

WW - FXA.01.02 Divestment for each maintenance shutdown Internal Control

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Objective and Scope

Objective of this Procedure

The purpose of this document is to describe the actions needed to correctly apply the Internal Control FXA.01.02 – Divestment for each maintenance shutdown.

Scope

This operating procedure (OP) applies to PF2 and WP2 within the Syensqo Business Services scope of entities.

Abbreviations

(N/A)

Definitions

The process to assuring achievement of an organization's objectives in operational effectiveness and efficiency, which aim is to ensure the compliance with laws, regulations and Group policies and procedures.

Investment / Divestment

(...)

Major Repairs

Divestment for each maintenance shutdown (IFA.01.02)

The aim of major maintenance work is to verify that the asset is being kept in good condition without modifying its life. The costs should be recognized as major maintenance costs. These costs should be considered as a capitalized component if: - They belong to a multi-annual recurring major maintenance operation,- Total costs reach a minimum threshold of 500 kEUR.

Every quarter this process should be performed in order to identify the fixed-asset for Major Repair which should to be removed.

- **Minimum frequency:** At each quarterly
- **Control owner function:** Service Center Management Accounting Service Unit

- **Application level:** Group - All assets (tangible & intangible) - Period of controls: each quarterly.

- **Control description:** SU MAC extracts before the 15th of each quarterly closing month the list of shutdowns (based on asset class) capitalized and checks for each case that a divestment was booked concerning the previous shutdown. If it is not the case, SU MAC alerts the SU MAC I&D Key User who will take corrective actions.

- **Risk description:**

Misstatement of financial reporting (including non-compliance to IFRS rules): financial statements do not reflect the true value of the company's assets

Process:

Go to **AR01**

Using variant: **/I.D MAJOR R(WP2)** , **/MAJOR REPAIR(PF2)**

You will obtain the following screen

The screenshot shows the SAP Asset Balances interface. It includes sections for Selections, Settings, Display options, and Further selections. Two red boxes highlight specific areas: one around the 'Report date' field (30.06.2017) and another around the 'Further settings' section where the 'Current book value' checkbox is checked.

Asset Balances			
Asset number		to	
Subnumber		to	
Selections			
Asset class	AC215201	to	
Business area		to	
Cost center		to	
Plant		to	
Location		to	
Asset super number		to	
Worklist			
Settings			
Report date	30.06.2017		
Depreciation area	15	IFRS Netimp	
Sort Variant	0004	Co. code / property classif. /asset	
Translation method			
<input checked="" type="radio"/> List assets <input type="radio"/> ... or main numbers only <input type="radio"/> ... or group totals only			
Display options			
Display variant	/I.D MAJOR R		
<input type="checkbox"/> Use ALV grid			
Further selections			
Balance sheet account		to	
Capitalization date		to	
Acquisition value		to	
Accumulated depreciation		to	
Book value		to	
Further settings			
<input checked="" type="checkbox"/> Current book value			

- Check the company code list
- Update the reporting date (last day of the quarter)

Execute the transaction

Asset Balances (Current Book Value)														
Report date: 31.07.2017 Asset Balances (Current Book Value) - 15 IFRS HetImp														
Created on: 14.08.2017														
CompanyCode 1044 Prop.classif. FR90 AssetClass AC215201														
Asset	SNo.	CoCode	Plant	Class	Cap.date	ODep.Start	Coat Ctr	Depk	Use	Per	Asset description	Acquis.val.	Accum.dep.	Book val.
210400000003	0	1044	7630	AC215201	01.10.2007	01.10.2007	1044-8300	ZRR2	6		Composant maintenance 25000 H de	853.037,00	853.037,00	0,00
260680010407	0	8068	9214	AC215201	12.07.2017	01.08.2017	9214-2420	ZRR2	2		Boiler Stack Improvements - OLT/	13.604,00	1.133,66	12.470,34
262950000000	0	8295	8274	AC215201	01.03.2015	01.07.2015	8284-2000	ZRR1	10		Belle Etoile - Grand Arret 2014	3.003.507,00	725.847,53	2.277.659,47
242740024496	0	ZFR3	7852	AC215201	01.12.2006	01.12.2006	7852-2123	ZRR2	9	10	ARRET CT - CHAUDIERE 3 DECENTNALE	184.835,68	184.835,68	0,00
242740024499	0	ZFR3	0193	AC215201	01.01.2007	01.01.2007	0193-1600	ZRR2	1	8	TRAVAUX DECENALE S CALORIFUGE	0,00	0,00	0,00
242740024503	0	ZFR3	7674	AC215201	01.07.1995	01.07.1995	7674-1200	ZRR2	8		ARRET URGENCE NH3	0,00	0,00	0,00
242740024509	0	ZFR3	7674	AC215201	01.09.2007	01.09.2007	7674-1200	ZRR2	8		REVISION TURBO SELON NORME IFRS-	0,00	0,00	0,00
242740024538	0	ZFR3	7852	AC215201	01.11.2007	01.11.2007	7852-1106	ZRR2	5	11	ARRET PLURI ANNUUEL OLONE 2007- R	1.301.000,00	1.301.000,00	0,00
242740024542	0	ZFR3	7674	AC215201	01.01.2008	01.01.2008	7674-1200	ZRR2	15		PTI 2007 ANK	54.193,22	34.623,44	19.569,78
242740024543	0	ZFR3	7674	AC215201	01.01.2008	01.01.2008	7674-1200	ZRR2	8		NORME ATEX MECANIQUE ANK	0,00	0,00	0,00
242740024544	0	ZFR3	7674	AC215201	01.07.2008	01.07.2008	7674-1100	ZRR2	10		ARRET MARS 08 REPECT FUMISTERAI	0,00	0,00	0,00
242740024558	0	ZFR3	7674	AC215201	01.07.2008	01.07.2008	7674-1103	ZRR2	10		ARRET MARS 08 REV SECHOIR SELC	0,00	0,00	0,00
242740024563	0	ZFR3	7674	AC215201	01.06.2008	01.06.2008	7674-1200	ZRR2	15		Refaction ligne Amoniac AK-HN03-	73.376,87	44.841,41	28.535,46
242740024564	0	ZFR3	7852	AC215201	01.04.2008	01.04.2008	7852-2123	ZRR2	2	7	ARRET PLURI-ANNUUEL - VISITEE TRIE	25.757,00	25.757,00	0,00
242740024572	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1107	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -AAS REQ	18.180,00	17.013,33	1.166,67
242740024576	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1107	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -AAS REQ	316.151,00	296.484,34	21.666,66
242740024581	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1107	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -AACOM	65.448,00	60.948,00	4.500,00
242740024586	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1107	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -NADIP R	10.908,00	10.158,00	750,00
242740024593	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1110	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -AGS REQ	18.180,00	17.013,33	1.166,67
242740024597	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1105	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -ANK REQ	167.139,00	155.472,33	11.666,67
242740024600	0	ZFR3	7852	AC215201	01.09.2008	01.09.2008	7852-1102	ZRR2	10		1 ARRET PLURI-ANNUUEL 2008 -SEL N R	27.270,00	24.770,00	2.500,00
242740024605	0	ZFR3	7674	AC215201	01.12.2008	01.12.2008	7674-1200	ZRR2	5		REVISION QUINQUENALE DU R2	0,00	0,00	0,00
242740024617	0	ZFR3	7852	AC215201	01.01.2009	01.01.2009	7852-2070	ZRR2	7	9	ARRET FOUR JZ TRAVAUX POUR CONTR	0,00	0,00	0,00
242740024621	0	ZFR3	7852	AC215201	01.04.2010	01.04.2010	7852-1106	ZRR2	12	6	ARRET 2010 - OLONE - REQUALIF RE	1.100.000,00	834.621,22	265.378,78
242740024623	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1103	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	174.721,23	174.721,23	0,00
242740024626	0	ZFR3	7852	AC215201	01.06.2010	01.06.2010	7852-1105	ZRR2	12	4	ARRET PLURI-ANNUUEL 2010 ANK - RE	152.000,00	114.424,25	37.575,75
242740024627	0	ZFR3	7852	AC215201	01.06.2010	01.06.2010	7852-1105	ZRR2	6	4	ARRET PLURI-ANNUUEL 2010 ANK - RE	121.000,00	121.000,00	0,00
242740024628	0	ZFR3	7852	AC215201	01.06.2010	01.06.2010	7852-1105	ZRR2	10	4	ARRET PLURI-ANNUUEL 2010 ANK - CO	10.000,00	8.205,56	1.794,44
242740024639	0	ZFR3	7852	AC215201	01.08.2010	01.08.2010	7852-2070	ZRR2	5	2	ARRET PLURI ANNUUEL - FOUR JZ REQ	0,00	0,00	0,00
242740024694	0	ZFR3	7852	AC215201	01.08.2010	01.08.2010	7852-2070	ZRR2	15	2	ARRET PLURI ANNUUEL - FOUR JZ REQ	50.698,00	34.947,99	15.750,01
242740024696	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1103	ZRR2	8		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024698	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1103	ZRR2	8		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024699	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1102	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024700	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1102	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024701	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1102	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024702	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1102	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024703	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1103	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024704	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1100	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024705	0	ZFR3	7674	AC215201	01.07.2010	01.07.2010	7674-1100	ZRR2	15		AC.R10003 TRAVAUX PLURI-ANNUELS	0,00	0,00	0,00
242740024708	0	ZFR3	7852	AC215201	01.10.2010	01.10.2010	7852-2123	ZRR2	2		ARRET ENTRETIEN - NETTOYAGE PUIT	76.208,11	76.208,11	0,00
242740024709	0	ZFR3	7852	AC215201	01.10.2010	01.10.2010	7852-2123	ZRR2	2		ARRET ENTRETIEN - NETTOYAGE PUIT	76.208,12	76.208,12	0,00
242740024710	0	ZFR3	7852	AC215201	01.10.2010	01.10.2010	7852-2123	ZRR2	2		ARRET ENTRETIEN - NETTOYAGE PUIT	76.208,12	76.208,12	0,00
242740024711	0	ZFR3	7674	AC215201	01.10.2010	01.10.2010	7674-1200	ZRR2	8		PP.R01009 MAINTENANCE PLURI-ANNU - NOR	75.213,39	64.244,77	10.968,62
242740024712	0	ZFR3	7674	AC215201	01.10.2010	01.10.2010	7674-2333	ZRR0	0		PP.R01017 MAINTENANCE PLURI-ANNU I F IHS	0,00	0,00	0,00

• Extract the result to excel file

Asset	Submitt	Company Coi	Pls	Asset Cla	Capitalized	Ord dep start da	Cost Cent	Depreciation ki	Useful I	Useful life in peri	Asset description	Acquis val	Accum dep	Book val
210400000003	0	1044	7630	AC215201	01-10-2007	01-10-2007	1044-8300	ZRR2	6		Composant maintenance 25000 H de	853.037,00	853.037,00	0,00
260680010407	0	8068	9214	AC215201	12-07-2017	01-08-2017	9214-2420	ZRR2	2		Boiler Stack Improvements - OLT/	13.604,00	1.133,66	12.470,34
262950000000	0	8295	8284	AC215201	01-03-2015	01-03-2015	8284-2000	ZRR1	10		Belle Etoile - Grand Arret 2014 Contrat	3.003.507,00	725.847,53	2.277.659,47
242740024496	0	ZFR3	7852	AC215201	01-12-2006	01-12-2006	7852-2123	ZRR2	9	10	ARRET CT - CHAUDIERE 3 DECENTNALE	184.835,68	184.835,68	0,00
242740024499	0	ZFR3	0193	AC215201	01-01-2007	01-01-2007	0193-1600	ZRR2	1	8	TRAVAUX DECENALE S CALORIFUGE	0,00	0,00	0,00
242740024503	0	ZFR3	7674	AC215201	01-07-1995	01-07-1995	7674-1200	ZRR2	8		ARRET URGENCE NH3	0,00	0,00	0,00
242740024509	0	ZFR3	7674	AC215201	01-09-2007	01-09-2007	7674-1200	ZRR2	8		REVISION TURBO SELON NORME IFRS-ARRET 8 A	0,00	0,00	0,00
242740024538	0	ZFR3	7852	AC215201	01-11-2007	01-11-2007	7852-1106	ZRR2	5	11	ARRET PLURI ANNUUEL OLONE 2007- REQUALIF ESI	1.301.000,00	1.301.000,00	0,00
242740024542	0	ZFR3	7674	AC215201	01-01-2008	01-01-2008	7674-1200	ZRR2	15		PTI 2007 ANK	54.193,22	34.623,44	19.569,78
242740024543	0	ZFR3	7674	AC215201	01-01-2008	01-01-2008	7674-1200	ZRR2	8		NORME ATEX MECANIQUE ANK	0,00	0,00	0,00
242740024544	0	ZFR3	7674	AC215201	01-07-2008	01-07-2008	7674-1100	ZRR2	10		ARRET MARS 08 REPECT FUMISTERAI	0,00	0,00	0,00
242740024558	0	ZFR3	7674	AC215201	01-07-2008	01-07-2008	7674-1103	ZRR2	10		ARRET MARS 08 REV SECHOIR SELON GAMME	0,00	0,00	0,00
242740024563	0	ZFR3	7674	AC215201	01-06-2008	01-06-2008	7674-1200	ZRR2	15		Refaction ligne Amoniac AK-HN03-19	73.376,87	44.841,41	28.535,46
242740024564	0	ZFR3	7852	AC215201	01-04-2008	01-04-2008	7852-2123	ZRR2	2	7	ARRET PLURI-ANNUUEL - VISITEE TRIENNALE CHAUD	25.757,00	25.757,00	0,00
242740024572	0	ZFR3	7852	AC215201	01-09-2008	01-09-2008	7852-1107	ZRR2	10		ARRET PLURI-ANNUUEL 2008 -AAS REQUALIF REGLE	18.180,00	17.013,33	1.166,67
242740024576	0	ZFR3	7852	AC215201	01-09-2008	01-09-2008	7852-1107	ZRR2	10		ARRET PLURI-ANNUUEL 2008 -AAS REQUALIF REGLE	316.151,00	296.484,34	21.666,66
242740024581	0	ZFR3	7852	AC215201	01-09-2008	01-09-2008	7852-1107	ZRR2	10		ARRET PLURI-ANNUUEL 2008 -AACOM REQUALIF RE	65.448,00	60.948,00	4.500,00
242740024586	0	ZFR3	7852	AC215201	01-09-2008	01-09-2008	7852-1107	ZRR2	10		ARRET PLURI-ANNUUEL 2008 -NADIP REQUALIF REG	10.908,00	10.158,00	750,00

Asset	Subnumt	Company C	Pls	Asset Cls	Capitalized	Ord dep start da	Cost Cent	Depreciation ki	Useful l	Usef life in period	Asset description	Acquis val	Accum dep	Book val
205600005903	0	ZFR9		7866	AC215201	01-09-2006	01-09-2006	7866-1201	ZRH2	12	1	300 000,00	-278 333,34	21 666,66
205600005928	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	1 465 695,00	-1 354 651,67	110 833,33
205600005930	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	106 121,00	-97 787,67	8 333,33
205600005934	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	314 480,00	-290 313,33	24 166,67
205600005936	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	37 531,00	-34 697,66	2 833,34
205600005937	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	33 648,00	-31 148,00	2 500,00
205600005938	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	60 825,00	-58 156,33	4 668,67
205600005941	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	249 772,00	-230 605,33	19 166,67
205600005943	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	156 593,00	-144 926,33	11 666,67
205600005945	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	540 363,00	-499 529,67	40 833,33
205600005947	0	ZFR9		7866	AC215201	01-07-2007	01-07-2007	7866-1201	ZRH2	11	5	104 827,00	-96 493,67	8 333,33
205600005996	0	ZFR9		7866	AC215201	01-09-2007	01-09-2007	7866-1201	ZRH2	11	1	234 823,22	-217 323,22	17 500,00
205600006279	0	ZFR9		7866	AC215201	01-11-2008	01-11-2008	7866-1201	ZRH2	5	11	229 483,64	-211 150,31	18 333,33
205600006314	0	ZFR9		7866	AC215201	01-05-2009	01-05-2009	7866-1201	ZRH2	5	5	98 206,21	-89 872,88	8 333,33
205600006427	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	170 615,00	-126 865,00	43 750,00
205600006428	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	259 890,00	-193 223,33	66 666,67
205600006429	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	407 280,00	-303 113,33	104 166,67
205600006430	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	1 587 420,00	-1 183 253,33	404 166,67
205600006431	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	17 845,00	-13 261,67	4 583,33
205600006433	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	487 820,00	-362 820,00	125 000,00
205600006434	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	238 360,00	-177 943,33	60 416,67
205600006435	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	236 140,00	-175 723,33	60 416,67
205600006436	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	754 760,00	-563 093,33	191 666,67
205600006437	0	ZFR9		7866	AC215201	01-06-2010	01-06-2010	7866-1201	ZRH2	11	4	21 040,00	-15 623,33	5 416,67
205600006588	0	ZFR9		7866	AC215201	01-10-2011	01-11-2011	7866-1201	ZRH2	10	0	240 273,00	-140 159,25	100 113,75
205600006632	0	ZFR9		7866	AC215201	01-10-2011	01-11-2011	7866-1201	ZRH2	15	0	329 628,22	-128 188,75	201 439,47
205600006843	0	ZFR9		7866	AC215201	01-07-2013	01-08-2013	7866-1201	ZRH2	11	10	3 863 577,65	-1 333 206,41	2 530 371,24
205600006844	0	ZFR9		7866	AC215201	01-07-2013	01-08-2013	7866-1201	ZRH2	5	10	4 083 130,81	-2 858 191,59	1 224 939,22
205600007056	0	ZFR9		7866	AC215201	01-12-2014	01-01-2015	7866-1201	ZRH2	5	0	1 745 253,49	-930 801,87	814 451,62
205600007224	0	ZFR9		7866	AC215201	01-08-2015	01-09-2015	7866-1201	ZRH2	10	0	274 244,25	-54 848,85	219 395,40
205600007236	0	ZFR9		7866	AC215201	01-07-2016	01-08-2016	7866-1201	ZRH2	2	10	32 358 279,36	-12 372 283,28	19 985 996,08
205600007268	0	ZFR9		7866	AC215201	01-07-2016	01-08-2016	7866-1201	ZRH2	5	0	1 820 213,49	-657 299,32	1 162 914,17

In this case:

Company code : ZFR9

Plant: 7866

CC: 7866-1201

We can see that we have two situation where the fixed assets have the same description.

In yellow we can see cases where are potential major repairs.

The project manager received our reports (by plant) and decides if they should be removed from the company.

End of document