

FC - Fixed costs report - P&L impact

The workbook that is recommended to use when working on fixed costs analysis is [FC-End month - P&L reconciliation COPA \(Core Query\)](#). However when working with cost centers shared with other GBUs, the workbook "FC-End month - P&L select - P&L Impact" can be more relevant.

In this page, you will see based on an example the difference between the standard workbook [FC-End month - P&L reconciliation COPA \(Core Query\)](#) and the workbook "FC-End month - P&L select - P&L Impact" and in which cases it is recommended to use the workbook "FC-End month - P&L select - P&L Impact".

Then there is the procedure to access the workbook "FC-End month - P&L select - P&L Impact" with a description of the prompt and main measures available in the workbook.

What is the difference between the standard workbook "Reconciliation COPA" and the workbook "P&L Impact"

Let's take an example to explain the difference between both workbooks:

Example

The cost center 7418-6007 is used to record the administrative costs of the legal entity 7418.

In January 100 kUSD were posted on the cost center 7418-6007 with the detail below:

| | |
|----------------|---------|
| Labour | 60 kUSD |
| T&E | 10 kUSD |
| Others | 30 kUSD |

Standard case: One cost center = One GBU

The owner of cost center **7418-6007** is the GBU **CS** - Novocare as its profit center 7418-I0449 belongs to the GBU CS - Novocare (see: [Profit center](#))

The screenshot shows the configuration for Cost Center 7418-6007. The Controlling Area is Z026 and the Valid From date is 01.02.2019. The Country Event is Solvay Asia Pacific. Under the 'Basic data' tab, the Profit Center is 7418-I0449, which is associated with CS00 Non Allocated N. A blue arrow points from the Profit Center field to the text 'GBU = CS' below it.

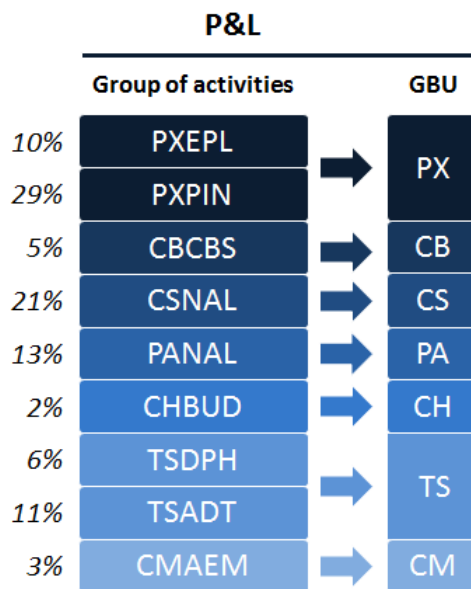
In the standard BW fixed costs report ([FC-End month - P&L reconciliation COPA \(Core Query\)](#)), all costs posted on the cost center 7418-6007 are reported in the GBU Novocare. It corresponds to what is expected if the cost center is fully allocated to the GBU Novocare.

| BFC Global Business Unit | | | NOVOCARE |
|--------------------------|---------------|---------------------|-------------------|
| Responsible Cost Center | Country Event | Fixed cost Group 2 | [+] Actual (Conv) |
| 7418-6007 | | LABOUR | 60,00 |
| | | PURCHASES, SERVICES | 30,00 |
| | | Travel expenses | 10,00 |
| Result | | | 100 kUSD |

i When cost centers are fully allocated to a single GBU which is the most common case, it is recommended to use the workbook [FC-End month - P&L reconciliation COPA \(Core Query\)](#).

Special case: One cost center = More than one GBU

However in some cases a cost center can be shared with other GBUs. For instance the cost center 7418-6007 can be shared with other GBUs and allocated to the P&L to several GBUs as detailed in the diagram :



The GBU CS - Novecare doesn't want to report 100 % of costs posted in the cost center 7418-6007 but only 21 % of the costs allocated to the GBU with the same level of details (Labour / Purchases / T&E). In this case, the workbook FC-End month - P&L select - P&L Impact can be used.

| | | BFC Global Business Unit | NOVECARE | OTHER GBUS |
|-------------------------|---------------|--------------------------|----------------|----------------|
| Responsible Cost Center | Country Event | Fixed cost Group 2 | | |
| 7418-6007 | | LABOUR | 12,60 | 47,40 |
| | | PURCHASES, SERVICES | 6,30 | 23,70 |
| | | Travel expenses | 2,10 | 7,90 |
| Result | | | 21 kUSD | 79 kUSD |

i When cost centers are shared with other GBUs, it is possible to use the workbook BW_WBK_FC_0006 FC-End month - P&L select - P&L Impact (Core Query) or BW_WBK_FC_0007 FC-End month - P&L select - Monthly P&L Impact (Core Query) to report the part of the cost center allocated to each GBU.

Access the workbook: FC-End month - P&L select - P&L Impact

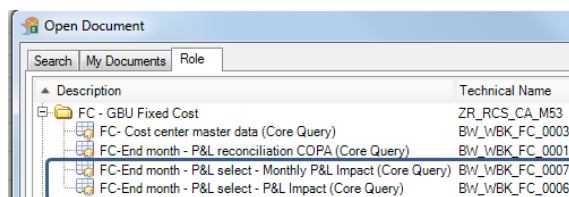
Select the **workbook** you want to use:

- BW_WBK_FC_0006 FC-End month - P&L select - P&L Impact (Core Query)
- or BW_WBK_FC_0007 FC-End month - P&L select - **Monthly** P&L Impact (Core Query)

i **What is the difference between the 2 workbooks ?**

The difference is the exchange rate used, the rest is the same.

When there is "Monthly" in the description of the workbook it means the exchange rate conversion is done as it is done in BFC. (see: [P&L - Exchange rates](#))



1. Enter the Fiscal Year/Period: *in the example 001.2019*
2. Enter the BFC GBU code: *in the example CS for Novecare*
3. It is possible to enter 5 group of activities (detailed in the section [Allocation by group of activities](#))
4. By default there is the list of BFC accounts used for SG&A

Fiscal Year/Period (Selection Options, Optional) **1**

P&L GBU **2**

P&L BFC group of activities 1

P&L BFC Group of activities 2

P&L BFC Group of activities 3 **3**

P&L BFC Group of activities 4

P&L BFC Group of activities 5

BFC Account (Selection option) **4**

- The measure "P&L allocation - Total" (2) is the total of costs posted on the cost center reported on each raw.
- The measure "P&L allocation - Total GBU TS" (3) is the part of the cost center that was allocated to the P&L. It comes from the P&L in COPA.
- The part allocated the the GBU (3) divided by the total of the cost center (2) gives a ratio (5) that is used to calculate the measure "P&L Paid by TS" (4)

| Responsible Cost Center | Fixed cost Group 2 | Actual - Destination | P&L allocation - Total | P&L allocation - Total GBU TS | P&L Paid by TS |
|-------------------------|--------------------|----------------------|------------------------|-------------------------------|----------------|
| 7418-5001 | Country Management | LABOUR | 2 827 807 JPY | 1 775 838,00 JPY | 480 726 JPY |
| 7418-5001 | Country Management | PURCHASES, SERVICES | 473 832 JPY | 1 775 838,00 JPY | 80 551 JPY |
| 7418-5001 | Country Management | Travel expenses | 706 850 JPY | 1 775 838,00 JPY | 120 164 JPY |
| 7418-5001 | Country Management | COPA | 1 775 838 JPY | 301 892 JPY | 301 892 JPY |
| 7418-5001 | Country Management | Sales | -2 221 JPY | 1 775 838 JPY | -31 892 JPY |

$$\textcircled{5} = \textcircled{3} / \textcircled{2} = 17 \%$$

Obviously it is not necessary to display the measure (3) & (4) in the final reporting but can be used to understand how the allocation to a GBU is done.