

# US - 7424 - Balance Sheet and P&L Review

## Tasks to be completed when documenting an operation (from creation to publication)

1. Enter the **Title of the operation / page**

2. Add the following Labels:

- Scope of applicability: ww, country\_accounting
- Country or group of countries (if applicable): belux, china, france, italy, lam, nam,uk\_ie, bulgaria, dach, netherlands, iberia, poland, latvia, australia, india, japan, south\_korea, thailand, singapore, new\_zealand, emea\_transversal, apac\_transversal
- Unit and Domain according to the [List of labels to be used in the Finance Service Line space](#)
  - E.g. 1: WW Operation in Financial Accounting under domain "Central Finance Processes & Compliance":
    - Labels to be used: **ww, financial\_accounting, central\_fin\_proc\_compliance**
  - E.g. 2: France Operation in Financial Accounting:
    - Labels to be used: **country\_accounting, france, financial\_accounting**  
(for country operations, the Domain is always country\_accounting)

3. Fill in all fields as described above

4. Name the title of each section using OPD methodology naming convention - **Infinitive verb without the "to", mainly action verb...something) -" I do something..."**

5. Once the description of the operation is completed, ensure it is approved and published by launching the [SBS-Finance approval workflow](#)

Domain: Country Accounting

Responsibility area:

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## Scope

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 Unknown Attachment

## ERP

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 **WP1**

## Frequency

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 **Month**

## References

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## Forms

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[7424 BS - MM.YYYY Template](#)

[7424 - P&L MM.YYYY Template](#)

[P&L - Obsolete market MM.YYYY - Template](#)

## Attachments

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[Balance Sheet & P&L Review](#)

<< US - 7424 - Balance Sheet and P&L Review >>

# 1. Objective and Scope

## 1.1. Objective of this Operation

The purpose of this document is to explain how to perform the balance sheet and P&L review for the month end to begin the data extractions from SAP to BFC upload for 7424 company code in WP1 system.

## 1.2. Scope

Company applied is 7424 done on D+2 monthly and can be done on D+1 as well, but the final version will be always D+2.

It can be applied to other companies as well, as there are multiple ways to check the balance sheet and P&L.

## 2. Definitions

See [Finance Glossary](#):

- [Cost Center](#)
- [GBU](#)
- [P&L](#)
- [SAP](#)
- [WP1](#)

## 3. Tasks description

### 3.1. I Check the Balance Sheet

#### 3.1.1. I Check the Balance Sheet

There are multiple ways to check the balance sheet.

It does not matter if you take the report on GR55 transaction, report group Z4F1 (balance) or Z4F3 (comparing 2 periods), the most important is:

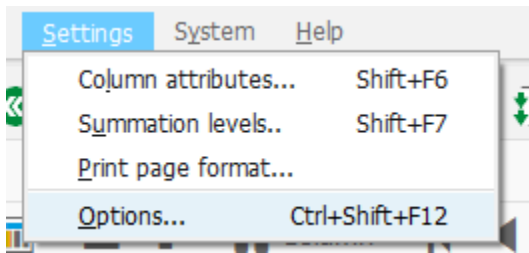
- Check the big movements between one month to another;
- Check if things that are always posted monthly as IFRIC 21 amortization, depreciation, Fixed Asset Suppliers Debit procedure, F101 procedure, stock in transit procedure, etc;
- Check manual accounts more detailed by going to FBL3N transaction for the month and check for inconsistencies, etc (this can be done on D+1 as well);
  - The manual accounts are: 40100330, 40100332, 41100500 and 47800200.

#### 3.1.2. I Retrieve the Balance Sheet Data 1st Method

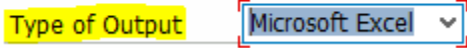
To extract the report, go to GR55 transaction and report group Z4F1. Include the company and the period:

The image shows two screenshots from the SAP system. The first screenshot is titled 'Execute Report Group: Initial Screen'. It features a navigation bar with icons for 'Data extracts', 'Multiple selection', and a refresh icon. Below this, the 'Report Group' field is set to 'Z4F1' and the report name is 'BFC balance sheet - year overview'. The second screenshot is titled 'BFC balance sheet - year overview: Selection'. It shows the 'Selection values' section with 'Fiscal Year' set to '2022' and 'To period' set to '2'. The 'Selection groups' section shows 'Company code' as an empty field and 'Or value(s)' set to '7424', with a 'to' field and a selection icon to its right.

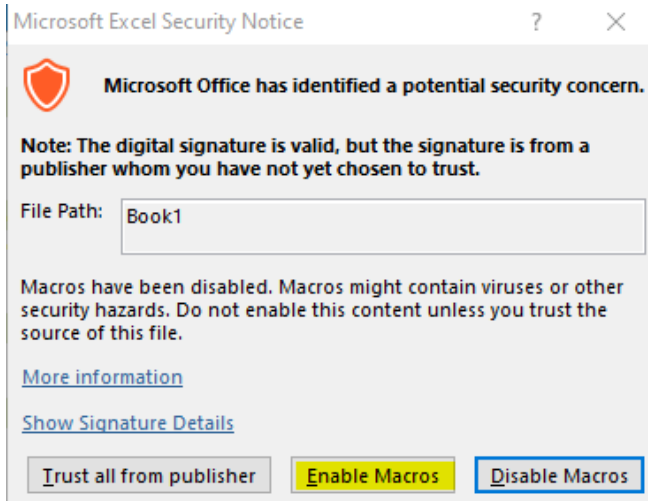
Then, to extract it to excel, go to settings > options > type of output select "Microsoft Excel":



### Office integration



It will appear a message in the excel. Just click on "Enable Macros":



Then, the SAP report will be transformed into an Excel version. Select all and just copy and paste it to an excel file with Ctrl+C and Ctrl+V.

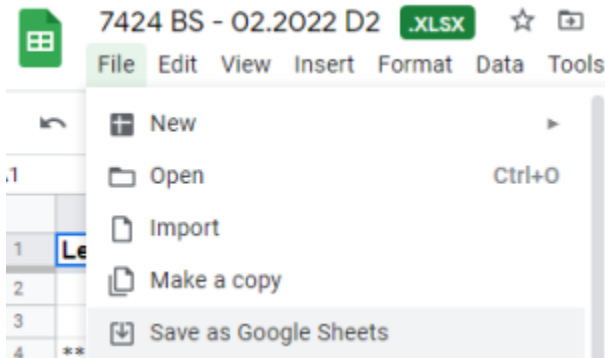
You can use this template [7424 BS - MM.YYYY Template](#) to get the monthly variation and to maintain historical analysis and also to remember the accounts for next month.

### 3.1.3. I Save it in Shared Drive

Then, you can save it in this folder in share drive: [Balance Sheet & P&L Review](#).

After uploading the file, you can transform it to google sheets version to not take up space in the shared drive:

- Open the file uploaded and click on file > save as Google Sheets:



It will open a new tab with the GSheets version and the .XLSX will disappear in the name:

After that, you can delete the file with excel version.

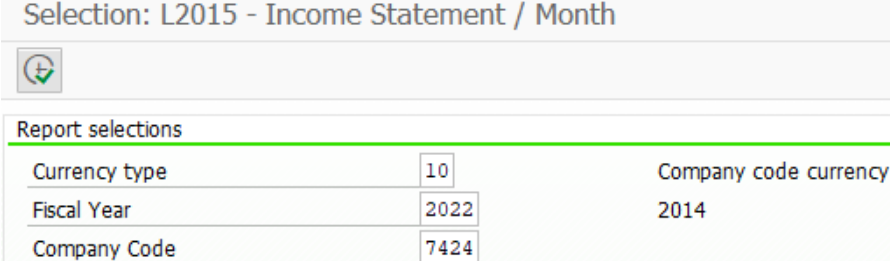
Send the excel version or the Google Sheets version to the CAM with your comments a highlight in yellow what you have questions or doubts to check with the CAM and advise him/her.

### 3.2. I Check the P&L

#### 3.2.1. I Check the P&L

Go to transaction KE30 in SAP and select the monthly report ZZZ-SOLVFCMT L2015 - Income Statement / Month. Include the year and company code.

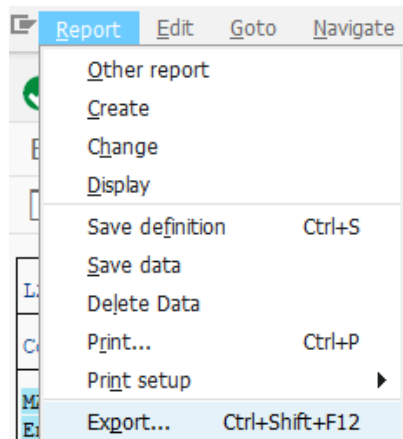
Selection: L2015 - Income Statement / Month



Report selections		
Currency type	10	Company code currency
Fiscal Year	2022	2014
Company Code	7424	

- Check for big variations by month;
- Anything above gross margin is responsibility of the GBU, but we can check for inconsistency;
- Check Dividends if received correctly when it occurs;
- Check CBS GBU values more detailed, specially in administrative headings - you can include the Magnitude Market that begins with CB\* to check that;
- Check the CBS GBU it there is not anything above the gross margin;

You can do it extracting to excel to make comments as well. Go to report > export:



In the output file, select your desktop, name a file and after include ".dat" in the end of the file's name:

Output file

File	C:\Users\BRBC8418\Desktop\7424 february P&L.dat
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Then, in the desktop file, change the name from ".dat" to ".xls" to open it in excel. You will have the same report, but in excel file. Include a comment column at the end and include comments in the headings as it is done in the balance sheet.

You can use the template [7424 - P&L MM.YYYY Template](#).

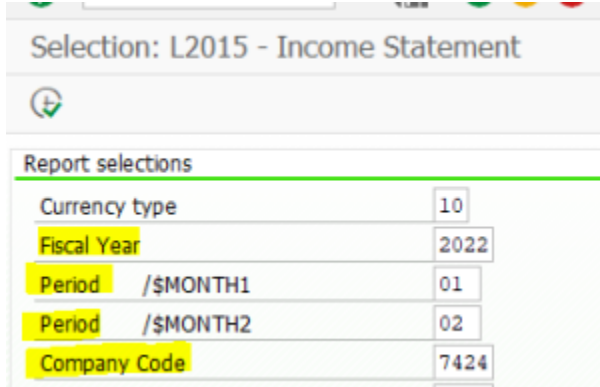
### 3.2.2. I Save it in Shared Drive

Upload it in folder [Balance Sheet & P&L Review](#) in shared drive and transform it to google sheets version as it is in step 3.1.3.

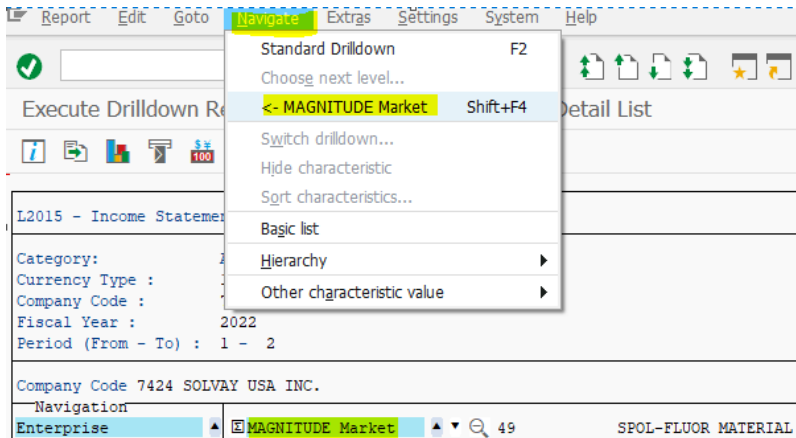
### 3.2.3. I Check the Obsoleted Markets

Sometimes, when there is any M&A project or some change in the market structure, small old freight values could be released to a market that is obsolete , but it was not when created.

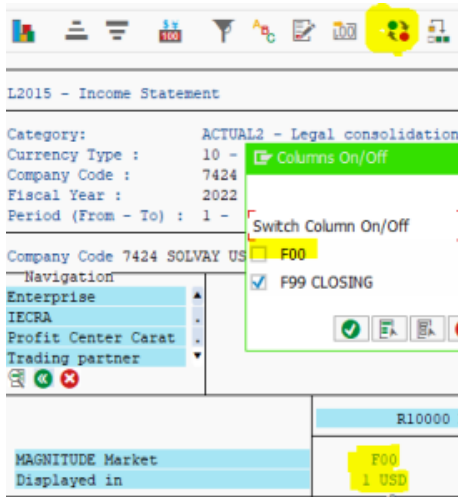
To check that, go to KE30 transaction and select the report ZZZ-SOLVFC L2015 - Income Statement. Then, include the fiscal year, period and company code:



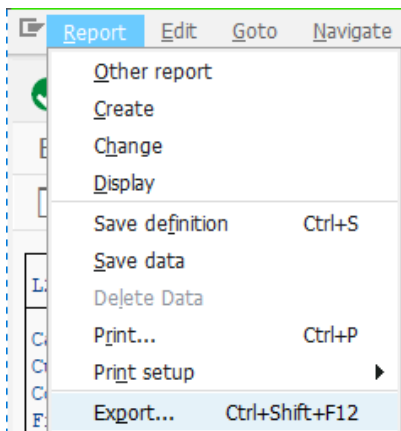
include the Magnitude Market in the navigation categories, then select navigate > MAGNITUDE Market (Shift+F4):



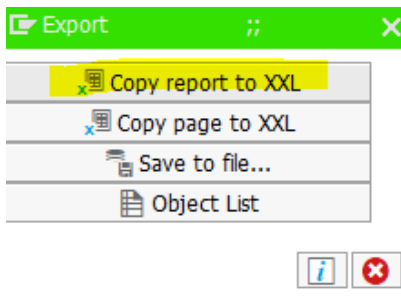
After that, click on F00 column, then in button "columns on off" and uncheck the box for F00 to make this column disappear.



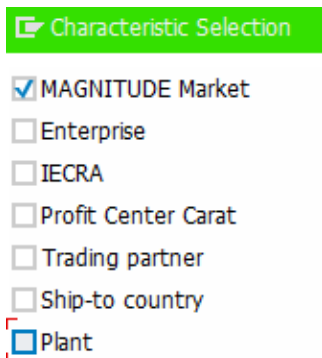
Now click on Report > Export:



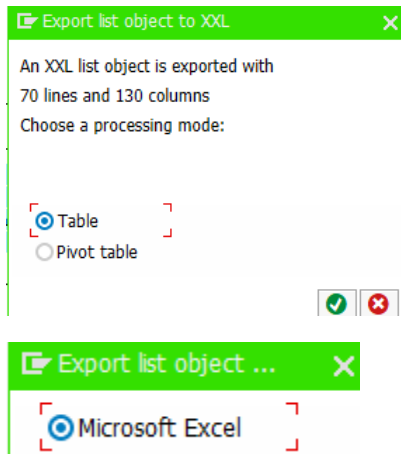
Select "Copy Report to XXL"



Then mark only the magnitude market box only:



Select table and Microsoft Excel:



It will extract to excel. Save it as excel workbook, do not click on anything else, otherwise it will disappear.

Now, use the template [P&L - Obsolete market MM.YYYY - Template](#) to check the markets.

In this template, there is a check at the right of the report that sums the values per market. If there is some obsolete market with value, then it means a reclassification is needed.

Check in the market structures where it goes then advise SUMAC team to make a reclassification by KEFC.

The obsolete markets will be marked in orange, and normally begins with \*OBS \* in the beginning of its name.

Furthermore, the markets ES\* (ECO) and PX\* (PAX) and TOAC needs to be reclassified to SASL (business sold market).

The not assigned also should be verified.

- The tab OBS Market can be updated right after the things markets are changed or sold. If necessary, an updated version can be found in [Balance Sheet & P&L Review](#);
- The template has totals in the middle of the sum, so it will sum the totals as well. So in column check it is not the correct value to be corrected, it is just a check to find if there is any value in the obsolete market. To find the correct value to be corrected, check the columns that begin with R\*, these are the heading ones and they should be 0 by heading.

After the reclassification, check during the month to solve it in its root cause. If the problem is in the freight headings, then it can not be solved until all items are reversed from balance sheet to P&L and no more items before the structure change exist.

Any doubts, let the CAM knows.

**End of document.**