

# I perform the FI/COPA reconciliation of COGS (cost of goods sold)

Domain: Costing

Responsibility area: Ensure Costing Allocations

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    - 1. Title of the page = SAP Transaction code, SAP Report or SAP Message
    - 2. Add the following Labels, respectively:
      - SAP Transaction => "sap\_transaction", Transaction code "xxxx"
      - SAP Report => "sap\_report"
      - SAP Message => "sap\_msg"
    - 3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed (e.g. Main selections of the transaction...)
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  - 3.2. I analyse the discrepancies
  - 3.3. I perform the corresponding posting to reconcile FI/COPA

## Scope



WW

## ERP

PF2  
WP2

## Frequency



Month

## References

- ZWFA15P - Reconciliation of Cost of Goods Sold
- Z1K\_RECONCILIATION - Reconciliation of Cost of Goods Sold

## Forms

## Attachments

- ZWFA15P Variances (WP2)
- Z1K\_Reconciliation Variances (PF2)

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## 1. Objective and Scope

### 1.1. Objective of this Operation

The objective of this operation is to guarantee that the delta FI-COPA inside COGS headings equals 0 at the end of the month during closure. It perform the necessary corrections based on defined and approved instructions and the necessary internal controls.

### 1.2. Scope

This procedure is applied to all companies WW.

## 2. Definitions

See [Finance - Glossary](#)

## 3. Tasks description

### 3.1. I run the COGS reconciliation report

#### Tasks to be completed when documenting an SAP Transaction, Report or Message code.

1. Title of the page = SAP Transaction code, SAP Report or SAP Message

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3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed (e.g. Main selections of the transaction...)

#### STEP 1

Use transaction code:



Z1K\_RECONCILIATION -  
Reconciliation of Cost of  
Goods Sold: Initial Screen

Go to transaction **Z1K\_RECONCILIATION**, and select the Default variant (it's important to use this variant and not create different ones, because IS is constantly updating it with more details that might be useful):

| Variant name    | Short Description              |
|-----------------|--------------------------------|
| DEFAULT         | Default Variant SPS COGS Check |
| SPS COGS BACKUP | Check of Cost of Goods Sold    |

After choosing the variant and adding the company code, it's important to press "Enter" so that you have both periods with the same information:

|                       |         |
|-----------------------|---------|
| Operating concern     | FO01    |
| Company Code          | 0270    |
| Calendar year / month | 02.2018 |
| Posting Period        | 1 2018  |

#### STEP 2

After running the report you'll have 3 columns:

- Amount in FI
- Amount in COPA
- Tip: for bigger companies, it might be helpful to make a filter in column "difference" excluding the range -1 to 1:

|                  |              |
|------------------|--------------|
| Select.          |              |
| Difference FI-PA | 1,00 to 1,00 |

| Materi | Plant | FI Amount in LC | Difference  | Kind | PA Amount |
|--------|-------|-----------------|-------------|------|-----------|
| 15366  |       | 1.768,70        | 1.768,70    |      |           |
| 16654  |       | 7.749,60        | 7.749,60    |      |           |
| 19021  |       | 15.301,21       | 15.301,21   |      |           |
| 20424  |       | 103.361,30      | 103.361,30  |      |           |
| 20425  |       | 34.095,40       | 34.095,40   |      |           |
| 23794  |       | 11.992,86       | 11.992,86   |      |           |
| 23796  |       | 6.968,74        | 6.968,74    |      |           |
| 25930  |       | 849,53          | 849,53      |      |           |
| 30156  |       | 1.003.095,90    | 1.003.095,9 |      |           |
| 31851  |       | 126.654,97      | 126.654,97  |      |           |
| 31859  |       | 2.524,94        | 2.524,94    |      |           |
| 31867  |       | 306.069,77      | 306.097,66  |      | 27,89     |
| 31874  |       | 31.630,44       | 31.630,44   |      |           |
| 32490  |       | 2.110,08        | 2.110,08    |      |           |
| 35028  |       | 70.908,03       | 70.908,03   |      |           |
| 35029  |       | 81.575,27       | 81.675,96   |      | 100,69    |
| 35029  |       | 6.150,70        | 6.150,70    |      |           |

## Tasks to be completed when documenting an SAP Transaction, Report or Message code.

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3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed (e.g. Main selections of the transaction...)

### STEP 1

Use transaction code:



ZWFA15P - Reconciliation  
of Cost of Goods Sold:  
Initial Screen

Go to transaction **ZWFA15P**, select the variant of the company code to be analyzed (for example for ZFR3, choose ZFR3\_CLOSING) and Validate and select the corresponding company.

Document Type:

- **WA**: Goods issue
- **WL**: Goods issue/delivery

Movement Code:

- **453** : TP returns to own
- **454** : TP own to returns
- **457** : TP Returns to own QI.
- **459** : TP Ret. to own blkcd.
- **460** : TP Own blkcd to ret.

TP: Transfer to company's own stock

## STEP 2

- The material master record (if the material has a Standard Cost Estimate)
- The invoice whose number appears on this report
- The order

| DocumentNo | Doc. no.          | Ref.doc.no      | It              |
|------------|-------------------|-----------------|-----------------|
| 3-         | <u>28928844</u>   |                 |                 |
| 3-         |                   |                 |                 |
| 3-         | <u>28702183</u>   |                 |                 |
| 0          | <u>6214842826</u> | <u>28514784</u> | <u>93956264</u> |
| ...        |                   |                 |                 |
| 5          | <u>28928840</u>   |                 |                 |
| 5          | <u>6214841781</u> | <u>28519842</u> | <u>93956403</u> |
| 0          |                   |                 |                 |

### FI posting without COPA posting

- CO objects (cost centers, orders, WBS elements) not completely settled.
- Process order confirmations reversed on a different period with a different standard price.
- Deliveries shipped but not billed.
- Sales invoices not released to accounting (VFX3).
- Returns: product returned to stock without credit memo or with a credit memo w/o quantity.
- Direct trading: receipt without billing.

### COPA posting without FI posting

- Direct manual posting in COPA only (document type Z).
- Direct trading: billing without goods receipt.
- Returns: credit memo issued without movement type 45X.

### Variance between the amount posted in FI and the amount posted in COPA for the same operation.

- New material: calculation of the first standard price after some deliveries or production.
- Release of new standard cost of the material between delivery and billing on the month of the delivery.
- Variance rounding up.
- Return: movements 651 and 45X entered on different periods than credit memo.
- Qualification Delayed & Eco Services: Shipped material code different from billed material code. When there is a difference between standard costs of the material codes involved.
- Deletion of a standard cost and recalculation of a new one between shipment and billing.

## 3.3. I perform the corresponding posting to reconcile FI/COPA

After performing the relevant checks and analyzing origins of differences, it is necessary to apply the appropriate corrections, according to [this file](#). The corrections can be done via FI (this is the primary option that should be used almost every time) or via COPA, according to the type of difference.

### Note:

A) For all corrections done in FI it's recommended to use document type S1, and it's mandatory to use one GL account which is mentioned in parameter G/L account for non-GBB:

**FI-CO Reconciliation of cost of goods sold**

Operating concern: FO01  
Company Code: 4056 SOLVAY CHEM (DE)  
Calendar year / month: 07.2019  
Posting Period: 7.2019  
Document Type: PZ  
BKPF Transaction code:  
Movement Type: 453  
Material:  
Plant:  
Acct modification: INV  
G/L account for non-GBB: 6040200000  
Upper Limit for rounding diff.: 1,00 EUR  
CO-PA  
Record Type: X  
Billing Type: G2VS  
Currency type: 10  
Output Layout: /DEFAULT  
E-Mail Address:

Multiple Selection for G/L account for non-GBB

Select Single Values (15) | Select Ranges | Ex

Single value

- 6040200000
- 6040200010
- 6040110000
- 6040200020
- 6400000010
- 6098010100
- 6098010000
- 6098020000

B) For all corrections done in COPA it's mandatory to use one of the following value fields:

FERTP Vbl.manuf.costs  
FERTF Fix prod. costs  
VVF00 F00 DEP Std  
VVD0X D0X VC Variance COGS  
VVE0X E0X FC Var. COGS  
VVF0X F0X DEP Var. COGS  
VVICP ICP Interco cost  
VV151 151 samples  
VVTXA Adj Fiscal Deprec

AND to fill the following characteristics: Material + Plant + Profit Center + Amount.

Additionally, we need to check if which quantities should be posted in our correction:

**Example 1** - Quantities already posted in both modules - In this case, we should not enter any quantity in our document:

| Material | Plant | FI Amount in LC | Difference FI-PA | Kind | PA Amount | DocumentNo | Item | Type | Doc. no. | Doc. Type | Item | Quantity   | Unit | Ref. doc. no. | Ref. doc. item |
|----------|-------|-----------------|------------------|------|-----------|------------|------|------|----------|-----------|------|------------|------|---------------|----------------|
| 10924    | K04B  | 5.801,42        | 5.801,42         |      | 5.754,88  | 6211137461 |      | ML   | 28011499 | F         |      | 24.301,019 | KG   | PA7AB0001     |                |
|          |       | 5.801,42        | -46,62           |      | 5.754,80  |            |      |      |          |           |      | 24.301,019 | KG   | PA7AB0001     | 31050119       |

**Example 2** - Quantities posted only in FI or in CO (only 1 document posted) - In this case, in our document we should post the quantities also:

| CoCd | Material | Plant | FI Amount in LC | Difference | Kind | PA Amount | DocumentNo | Item | Posting Date | Mv  | Doc. no. | Item | RecordTy | Sales Do | Item | Quantity  | BUn |
|------|----------|-------|-----------------|------------|------|-----------|------------|------|--------------|-----|----------|------|----------|----------|------|-----------|-----|
| 4290 | 61504    | DPM   | 840,36          | 840,36     |      |           | 6210411461 |      | 2 09.01.2018 | 453 |          |      |          |          |      | 2.000,000 | LB  |
|      | 61504    |       | 840,36          | -          |      | 840,36    |            |      |              |     |          |      |          |          |      |           |     |
|      |          |       | 840,36          | -          |      | 840,36    |            |      |              |     |          |      |          |          |      |           |     |

**Example 3** - Quantities not posted on both sides - In this case it's necessary to understand why we don't have quantities. For example, here the postings relate the ML and KE27. And these 2 procedures must also be posted without quantities because these transactions are ran in SAP only to correct the price of the materials and, consequently, the stock valorization (the quantities should not be affected). So we should make our correction without entering any quantity:

| CoCd | Material | Plant | FI Amount in LC | Difference | Kind | PA Amount | DocumentNo | Item | Ty | Doc. no. | RecordTy | Pt. of v. | Quantity | BUn |
|------|----------|-------|-----------------|------------|------|-----------|------------|------|----|----------|----------|-----------|----------|-----|
| 4060 | 15730    | BWF   |                 | 17.033,94  |      | 17.033,94 |            |      |    | 32518018 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 17.033,94  |      | 17.033,94 |            |      |    | 32518500 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 15.792,89  |      | 15.792,89 |            |      |    | 32518308 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 14.965,52  |      | 14.965,52 |            |      |    | 32518307 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 14.381,51  |      | 14.381,51 |            |      |    | 32518183 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 1.119,36   |      | 1.119,36  |            |      |    | 32518277 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 1.070,69   |      | 1.070,69  |            |      |    | 32517938 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 170,33     |      | 170,33    |            |      |    | 32518510 | F        | 1         | 0,000    | VKG |
| 4060 | 15730    | BWF   |                 | 121,68     |      | 121,68    |            |      |    | 32518511 | F        | 1         | 0,000    | VKG |
|      |          |       |                 | 76.725,74  |      | 76.725,74 |            |      |    |          |          |           |          |     |
| 4060 | 15730    | BWF   | 76.652,72       | 76.652,72  |      |           | 6414133279 | 267  | ML |          |          |           |          |     |
|      |          |       | 76.652,72       | -          |      | 76.652,72 |            |      |    |          |          |           |          |     |
|      |          |       | 76.652,72       | -          |      | 73,02     |            |      |    |          |          |           |          |     |

A check by plant/material should be done after corrections have been applied to guarantee that everything is OK.

At the end of the analysis and correction process, the gap should be equal or near 0.

After performing the relevant checks and analyzing origins of differences, it is necessary to apply the appropriate corrections, according to [this file](#). The corrections can be done via FI (this is the primary option that should be used almost every time) or via COPA (in exceptional situations only), according to the type of difference.

#### Note:

For all manual corrections to be done, it's mandatory to use the accounts/document type/etc that appears in each variant:

## W1.5.5(001) Reconciliation of cost of goods sold



ALV variant

/ZWFA15RMAT

6068 COGS

### Selection criteria

|                                         |         |    |  |  |
|-----------------------------------------|---------|----|--|--|
| Company code                            | ZFR3    |    |  |  |
| Period                                  | 06.2019 |    |  |  |
| Plant                                   |         | to |  |  |
| Material code                           |         | to |  |  |
| Limit                                   | 1,00    |    |  |  |
| <input type="checkbox"/> Only variances |         |    |  |  |

### Data PA

|                   |        |    |  |  |
|-------------------|--------|----|--|--|
| Operating concern | Z006   |    |  |  |
| Billing Type      | = ZPPL | to |  |  |
| Item Category     |        | to |  |  |
| Record Type       | F      | to |  |  |
| Currency type     | 10     |    |  |  |

### Data FI

|                |          |    |     |  |
|----------------|----------|----|-----|--|
| Document type  | WA       | to |     |  |
| Movement code  | 453      | to | 460 |  |
| Account Number | 98150363 | to |     |  |

### Manual adjustment postings

|                     |           |    |  |  |
|---------------------|-----------|----|--|--|
| Document type       | AD        | to |  |  |
| COPA account number | 98154199  | to |  |  |
| FI account number   | 98350050  | to |  |  |
| Cost center         | ZFR3-9200 | to |  |  |

A check by plant/material should be done after corrections have been applied to guarantee that everything is OK.

At the end of the analysis and correction process, the gap should be equal or near 0.