while in the costing the production cost is splitted into CP / CNP / AMO

Order	Mat	Material description	Origin	Origin Description	Actual Qty	Tgt Qty	Item	FC Var	DEP Var
2084538	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	63324	SB 27 AE 1 F (EX 27/A-00 MS) N	8 000	8 000	KG	2 863,94-	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	1050003	CARTON TOP 1121*1121*190	0	8 960-	PC	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	1050009	CARTON BOTTOM FOR CRATE 1	0	8 960-	PC	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	1050012	BELT REP FOR CARTON 1085X	0	8 960-	PC	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	1050019	CARTON SIDE EXT 1101X1101X	0	8 960-	PC	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	1050023	PE SACK 2000X3300 200µ	0	8 960-	PC	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	1060594	WOOD PALLET CP8 1140X1140	0	8 960-	PC	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	62575	SB 27 AE 1 F (ex 27/A-00 MS)	0	8 000-	KG	8 836,34	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	7822-1008 UEELEC	ATY Z006/7822-1008/UELEC	0	0,256-	MWH	0,00	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	7822-1180 AMO	ATY Z006/7822-1180/AMO	0,000	5,336-	H	0,00	59,65
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	7822-1180 CNP	ATY Z006/7822-1180/CNP	0,000	5,336-	H	155,15	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	7822-1180 MANHO	ATY Z006/7822-1180/MANHO	0,000	5,336-	H	0,34	0,00
	63324	SB 27 AE 1 F (EX 27/A-00 MS) NAT (811)E	SETLEMENT	SETLEMENT				0,00	0,00
20845					0,000	16,008-	H	6 127,89	59,65

d. subcontractor: Material is produced by a subcontractor instead of an internal production

How to read this variance ?

- Same principle as the previous variance
- When a material is produced by a subcontractor instead of an internal production

e. others: to be commented

	YTD	Comments	Action
STEP 5			
D00 VC Variable Cost			
Others (D01+D55+D60+D70+D80)			
Std VC + Others			
1.Perf variance (D05)			
a. structure			
b. yield			
c. purchased vs produced			
d. subcontractor			
e. others			
2.Variance / CC (D45)			
a. utilities			
b. subcontractor			
c. others			
3.Revaluation (D50+D52)			
4.Purchase variance (D47)			
VC on MP Sales			

Fill in those information in « variance template » tab

STEP 6

Performance variance analysis

When there are recurring performance variances, they can be listed in the sheet "Perf. analysis"

a1. Structure: Recurring cases of production line change
Please describe for your site

a2. Structure: Recurring cases of switch between Raw material / Recycling
Please describe for your site

b. Yield: Productivity variance
Standard analysis based on ZVFP40A

c. Purchased vs. produced: Material purchased instead of produced
Please describe for your site

d. Subcontractor variance
Please describe for your site

e. Others
Please describe for your site

STEP 1

Use the transaction **KE30** and choose the report **ZZZ-SOLV01**

Run Profitability Report: Initial Screen

Report	Description
Report	
ZZZ-IFRS00	IFRS Periods
ZZZ-IFRS01	Per operation type
ZZZ-IFRS02	Variance Others
ZZZ-IFRS03	Quarter/Year
ZZZ-IFRS04	Month/Year
ZZZ-IFRS05	Do not use anymore
ZZZ-IFRS07	P&L Production variance New
ZZZ-SOLAUD	L2015 - Audit
ZZZ-SOLV00	IFRS Periods/Year
ZZZ-SOLV01	Per operation type
ZZZ-SOLV04	Month/Year
ZZZ-SOLVFC	L2015 - Income Statement
ZZZ-SOLVFCMT	L2015 - Income Statement / M

Enter

1. the reporting currency = 10
2. the period
3. the company code
4. the plant code
5. the IECRA (when applicable)
6. select : "Classic drilldown report"

Selection: Per operation type

Attributes

Report selections

Reporting Currency: 10

Fiscal year: 2015

From period: 10

To period: 10

Company Code: 6526

Plant: 8160

Customer: []

Product: []

Division: []

Distr. Channel: []

Trading Partner: []

Enterprise: []

Product line 00: []

Iecra: []

From Profit Center: []

To Profit Center: []

Output type

Graphical report output

Classic drilldown report

Object list (more than one lead column)

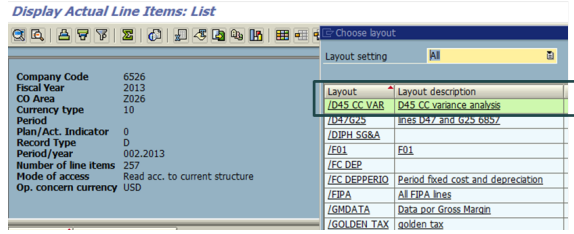
STEP 2

To have the detail of the value field D45 VC CC Variance => click on the amount, right click and select "Line items" or click F9

Pal. Lines	SD	FI	cm	Order	tl	Cost. Center	Customer		
Total standard VC	84,558,871.08	0.00	0.00					4,012.85	84,562,883.93
D01 VC Duty VBE	0.00	0.00	0.00					0.00	0.00
D05 VC Process0 Var	0.00	0.00	2,483,315.84					0.00	2,483,315.84
D45 VC CC Variance	0.00	1,638.66	0.00				927,363.18	0.00	929,001.84
D47 CP EurT030	0.00	1,007,399.41	0.00				0.00	0.00	1,007,399.41
D50 VC PC Reval Var	0.00	13,940,406.08	0.00				0.00	0.00	13,940,406.08
D52 CP Rev.CCR T030	0.00	10,658,044.14	0.00				0.00	0.00	10,658,044.14
D58 VC Free 1	0.00	0.00	0.00				0.00	0.00	0.00
D60 VC Free 2	0.00	0.00	0.00				0.00	0.00	0.00
D70 Neutral.VC/marg	0.00	0.00	0.00				0.00	0.00	0.00
D80 MC margin	0.00	0.00	0.00				0.00	0.00	0.00
VC Variance	0.00	2,273,323.87	2,483,315.84				927,363.18	0.00	1,137,355.15
VC on NP Sales	84,558,871.08	2,273,323.87	2,483,315.84				927,363.18	4,012.85	85,700,239.08

STEP 3

Use the layout /D45 CC VAR to have the variance by cost center



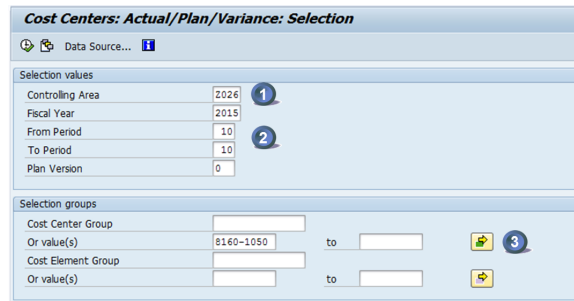
Currency	Sender cost center	D45 VC CC Variance
CNY	6526-9201	2,39-
CNY	8160-1050	578 119,71
CNY	8160-1051	282 321,47
CNY	8160-1052	9 204,15-
CNY	8160-1053	127 524,10
CNY	8160-1054	7 515,07-
CNY	8160-1055	441 620,78-
CNY	8160-1056	10 999,99
CNY	8160-7000	28 483,77
CNY	8160-7008	466 330,78
CNY	8160-7040	74 889,90
CNY		1 110 327,33

STEP 4

To have the detail of the cost centers, you can use the transaction **S_ALR_87013611**

Enter :

1. the controlling area
2. the period
3. the list of cost centers you want to analyse



STEP 5

Double click on the amount you want to analyse

Cost Elements	Act. Costs	Plan Costs	Var. (Abs.)	Var. (%)
98150890 VC FREIGHT ON RM	28 483,77		28 483,77	
* Debit	28 483,77		28 483,77	
99429900 FA-AS CP	28 483,77-		28 483,77-	
* Credit	28 483,77-		28 483,77-	
** Over/Underabsorption				

STEP 6

Fill you the variance template with your analysis

	YTD	Comments	Action
D00 VC Variable Cost			
Others (D01+D55+D60+D70+D80)			
Std VC + Others			
1.Perf variance (D05)			
a. structure			
b. yield			
c. purchased vs produced			
d. subcontractor			
e. others			
2.Variance / CC (D45)			
a. utilities			
b. subcontractor			
c. others			
3.Revaluation (D50+D52)			
4.Purchase variance (D47)			
VC on MP Sales			

Product		D47 CP Ec/T030
128730		118,48
128738		8 958,14-
128746		139 256,44
128747		160 507,75
128750		8 030,52
128751		52 574,80
128760		49 182,45
128763		84 364,24
128764		43 254,41-
128769		655,67
128772		0,18
128773		20 245,17

STEP 4

Explain the main variances

Display the standard costing of the material with CK13N.

Enter :

1. The material & plant code
2. The costing variant
3. The validity date

Enter ↵

and

The standard cost of the material code 128715 is

18 099,12 CNY / 1 000 kg

Display Material Cost Estimate with Quantity Structure

Material: 128715
Plant: 8160

Costing Data

Costing Variant: zfo
Costing Version: 1
Valid On: 01.10.2015

Cost Estimates

Material: 128715 DECYL ACID BU
Plant: 8160

Costing Data | Dates | Qty Struct. | Valuation | History | Costs

Costs Based On: Costing Lot Size 1 000 KG

Itemization for material 128715 in plant 8160

Item	Resource	Resource (Text)	Quantity	Un	Σ	Total Value	COCr
1	8160 128715	DECYL ACID BU	1 000	KG		18 099,12	CNY
Material						18 099,12 CNY	
						** 18 099,12 CNY	

STEP 5

Display the actual purchase price of the same material with the transaction MB51.

Enter:

1. the material code
2. the plant code
3. the movement type = 101 to 102
4. posting date = 1 month

Material Document List

Item Data

Material: 128715
Plant: 8160
Movement Type: 101 to 102
Posting Date: 01.10.2015 to 31.10.2015

Header Data

Posting Date: 01.10.2015 to 31.10.2015
User name:
Trans./Event Type:
Material Document:
Reference:

The list of purchase orders to be analysed is displayed

Material	Material Description	Plant	Base 1	Quantity	Unit	Amount	Unit	PO	Batch	Customer	Vendor
128715	DECYL ACID BU	6160	426	Zhangjiayang							
4510 101	5017504930	1	25.10.2015	39 420	KG	342 706,56		450237541	2151029308		120197
4510 101	5017504930	1	25.10.2015	39 800	KG	39 800		450237541	2151029308		127941
4510 101	5017504930	1	25.10.2015	39 470	KG	714 935,24		450237541	2151029308		127941
4510 101	5017504930	1	27.10.2015	39 850	KG	721 249,85		450237541	2151029308		127941
4510 101	5017504930	1	24.10.2015	39 740	KG	719 239,03		450237541	2151029308		127941
4510 101	5017504930	1	10.10.2015	39 420	KG	712 487,21		450237541	2151029308		128542
Total				218 020	KG	3 945 970,14					

STEP 6

Display a purchase order to calculate the purchase price variance

Sh. Text	MvT	Posting Date	Material Document	Item	Entry Date	Quantity	Unit	Amount	Unit	L. Cur			
DCGR		10.10.2015	5017504930	1	10.10.2015	39 420		0		5 806,56			
Tr./Ev. Delivery costs						39 420		0		5 806,56			
GR						101	10.10.2015	5017504930	1	10.10.2015	39 420		625 318,47
Tr./Ev. Goods receipt						0		39 420		625 318,47			

- a - Quantity purchased
- b - Purchase price
- c - Delivery costs
- d - TOTAL costs = b + c
- e - Actual unit price = d / a
- f - Standard cost (from CK13N)
- h - Purchase price var = (f - e) / a

Purchase orders	4502561849	
Purch qty	39.420,00	KG a
Purchase price	625.318,47	CNY b
Delivery costs	5.806,56	CNY c
TOTAL costs	631.125,03	CNY
Actual unit price	16.010,27	CNY / Ton
Standard cost	18.099,12	CNY / Ton
Purchase price var	82.342,28	CNY

Each month, the inventory is revaluated with the new standard cost.

Revaluation = [Standard cost (M) – Standard cost (M-1) x Quantity 01/01/M (00h00)

The variance is due to a more or less efficient use of the time available to carry out the actual production. It compares the actual time taken to carry out an activity with the standard time allowed and values the difference at the standard.

The analysis is performed with the report ZWPP40A

Each month, the inventory is revaluated with the new standard cost. Revaluation = [Standard cost (M) – Standard cost (M-1) x Quantity 01/01/M (00h00)

There is a revaluation of fixed costs when:

- there is a modification of the production process
- in January with the new standard hourly rate

STEP 1

Once a year, when the control IAC 01.09 is completed and uploaded in WP2.

- Copy the result of the sheet "2d-Activity TOTAL" and paste the result in the tab "IAC 01.09"

The image shows two SAP sheets for plant 7971. The left sheet is 'IAC 01.09' and the right sheet is 'IAC 01.02'. Both sheets show a table of costs with columns for Description, Normal capacity, and three cost centers (7971-0000, 7971-0001, 7971-0002). The '2d-Activity TOTAL' sheet is highlighted in green.

STEP 2

Update the sheet "CC variance" and enter:

- the list of production cost centers
- the column "normal capacity (year)"
- the column "Budget (month)" - usually it is equal to the column "Normal capacity (month)"
- the column "standard capacity (h) (year)"

		Normal capacity CNY		7971-1000	7971-1001
BUDGET in CNY	AMO	6.924.868	6.537.163	387.705	
	MACHI	14.986.135	14.057.635	740.498	
	MANHO	12.553.781	11.099.775	1.254.006	
HOURS	AMO		32.145	4.584	
	MACHI		32.145	4.584	
	MANHO		32.145	4.584	

		E01 FC Period	Normal capacity (year)	Normal capacity (month)	Budget (month)	Actual hours	Standard capacity (h) (year)	Standard capacity (h) (month)
CNP	7971-1000 Compounding		14.057.635	1.171.470	1.171.470	0	32.145	2.679
	7971-1001 Packaging		740.498	61.708	61.708	0	4.584	382
	TOTAL MACHI	0	14.798.133	1.233.178	1.233.178	0	32.145	3.061
	7971-1000 Compounding		11.099.775	924.981	924.981	0	32.145	2.679
	7971-1001 Packaging		1.254.006	104.500	104.500	0	4.584	382
TOTAL MANHO	0	12.353.781	1.029.482	1.029.482	0	32.145	3.061	
TOTAL CNP	0	27.151.914	2.262.659	2.262.659	0	32.145	6.122	

		D90 DE period	Normal capacity (year)	Normal capacity (month)	Budget (month)	Actual hours	Standard capacity (h) (year)	Standard capacity (h) (month)
AMO	7971-1000 Compounding		6.537.163	544.764	544.764	0	32.145	2.679
	7971-1001 Packaging		387.705	32.309	32.309	0	4.584	382
	TOTAL AMO	0	6.924.868	577.072	577.072	0	32.145	3.061
TOTAL AMO	0	6.924.868	577.072	577.072	0	32.145	3.061	

STEP 3

Each month, you have to update the actual costs & hours.

The price variance & the absorption variance will be automatically calculated

Cost centers	E01 FC Period	Normal capacity (year)	Normal capacity (month)	Budget (month)	Actual hours	Standard capacity (h) (year)	Standard capacity (h) (month)	h. price variance	h. absorption variance	E01 + E90 Total CC variance	E90 FC absorption
9999-1000 Prod CC 1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
9999-1000 Prod CC 2											
9999-1000 Prod CC 3											
9999-1000 Prod CC 4											
9999-1000 Prod CC 5											
9999-1000 Prod CC 6											
9999-1000 Prod CC 7											
TOTAL MACHI											

CO-PA	IAC 01.09	=	Budget	Actual hours	IAC 01.09	=	[(6) / 12] - [(1) - (4)] x [(3) / (7)] + [(4) - (3)]	=	CO-PA
-------	-----------	---	--------	--------------	-----------	---	--	---	-------

STEP 4

For the monthly update use the transaction S_ALR_87013611

Enter

1. the controlling area
2. the period
3. the group of production cost centers

Cost Centers: Actual/Plan/Variance: Selection

Data Source... **I**

Selection values

Controlling Area: 2026 **1**

Fiscal Year: 2015

From Period: 1 **2**

To Period: 1

Plan Version: 0

Selection groups

Cost Center Group: 7971-1 **3**

Or value(s): [] to []

Cost Element Group: [] to []

Or value(s): [] to []

STEP 5

1. Production cost centers
2. Actual fixed costs
3. Plan costs from IAC 01.09 (local currency)
4. Actual hour
5. Normal capacity from IAC 01.09 (h)

Variation: Cost Center

7971-1 Solvay Shanghai - Direct Production

- 7971-1000 Compounding **1**
- 7971-1001 Packing

Cost Center/Group: 7971-1000 Compounding **2**

Person responsible: 50001634

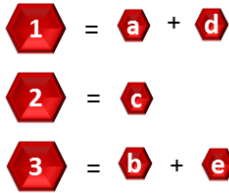
Reporting period: 1 to 1 2015 **3**

Cost Elements	Act. Costs	Plan Costs
99429910 PA-AS CNP	193 294,41	
99429920 PA-AS AMO	73 400,29	
99430020 Direct Labour	801 937,24	924 980,41
99430120 Dir. Fix O/H (C/N	1 015 636,63	1 171 468,27
99438000 Depreciation	472 298,16	544 763,99
* Credit	-2 556 566,72	-2 641 212,67
** Over/Underabsorption		1,74

Activity Types	Act. Acty	Plan Acty
AMO Direct Depreciation	2 322,42 H	2 678,75 H
MACHI DIR FIX O/H (C/NP) /h	2 322,42 H	2 678,75 H
MANHO Direct Labour	2 322,42 H	2 678,75 H

STEP 6

Report the actual costs of each cost center per activity



Report the actual hours of each cost center per activity

Cost Elements		Act. Costs
99429910	FA-AS CNP	193 294,41-
99429920	FA-AS AMO	73 400,29-
99430020	Direct Labour	801 937,23-
99430120	Dir Fxd Ohd/H	1 015 636,63-
99438000	Depreciation	472 298,16-
*	Credit	2 556 566,72-
** Over/Underabsorption		

Activity Types		Act. Acty
AMO	Direct Depreciation	2 322,42 H
MACHI	DIR FIX O/H (CNP) /h	2 322,42 H
MANHO	Direct Labour	2 322,42 H

Code	Description	E01 FC Period
7971-1000	Compounding	1208.931
7971-1001	Pack-aging	
TOTAL	MACHI	1208.931
7971-1000	Compounding	801.937
7971-1001	Pack-aging	
TOTAL	MANHO	801.937
TOTAL	CNP	2.090.868

Code	Description	D30 DE period
7971-1000	Compounding	545.688
7971-1001	Pack-aging	
TOTAL	AMO	545.688
TOTAL	AMO	545.688

Code	Description	Actual hours
7971-1000	Compounding	2.322
7971-1001	Pack-aging	
TOTAL	MACHI	2.322
7971-1000	Compounding	2.322
7971-1001	Pack-aging	
TOTAL	MANHO	2.322
TOTAL	CNP	2.322

Code	Description	Actual hours
7971-1000	Compounding	2.322
7971-1001	Pack-aging	0
TOTAL	AMO	2.322
TOTAL	AMO	2.322

STEP 7

Once the file is completed, the price & absorption variance can be reported in the variance analysis template

Code	Description	a. price variance	b. absorption variance	E01 + E90 Total CC variance
7971-1000	Compounding	37.461	155.834	193.295
7971-1001	Packaging	-146.796	2.948	-143.850
TOTAL	MACHI	-109.335	158.782	49.446
7971-1000	Compounding	-12.664	133.665	121.001
7971-1001	Packaging	4.902	4.902	9.804
TOTAL	MANHO	-7.762	138.567	130.805
TOTAL	CNP	-237.373	288.819	49.446

Code	Description	a. price variance	b. absorption variance	D30 + F90 Total CC variance
7971-1000	Compounding	935	72.467	73.402
7971-1001	Packaging	3.337	1.544	4.881
TOTAL	AMO	4.272	74.010	78.282
TOTAL	AMO	4.272	74.010	78.282

January	
E00 FC Fixed Costs	2.025.287
4.CC variance (E01-E90)	49.446
a. price variance	-237.373
b. absorption variance	288.819
FC on production	2.074.733
F00 DEP Depreciation	581.344
4.CC variance (D30-F90)	78.282
a. price variance	4.272
b. absorption variance	74.010
DEP on production	659.627