I perform the year-end Inventory revaluation reverse

Domain: Costing

Responsibility area: Supervise Inventory Valuation

Table of contents

- Table of contents
- 1. Objective and Scope
  - 1.1. Objective of this Operation
  - 1.2. Scope
- 2. Definitions
- 3. Tasks description
  - 3.1. Periodicity
  - 3.2. I run the inventory valuation reverse in test mode
  - 3.3. I control the result of the calculation (Once the transaction ZWFA100A is executed in real mode)

Scope

WW

ERP

WP2

Frequency

Year

References

- ZWFA100A
- KE30 - Profitability report

Forms

Attachments

Previous OP << I perform the year-end Inventory revaluation reverse >> *Next OP*

1. Objective and Scope

1.1. Objective of this Operation

The purpose of this document is to explain how the Inventory Revaluation Reverse program will work for **December** closing.

December Closing:

As a regular rule, the ZWFA100A transaction is executed monthly.

At the end of the year, however, standard cost is impacted not only by master data changes, but also by the changes in fixed cost / depreciation activity type price for the New Year (updating of expenses in cost centers and their production capacity). These changes are year specific.

Although, the program will run as usual at December closing but the postings performed will be different from a regular month:

Only the amounts related to VC (Variable Cost) Inventory Reval will be reversed in January P&L and back posted to December (D50 in KE30).

The Reval of FC (Fixed Cost) and Dep (Depreciation) should remain in January (E50 and F50 in KE30).

1.2. Scope

This procedure is applicable to all WP2 companies.

This Procedure is not applicable to WP2 companies using Material Ledger (*Brazilian* and *Korean* companies).

2. Definitions

See Finance - Glossary

3. Tasks description

3.1. Periodicity

December closing D2.

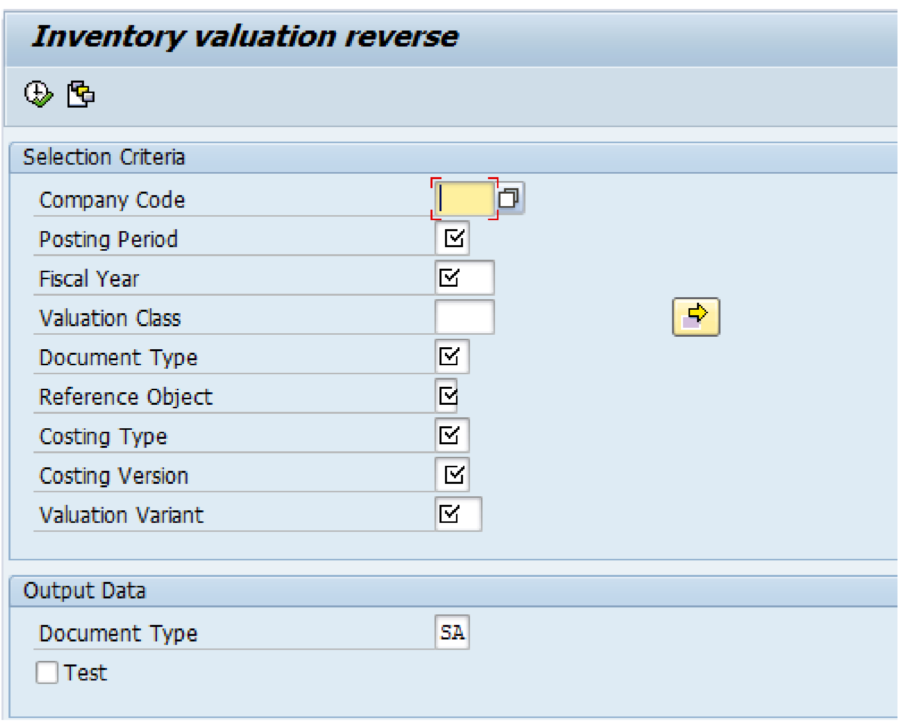
3.2. I run the inventory valuation reverse in test mode

STEP 1

Start the transaction ZWFA100A

Inventory valuation reverse: initial screen

The transaction can be launched in test as many times as required, to check the proposal before actual processing.



STEP 2

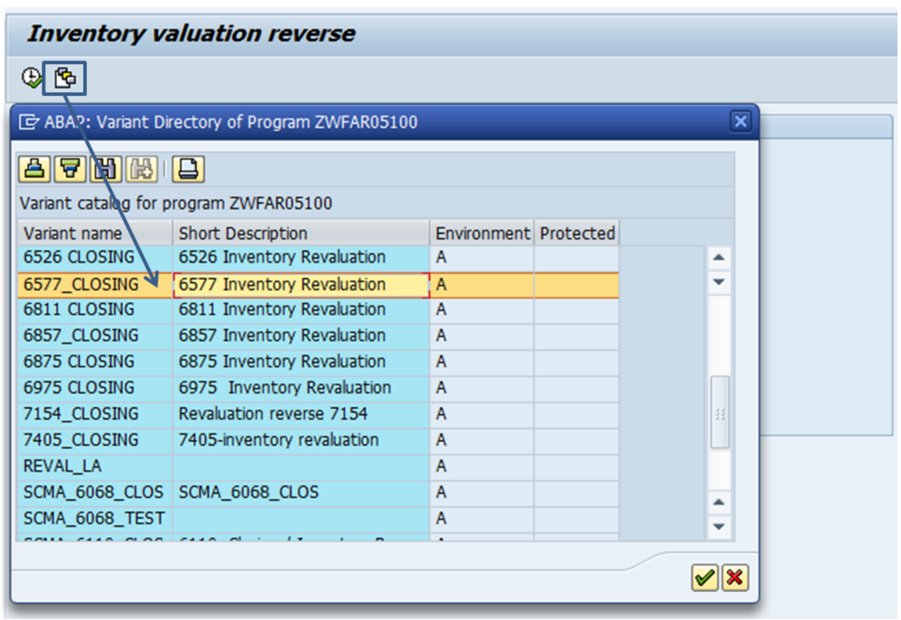
You can look for an existing variant

by clicking on 

Select the variant and 

Enter the period to be reversed:
When you enter 01/2016, the revaluation of stock on 01.01.2016 will be reversed & posted on 31.12.2015.

Execute 



STEP 3

The inventory valuation reverse is displayed.

Extract the report and perform the totals by VC/CP, FC/CNP and DEP /AMO.

Remember that **only** the amounts of **VC will be posted** in December (D50).

If it is confirmed that the sum of VC of the excel file retrieved is equal to the amount proposed for the posting, the transaction ZWFA100A can be executed in real mode.

31.03.2016 Inventory valuation reverse

Company code.....: ZFR3
Reverse period...: 01
Valuation class..:
Reference object.: 0
Costing type.....: 01
Costing version..: 01
Valuation variant: ZFO
Current date.....: 31.03.2016
Hour............: 17:14:32

Processed documents
Relate the accounting documents created in month M:

Accounting doc	Amountr	Currency	Plan	Material	Material Description	Profit Center	ValC	VC / CP	FC / CNP	DEP / AMO
4800001329 - 001	-4.89	EUR	7700	131400	TBC OPTIMA 85% METHANOL - 200KG 216L DR	ZFR3-F1045	Z150	-4.89	0	0
4800001330 - 001	-322.02	EUR	7622	135411	RM TIXOSIL 73	ZFR3-K0534	Z150	-322.02	0	0
4800001331 - 001	-0.04	EUR	7700	131382	TBC OPTIMA 85% WATER -JER.PLAST.10KG 10	ZFR3-F1045	Z150	-0.04	0	0
4800001333 - 001	-13.32	EUR	7700	131373	TBC OPTIMA 100% FLAKES - CARDB.BOX 4X5K	ZFR3-F1045	Z150	-13.32	0	0
								2,253,171.73	124.15	11.59

Total Valrev in EUR : 2.253.171,73-
Total Valuation in EUR : 2.253.171,73

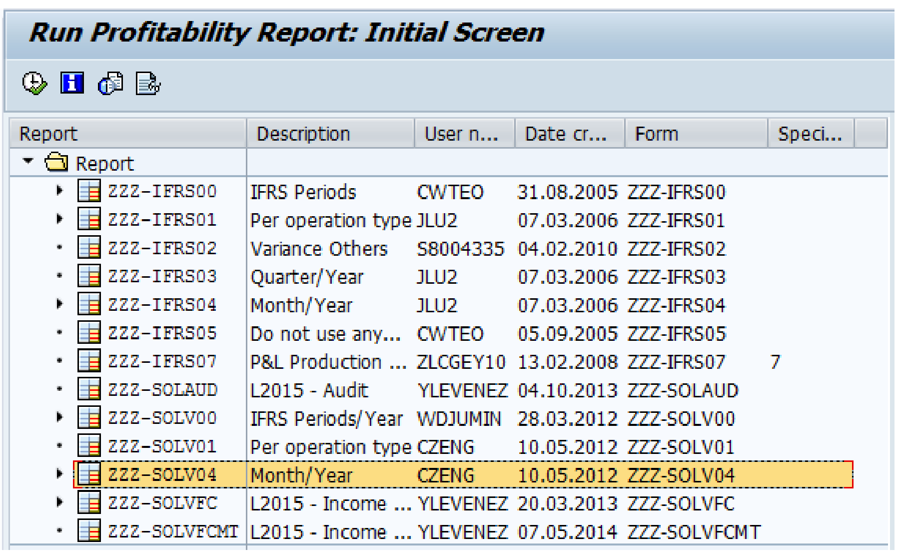
Grand Total Valrev in EUR : 2.253.171,73-
Grand Total Valuation in EUR : 2.253.171,73

3.3. I control the result of the calculation (Once the transaction ZWFA100A is executed in real mode)

STEP 1

Start the transaction KE30 (make sure you are in the right controlling area) and select the report

Run Profitability Report: initial screen



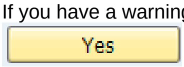
STEP 2

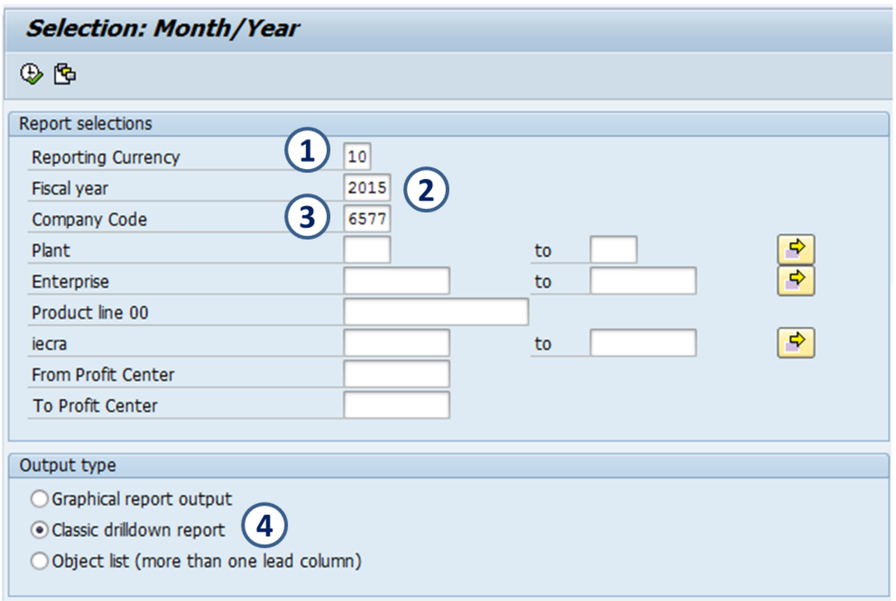
Enter

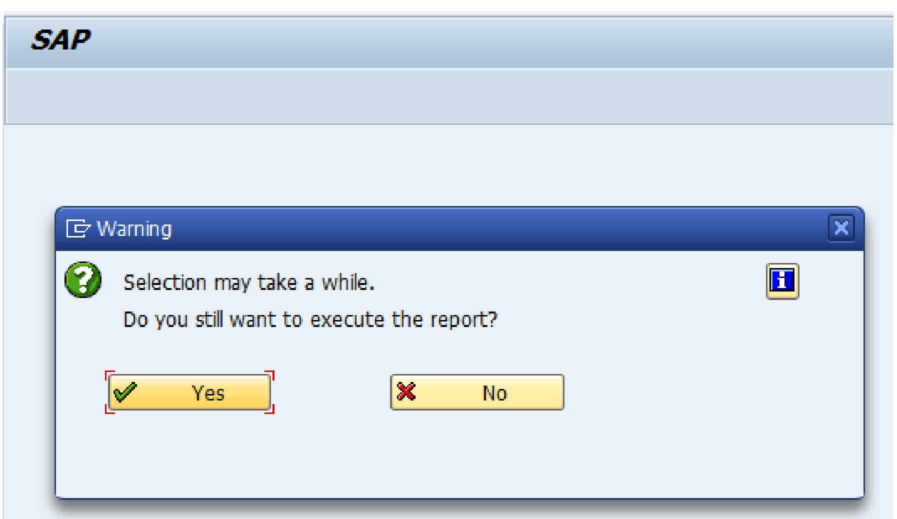
1. Reporting Currency = 10
2. Fiscal year (year that we are closing - 2015 for example)
3. Company Code
4. Select "Classic drilldown report"

Execute

If you have a warning message, click





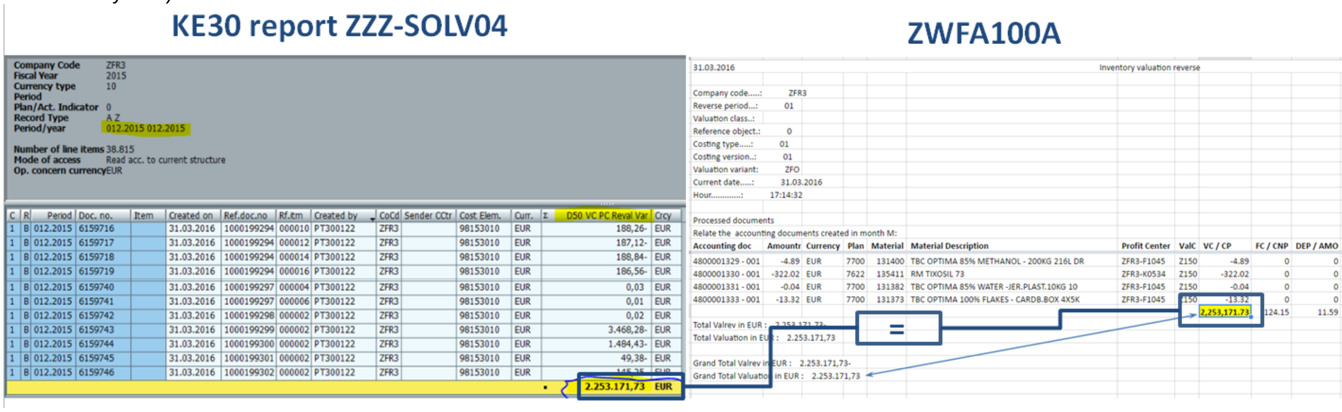


STEP 3

Check the amount in the value field **D 50 in December**, that should be the same as the result of the transaction ZWFA100A.

REMARK: Enter in the line items of the value field "D50" and make the sum or filter by the date of the posting in column "Created on".

You will find the amount on the date that you perform the posting (entry date in the system).



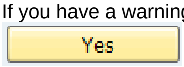
STEP 4

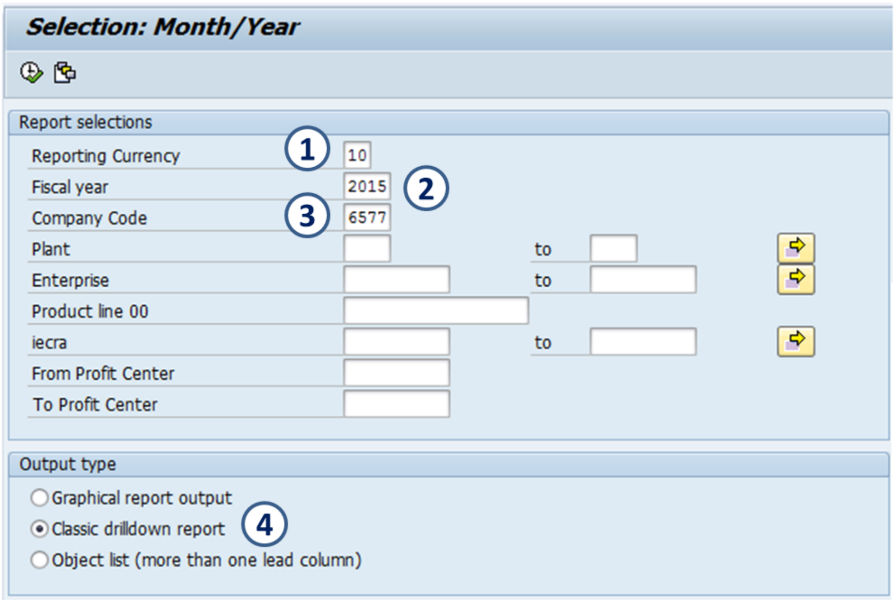
Enter

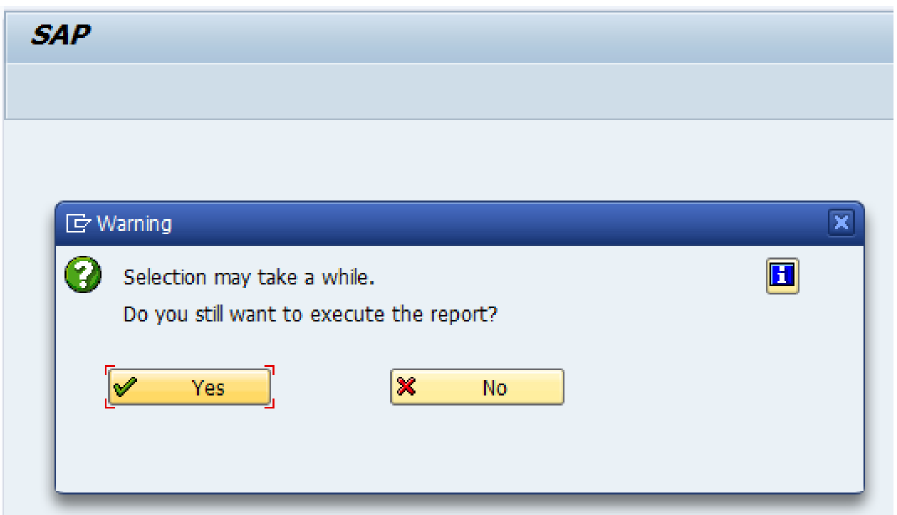
1. Reporting Currency = 10
2. Fiscal year (following year - 2016 for example)
3. Company Code
4. Select "Classic drilldown report"

Execute 

If you have a warning message, click







STEP 5

Check the amounts in the following value fields **in January**, that should be the same as the results of the transaction ZWFA100A.

- D52 -> Shows the reverse of Total costs (VC + FC + DEP)
- D50 -> Shows the Total costs (VC + FC + DEP)
- E50 -> Shows the FC
- F50 -> Shows the DEP

KE30 report ZZZ-SOLV04

ZZZ-SOLV00 Company ZFR3 Rhodia Opérations
IFRS Periods/Year
From period 1
To period 1 Fiscal year 2016
* Not assigned

Company Code ZFR3 Rhodia Opérations

Navigation
- Customer
- Product
- Division
- Distr. Channel

P&L Lines	Period	Year
D01 VC Duty VAT		
D05 VC Process0 Var		
D45 VC CC Variance	1.129.515,39	1.129.515,39
D47 CP EC/T030	96.488,73-	96.488,73-
D50 VC PC Reval Var	2.253.307,47-	2.253.307,47-
D52 CP Rev.CCR T030	2.253.307,47	2.253.307,47
D55 VC Free 1		
E50 FC PC reval Var	124,15	124,15
E52 CNP Rev.CCR T030		
F50 DEP PC Reval Var	11,59	11,59
F65 DEP Others		

ZWFA100A

31.03.2016 Inventory valuation reverse

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Costing type.....: 01
Costing version..: 01
Valuation variant: ZFO
Current date.....: 31.03.2016
Hour............: 17:14:32

Processed documents
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Accounting doc	Amountr	Currency	Plan	Material	Material Description	Profit Center	ValC	VC / CP	FC / CNP	DEP / AMO	Qty/UO
4800000312 - 001	-1,237.38	EUR	7681	61112	HYDROGEN PEROXIDE 70% BU	7681-I1045	Z100	-1,237.38	0	0	167,8
4800000311 - 001	-3,552.86	EUR	7677	61109	NITRIC ACID 69% BULK	ZFR3-L1024	Z100	-3,552.86	0	0	910,9
4800001329 - 001	-4.89	EUR	7700	131400	TBC OPTIMA 85% METHANOL - 20C	ZFR3-F1045	Z150	-4.89	0	0	2,6
4800001330 - 001	-322.02	EUR	7622	135411	RM TIXOSIL 73	ZFR3-K0534	Z150	-322.02	0	0	40,9
4800001331 - 001	-0.04	EUR	7700	131382	TBC OPTIMA 85% WATER -JER.PLAS	ZFR3-F1045	Z150	-0.04	0	0	
4800001333 - 001	-13.32	EUR	7700	131373	TBC OPTIMA 100% FLAKES - CARDE	ZFR3-F1045	Z150	-13.32	0	0	6,0
								2,253,171.73	124.15	11.59	

Total Valrev in EUR : 2.253.171,73-
Total Valuation in EUR : 2.253.171,73

Grand Total Valrev in EUR : 2.253.171,73-
Grand Total Valuation in EUR : 2.253.171,73

VC + FC + DEP
2,253,307.47