

KSB1 - Analysis of CCtr *843*

INFO

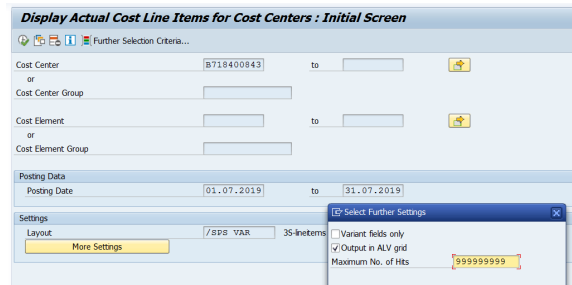
With the implementation of SPS it was created 1 technical CC *843*, which will receive amounts during all month (at each movement done in the material), registered with the price of the respective material.

At the end of the month, with ML and Integrated Margin, the material price is updated and this is also posted in the same CC *843*.

This means that this CC will collect all the price differences of each material, and that it should be balanced after running the Material Ledger and Internal Margin, and should remain only with a small amount, that will then be allocated to value field D43 with a cycle.

STEP 1

Go to KSB1, select your cost center(s) and the layout "/SPS VAR" (this layout is excluding some items which should not be considered as a ML variance, for example subcontracting POs)



Update the number of lines to the maximum 99999999

Accounts excluded automatically in this layout:

Execute

6122000100	External activity
6090021100	Main raw materials-internal issues
6090021200	Other raw materials-internal issues
6090021300	Combustible and energy-internal issues
6090021302	Solid fuel-internal issues
6090021303	Light fuel oil-internal issues
6090021304	Heavy fuel oil-internal issues
6090021400	Semi-finished goods-internal issues
6090021500	Utilities-internal issues
6091021000	Gen & techn items excl packag-int issue
6091021100	Packaging-internal issues
6091021200	Spare parts-internal issues
6092021010	Finished goods purchased-internal issue
6096021000	Finished goods manufact-internal issues
6097021000	Wastes and trashes-internal issues

STEP 2

Identify the materials with an unbalanced amount

Doc#	Bank	Cost Center	CO object name	Part	Material	Material Description	Cost Elem.	CElem name	Is	Value in Obj. Currency
5991	JR930049	COPA D43 5991 -div49		199112	TECHNOFLON N 45C *CZ C5				-	0.00 EUR
		COPA D43 5991 -div49		199111	TECHNOFLON N 25C *CZ C5				-	0.00 EUR
		COPA D43 5991 -div49		199107	TECHNOFLON FOR 509C *CZ				-	0.00 EUR
		COPA D43 5991 -div49		199104	TECHNOFLON FOR 531C *CZ				-	98,061.77 EUR
		COPA D43 5991 -div49		199095	TECHNOFLON FOR 60R/U *C				-	0.00 EUR
		COPA D43 5991 -div49		199091	TECHNOFLON N 95S *CZ Ca				-	0.00 EUR

STEP 3

Material balanced with Internal Margin Program

As mentioned on the beginning of the procedure, the Cost Centers *843* should be balanced with the run of Material Ledger and/or Internal Margin.

When the CC is balanced with ML, it's easy to analyze, as all documents have the material code, so we can make a sub-total by the material. Anyway, it's important to know that the Internal Margin posts the documents in the CC without the material code, making more difficult to identify these situations. **So, how to identify these materials?**

All documents posted via the Internal Margin program are using a KB* document with Document Header Text referring "MKPF" and then a MM doc nr.

As these documents are posted without material code, they can easily be identified in KSB1 by checking these 2 characteristics mentioned (material number and document header text). By rule, before running the cycle D43, the only documents without material code should come from the Int.Margin program (it's technically possible to have other manual documents without material code, but it is not correct, and they will not be read by the cycle). Anyway, it can be confirmed.

Situation 1 - Easy to identify the respective materials:

In the situation below we can easily see that the Int.Margin program is considering the 3 materials below, as their total is 0. In this case, despite the CC be balanced for these materials, it's just because technically the Int.Margin doesn't add the material code, because it's everything OK.

Cost Center	Cost Element	Cost element name	D/C	Val in rep. cur.	Material	Partner object	Document Header Text
69843000F	698802000	FC ADJUSTM COGS COPA C		47,27 EUR		0270 Prof. analysis/7310/MS	MKPF493689246
69843000F	698802000	FC ADJUSTM COGS COPA C		50,23 EUR		0270 Prof. analysis/7310/MS	MKPF493689246
69843000F	698802000	DEPR ADJUS COGS COPA C		34,84 EUR		0270 Prof. analysis/7310/MS	MKPF493689246
69843000F	698802000	FC ADJUSTM COGS COPA C		50,06 EUR		0270 Prof. analysis/7310/MS	MKPF493689246
69843000F	698802000	FC ADJUSTM COGS COPA C		53,39 EUR		0270 Prof. analysis/7310/MS	MKPF493689246
69843000F	698802000	DEPR ADJUS COGS COPA C		36,79 EUR		0270 Prof. analysis/7310/MS	MKPF493689246
				66,11 EUR			
				0,01 EUR			
				0,01 EUR			
				66,09 EUR			
				0,00 EUR			

Situation 2 - Total of Internal Margin is not balancing the materials:

However, we might have situations where the total material is not balanced with the Int.Margin, and a delta remain - In the example below, we can see that the Int.Margin program is considering some of the materials below, but a part of the total amount is not balanced (as we remain with a final delta of 150€, which we can't easily identify to which material it refers).

Cost Center	Cost Element	Cost element name	D/C	Val in rep. cur.	Material	Partner object	Document Header Text
388430047	698802000	FC ADJUSTM COGS COPA C		1,60 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		20,61 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	DEPR ADJUS COGS COPA C		142,85 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		1,94 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		475,11 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	DEPR ADJUS COGS COPA C		172,31 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		1,20 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		294,39 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	DEPR ADJUS COGS COPA C		107,40 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		1,28 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		313,99 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	DEPR ADJUS COGS COPA C		114,55 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		9,55,00 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	FC ADJUSTM COGS COPA C		28,58,00 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
388430047	698802000	DEPR ADJUS COGS COPA C		55,94,00 EUR		0270 Prof. analysis/7470/RD	MKPF4936869347
				15,443,82 EUR			
				0,04 EUR			
				2,010,97 EUR			
				0,01 EUR			
				17,459,06 EUR			
				0,01 EUR			
				0,01 EUR			
				1,08 EUR			
				0,10 EUR			
				0,01 EUR			
				0,27 EUR			
				0,01 EUR			
				115,63 EUR			
				0,08 EUR			
				0,01 EUR			
				0,01 EUR			
				0,01 EUR			
				0,01 EUR			
				0,01 EUR			
				0,01 EUR			
				0,01 EUR			
				150,06 EUR			

In case we have a big delta and we really need to know the respective materials, the only way is to enter in the MM documents and check it manually.

Example:

- In KSB1 we can retrieve the MM document number, in the field of the Document Header Text.

Posting Date	Cost Element	Cost element name	D/C	Val in rep. cur.	DocumentNo	Document Header Text
31.10.2020	6098020000	FC ADJUSTM COGS COPA C		1,60	202036178	MKPF4936869347
31.10.2020	6098010000	VC ADJUSTM COGS COPA C		391,61		MKPF4936869347
31.10.2020	6098030000	DEPR ADJUS COGS COPA C		142,85		MKPF4936869347
				536,06	202036178	
31.10.2020	6098020000	FC ADJUSTM COGS COPA C		1,94	202036179	MKPF4936869347
31.10.2020	6098010000	VC ADJUSTM COGS COPA C		475,11		MKPF4936869347
31.10.2020	6098030000	DEPR ADJUS COGS COPA C		172,31		MKPF4936869347
				650,36	202036179	
31.10.2020	6098020000	FC ADJUSTM COGS COPA C		1,20	202036180	MKPF4936869347

- We can go to MB03 and insert this document number:

Item	Quantity	UoM	Material	Plant	SLoc	Batch	Re	Mvt	S
1	19.980,000	KG	31867	ROAB	MGPF	ROAOCT20			641
			BIR TEC 0/50						
2	19.980,000	KG	31867	MSCB					641
			BIR TEC 0/50						

In this situation, this amount 536,06€ is linked to the material 31867_ROAB, meaning it should be summed with the amount already present for this material in KSB1. So, after the analysis, we can see that this material has a final delta of 1.483,31€ (-2.019,37 + 536,06):

Doc	Material	Plant	Cost Center	CO object name	Cost Element	Cost element name	D/C	Value	Doc. No.	Document No.
31867	31867	ROAB	8084300047	COPA 043 0270 -d447	6096311000	FG manu-adjust PAP	C	2.019,37	58239514	58239514
								2.019,37	58239514	58239514
								2.019,37		

STEP 4

Analyze the reason for the unbalanced amount - usually after running the last step of ML + IM, all materials should be 0

All materials with amounts higher than the threshold agreed (see below) should be analyzed before running the cycle to COPA:

- KLE: Threshold by product 5.000 € (to be converted accordingly for the non-EUR companies), with a maximum of 50.000 € by company code.
- Non KLE: Threshold by product 1.000 € (to be converted accordingly for the non-EUR companies), with a maximum of 25.000 € by company code.

For each situation, after analyzing the origin of the deltas, it's important to understand if there is any issue or not.

For the situations where we find issues (example: material master data is incorrectly set with S2 and should be S3, allowing the run of ML) the correct way would be to reverse and re-run the IM / ML - final validation to be provided by the controller, depending on the closure status + amount at stake.

If the material is showing a difference, but there is no real issue (example: materials with S2) we can continue with the process and, if needed, provide the justification to the controller, for his/her awareness that this amount will be allocated to D43.

Situation 1 - Material is S2:

The Material Ledger will roll-up the variances only for materials with the following master data (to be checked in MM03, tab "Accounting 1):

- Price Control = S (Standard)
- Price Determination = 3 (Single/Multi Level)

Meaning that all the variance captured in a material with S + 2 will not be settled by CKMLCP, and the variance will reside in 843 cost center, subsequently assessed to COPA via cycle.

Category	Quantity	Unit	Price	Currency	ActualVal.	Valuation	S-L diff.	M-L diff.	Diff.	Price diff	Exch. diff.
Beginning Inventory	20.000	KG	0,00	CNY	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Price Changes	0,000	KG	0,00	CNY	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Receipts	1.100.000	KG	89,146	CNY	98,061,27	0,00	98,061,27	0,00	98,061,27	98,061,27	0,00
Stock transfer	1.100.000	KG	89,146	CNY	98,061,27	0,00	98,061,27	0,00	98,061,27	98,061,27	0,00
Cumulative Inventory	1.120.000	KG	87,545	CNY	98,061,27	0,00	98,061,27	0,00	98,061,27	98,061,27	0,00
Consumption	0,000	KG	0,00	CNY	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Ending Inventory	1.120.000	KG	0,00	CNY	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Everytime we have a difference because of this, it's important to understand if the material is correctly classified or not. How? Checking the rules for each material here and, in case of doubts, contacting SU-MAC Team.

Situation 2 - Not Allocated:

Consumption for Movement 309 was not revaluated. The S-L / M-L variance in Cumulative Inventory which should belong to the moved stock now was put away as Not Allocated, due to targeting material with S + 2 .

Material Price Analysis

Costing Cockpit Set Costing Run

Material: 29313 H202 ds @INT
 Plant: JEI SCHM-BE /JEMEPE-SAMBRE
 Valuation Type:
 Sales Order Stock/Project Stock
 Period/Year: 2 2018 Period Status: Closing Entry Completed
 Curr./Valuation: Company code currency EUR
 View: Price Determination Structure

Category	Quantity	Unit	Price	Currency	ActualVal.	PrelimVal.	S-L diff.	Mult. df.	Price diff.	Exdt. diff.	Diff.
• Beginning Inventory	201,740,320	IKG	366,81	EUR	73,999,49	45,452,09	7,526,83	21,020,57	28,547,40	0,00	28,547,40
• Receipts	147,210,000	IKG	370,41	EUR	54,528,54	33,166,42	15,796,07	5,566,05	21,362,12	0,00	21,362,12
• Cumulative Inventory	348,950,320	IKG	368,33	EUR	128,528,03	78,618,51	23,322,90	26,586,62	49,909,52	0,00	49,909,52
• Consumption	162,754,350	IKG	368,33	EUR	59,946,91	36,668,55	10,878,06	12,400,30	23,278,36	0,00	23,278,36
• Not Allocated	0,000	IKG	0,00	EUR	7,774,02	0,00	3,632,83	4,141,19	7,774,02	0,00	7,774,02
• Production	162,754,350	IKG	320,56	EUR	52,172,89	36,668,55	7,245,23	8,259,11	15,504,34	0,00	15,504,34
• Ending Inventory	186,195,970	IKG	368,33	EUR	68,581,12	41,949,96	12,444,84	14,186,32	26,631,16	0,00	26,631,16

How to calculate the amount not allocated?

The idea of the revaluation is that this amount is split by all materials of this consumption. In this case, the ones below:

Material: 29313 H202 ds @INT
 Plant: JEI SCHM-BE /JEMEPE-SAMBRE
 Valuation Type:
 Sales Order Stock/Project Stock
 Period/Year: 2 2018 Period Status: Closing Entry Completed
 Curr./Valuation: Company code currency EUR
 View: Price Determination Structure

Category	Quantity	Unit	Price	Currency	ActualVal.	PrelimVal.	S-L diff.	Mult. df.	Price diff.
• Beginning Inventory	201,740,320	IKG	366,81	EUR	73,999,49	45,452,09	7,526,83	21,020,57	28,547,40
• Receipts	147,210,000	IKG	370,41	EUR	54,528,54	33,166,42	15,796,07	5,566,05	21,362,12
• Cumulative Inventory	348,950,320	IKG	368,33	EUR	128,528,03	78,618,51	23,322,90	26,586,62	49,909,52
• Consumption	162,754,350	IKG	368,33	EUR	59,946,91	36,668,55	10,878,06	12,400,30	23,278,36
• Not Allocated	0,000	IKG	0,00	EUR	7,774,02	0,00	3,632,83	4,141,19	7,774,02
• Production	162,754,350	IKG	320,56	EUR	52,172,89	36,668,55	7,245,23	8,259,11	15,504,34
• 29077 JEI	26,662,000	IKG	368,33	EUR	9,812,98	6,002,44	1,780,68	2,029,86	3,810,54
• 35392 JEI	4,634,000	IKG	368,33	EUR	1,706,83	1,044,04	309,72	353,07	662,79
• 35423 JEI	67,409,100	IKG	368,33	EUR	24,828,63	15,187,27	4,505,44	5,135,92	9,641,36
• 45441 JEI	9,716,000	IKG	368,33	EUR	3,576,86	2,189,01	649,39	740,26	1,389,65
• 49145 JEI	54,353,250	IKG	225,30	EUR	12,245,79	12,245,79	0,00	0,00	0,00

If we check the master data of all these materials, we'll see that the last one is S2, and not S3, so, the ML is not able to allocate the revaluation part for this material - it only revaluates for the others.

Quality management Accounting 1 Accounting 2 Plant stock Stor. loc. stock

Material: 49145 H202 AG-BATH-600 CONCENTRATE
 Plant: JEI SCHM-BE /JEMEPE-SAMBRE
 Val. type: PRODUCED

Period 003.2018 Period 002.2018 Period 012.2017 Future costing run Current costing run Pre...

General Valuation Data
 Total Stock: 0,000 Base Unit: IKG kg
 Division: I3 Valuation Cat.: B
 Valuation Class: Z100 Valuated Un:
 VC: Sale Ord. Stk: ML act. Mat. Price Analysis
 Project Stock VC: Price Determ.: Transaction-Based

Prices and values
 Currency: EUR Company code currency
 Standard Price: 134,05
 Per. unit price: 130,00
 Price Unit: 1.000
 Prc. Ctr: S
 Inventory Value: 0,00

Total Qty	Actual Production	Value
162,754,350	162,754,350	52,172,89
Only for material 49145	232,78,36	7,774,02

The % is the same

Total amount to allocate = 15,504,34 = 7,774,02 / 23,278,36
 134 were allocated, and 74 were not so the % that was not allocated corresponds to material 49145 (because it's not revaluated by the ML)

Situation 3 - Not Distributed (Zero GR from PP Order)

Variance was generated by the PP order settlement, but the produced qty is zero and no any stock at CKMLCP closing, so ML is not able to distribute that variance. (company 4290).

Material Price Analysis

Costing Cockpit - Set Costing Run

Material: 05040 10 FUCHS-FCO *GRM 530L 2PA P260
 Plant: 000 10 KORN GR /202121 BIRKE, WV
 Valuation Type: PROCCED
 Period/Year: 9 2017
 Cur./Valuation: 10 Company code currency
 View: P9 Price Determination Structure

Category	Quantity	Unit	Price	Currency	ActualVal.	PrelimVal.	S4 diff.	Mult. diff.	Price diff.	Extr. diff.	Diff.
Beginning Inventory	0,000	LB	0,00	USD	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Production	0,000	LB	0,00	USD	590,11	0,00	590,11	0,00	590,11	0,00	590,11
PP Order Settlement 750707	0,000	LB	0,00	USD	590,11	0,00	590,11	0,00	590,11	0,00	590,11
Not Distributed	0,000	LB	0,00	USD	590,11	0,00	590,11	0,00	590,11	0,00	590,11
Cumulative Inventory	0,000	LB	0,00	USD	590,11	0,00	590,11	0,00	590,11	0,00	590,11
Consumption	0,000	LB	0,00	USD	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Ending Inventory	0,000	LB	156,33	USD	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Situation 4 - Not Distributed (Negative Open Stock):

This is happening because the beginning inventory is smaller than receipts quantity for this month in this material. Consequently this difference can't be fully distributed by the system.

Material: 23561 Flumspor, acid grade *DV
 Plant: bwp SFU-DE (BAD WIMPFEN)
 Valuation Type:
 Period/Year: 6 2018
 Cur./Valuation: Company code currency
 View: P9 Price Determination Structure

Category	Quantity	Unit	Price	Currency	ActualVal.	PrelimVal.	S4 diff.	Mult. diff.	Price diff.	Extr. diff.	Diff.
Beginning Inventory	3.010.586,000	KG	311,26	EUR	937.082,77	801.478,21	135.604,56	0,00	135.438,71	165,85	135.604,56
Production	6.061.402,000	KG	386,30	EUR	2.341.811,67	1.613.667,96	728.143,71	0,00	728.200,49	2.636,58	728.143,71
Not Distributed	0,000	KG	0,00	EUR	248.095,04	0,00	248.095,04	0,00	247.511,98	573,06	248.095,04
Cumulative Inventory	9.071.993,000	KG	388,78	EUR	3.526.989,48	2.415.146,17	1.111.843,31	0,00	1.113.340,58	1.497,07	1.111.843,31
Consumption	2.222.866,000	KG	388,78	EUR	875.864,29	599.737,09	276.126,30	0,00	276.478,07	371,77	276.126,30
Ending Inventory	6.849.127,000	KG	388,78	EUR	2.651.125,19	1.815.387,98	835.737,21	0,00	836.862,51	1.125,39	835.737,21

How to calculate the amount not distributed?

Go to transaction CKMVFM and fill the company code + material + plant + period

Value Flow Monitor

Company Code: 4060
 Material: 23561 to
 Plant: bwp to
 Valuation Type: to

Extended Selection

Selection By

Period

Period: 6
 Year: 2018

Costing Run

Display Materials

All
 With Not Distributed/Included Differences

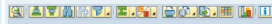
Outcome of the transaction:

Detail View: Not Distributed Price Differences

Material: 23561 Fluorouracil grade *DIV
 Plant: BWF SELU-GE /BAD WINNEN
 Crpy type/val: Company code/currency: EUR

Calculation

Cum quant.: Qty sub. adjust Unit & Distrib. PD Sub-Adj ERD-adjust: Net distr.: Crpy Item
 9.071.993,000 14.383.736,000 KG 63,00 247.121,38 973,66 248.095,04 EUR Δ



Relevant Documents

Category	DocumentNo	Item	Year	Qty sub. adjustments	Unit	Sub-adj. price diff.	Sub-adj. ExRateDiff.	Crpy
Receipts	103990226	1	2018	2.248.646,000	KG	27.596,85		0,00 EUR
	1039960355		2018			10.409,31		0,00 EUR
	1039975178		2018			0,00		498,86 EUR
	1039989941		2018	2.876.354,000	KG	766.034,60		3.650,93 EUR
	1040017146		2018	1.427.934,000	KG	0,02		0,00 EUR
	1040018851		2018			5.633,47		0,00 EUR
	1040019020		2018			6.728,50		0,00 EUR
	1040031136		2018			36.310,95		0,00 EUR
	1040053978		2018			29,95		515,49 EUR
	1040073445		2018	2.461.258,000	KG	2.202,64		0,00 EUR
		2	2018	1.698.213,000	KG	2.202,63		0,00 EUR
	1040082077	1	2018	480.512,000	KG			
	1040099286		2018	1.076.854,000	KG			0,17 EUR
	1040120336		2018			5.120,37		0,00 EUR
	1040150477		2018	481.705,000	KG			
	1040176041		2018	1.632.200,000	KG		0,11	0,00 EUR
				14.383.736,000	KG	669.183,12		2.636,58 EUR

Technical Calculation:

$$= 669.183,12 * (9.071.993 / 14.383.736) = 422.061,74$$

$$= 669.183,12 - 422.061,74 = 247.121,38$$

$$= 247.121,38 + 973,66 - 248.095,04 = \text{Balance of material 23561-BWF allocated to D43}$$