KSB1 - Analysis of CCtr *843*

INFO

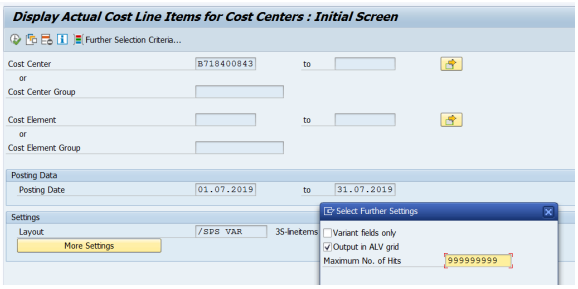
With the implementation of SPS it was created 1 technical CC *843*, which will receive amounts during all month (at each movement done in the material), registered with the price of the respective material.

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 999999999

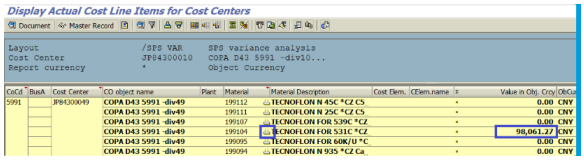
Execute

Accounts excluded automatically in this layout:

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



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.

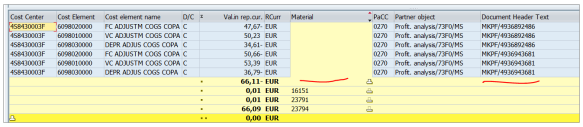
When the CC is balanced with ML, it's easy to analyze, as all documents have the material code, so we can make a sub-total by the material. Anyway, it's important to know that the Internal Margin posts the documents in the CC without the material code, making more difficult to identify these situations.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

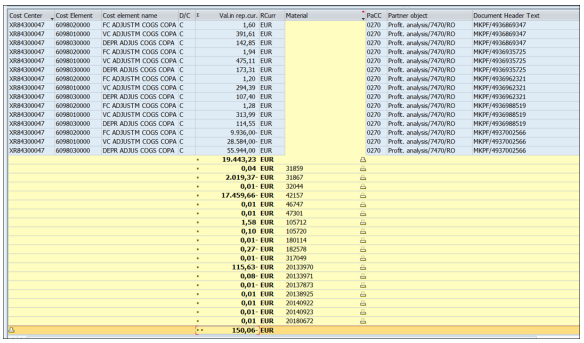
In the situation below we can easily see that the Int.Margin program is considering the 3 materials below, as their total is 0. In this case, despite the CC be balanced for these materials, it's just because technically the Int.Margin doesn't add the material code, because it's everything OK.



Cost Center	Cost Element	Cost element name	D/C	Val.in rep.cur.	RCurr	Material	PaCC	Partner object	Document Header Text
458430003F	6098020000	FC ADJUSTM COGS COPA	C	47,67-	EUR		0270	Profit. analysis/73FG/MS	MKPF/4936892486
458430003F	6098010000	VC ADJUSTM COGS COPA	C	50,23	EUR		0270	Profit. analysis/73FG/MS	MKPF/4936892486
458430003F	6098030000	DEPR ADJUS COGS COPA	C	34,61-	EUR		0270	Profit. analysis/73FG/MS	MKPF/4936892486
458430003F	6098020000	FC ADJUSTM COGS COPA	C	50,66-	EUR		0270	Profit. analysis/73FG/MS	MKPF/4936943681
458430003F	6098010000	VC ADJUSTM COGS COPA	C	53,39	EUR		0270	Profit. analysis/73FG/MS	MKPF/4936943681
458430003F	6098030000	DEPR ADJUS COGS COPA	C	36,79-	EUR		0270	Profit. analysis/73FG/MS	MKPF/4936943681
				66,11-	**EUR**				
				0,01	**EUR**	16151			
				0,01	**EUR**	21791			
				66,09	**EUR**	23794			
				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).

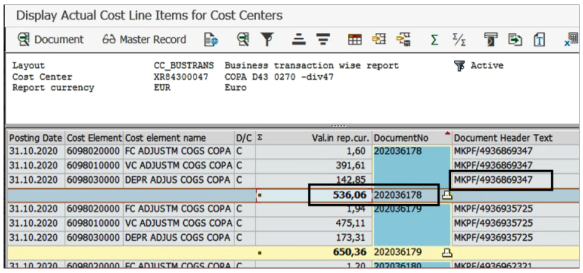


Cost Center	Cost Element	Cost element name	D/C	Val.in rep.cur.	RCurr	Material	PaCC	Partner object	Document Header Text
XR84300047	6098020000	FC ADJUSTM COGS COPA	C	1,60	EUR		0270	Profit. analysis/7470/RO	MKPF/4936869347
XR84300047	6098010000	VC ADJUSTM COGS COPA	C	391,61	EUR		0270	Profit. analysis/7470/RO	MKPF/4936869347
XR84300047	6098030000	DEPR ADJUS COGS COPA	C	142,85	EUR		0270	Profit. analysis/7470/RO	MKPF/4936869347
XR84300047	6098020000	FC ADJUSTM COGS COPA	C	1,94	EUR		0270	Profit. analysis/7470/RO	MKPF/4936935725
XR84300047	6098010000	VC ADJUSTM COGS COPA	C	475,11	EUR		0270	Profit. analysis/7470/RO	MKPF/4936935725
XR84300047	6098030000	DEPR ADJUS COGS COPA	C	173,31	EUR		0270	Profit. analysis/7470/RO	MKPF/4936935725
XR84300047	6098020000	FC ADJUSTM COGS COPA	C	1,20	EUR		0270	Profit. analysis/7470/RO	MKPF/4936962321
XR84300047	6098010000	VC ADJUSTM COGS COPA	C	294,39	EUR		0270	Profit. analysis/7470/RO	MKPF/4936962321
XR84300047	6098030000	DEPR ADJUS COGS COPA	C	107,40	EUR		0270	Profit. analysis/7470/RO	MKPF/4936962321
XR84300047	6098020000	FC ADJUSTM COGS COPA	C	1,28	EUR		0270	Profit. analysis/7470/RO	MKPF/4936988519
XR84300047	6098010000	VC ADJUSTM COGS COPA	C	313,99	EUR		0270	Profit. analysis/7470/RO	MKPF/4936988519
XR84300047	6098030000	DEPR ADJUS COGS COPA	C	114,55	EUR		0270	Profit. analysis/7470/RO	MKPF/4936988519
XR84300047	6098020000	FC ADJUSTM COGS COPA	C	9.936,00-	EUR		0270	Profit. analysis/7470/RO	MKPF/4937002566
XR84300047	6098010000	VC ADJUSTM COGS COPA	C	28.584,00-	EUR		0270	Profit. analysis/7470/RO	MKPF/4937002566
XR84300047	6098030000	DEPR ADJUS COGS COPA	C	55.944,00	EUR		0270	Profit. analysis/7470/RO	MKPF/4937002566
				19.443,23	**EUR**				
				0,04	**EUR**	31859			
				2.019,37	**EUR**	31867			
				0,01-	**EUR**	32044			
				17.459,66	**EUR**	42157			
				0,01	**EUR**	46747			
				0,01	**EUR**	47301			
				1,58	**EUR**	105712			
				0,10	**EUR**	105720			
				0,01-	**EUR**	180114			
				0,27-	**EUR**	182578			
				0,01-	**EUR**	317049			
				115,63-	**EUR**	20133970			
				0,08-	**EUR**	20133971			
				0,01-	**EUR**	20137873			
				0,01	**EUR**	20138925			
				0,01	**EUR**	20140922			
				0,01-	**EUR**	20140923			
				0,01	**EUR**	20180672			
				150,06-	**EUR**				

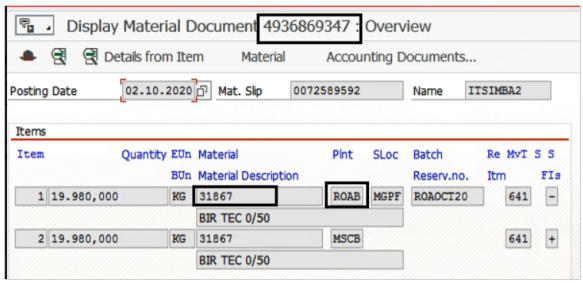
In case we have a big delta and we really need to know the respective materials, the only way is to enter in the MM documents and check it manually.

Example:

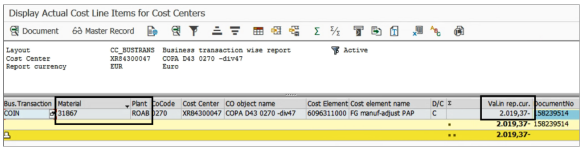
- In KSB1 we can retrieve the MM document number, in the field of the Document Header Text.



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



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):



STEP 4

Situation 1 - Material is S2:

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

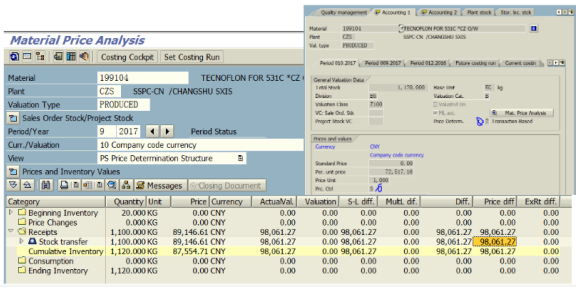
The Material Ledger will roll-up the variances only for materials with the following master data (to be checked in MM03, tab "Accounting 1):

- 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 residue in 843 cost center, subsequently assessed to COPA via cycle.

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.



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.

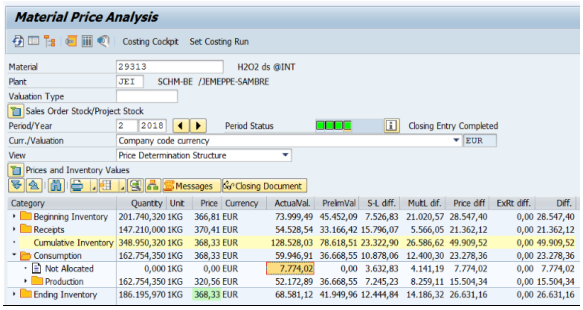
For each situation, after analyzing the origin of the deltas, it's important to understand if there is any issue or not.

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.

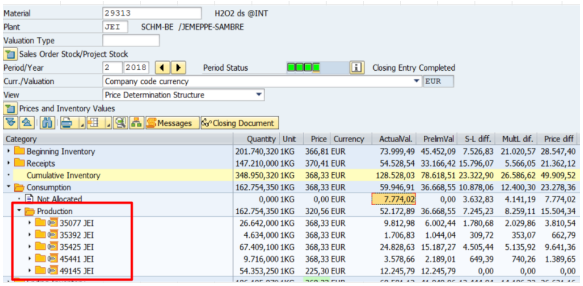
Situation 2 - Not Allocated:

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 .

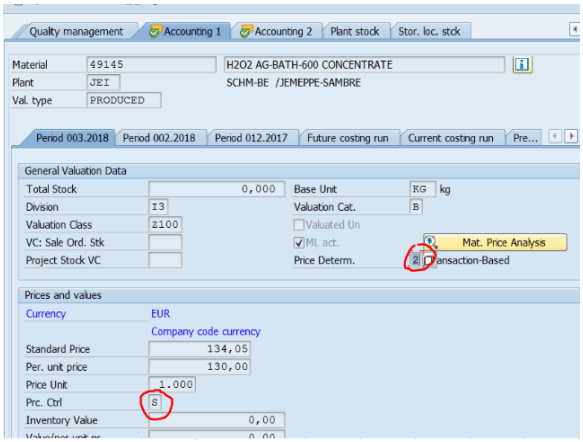


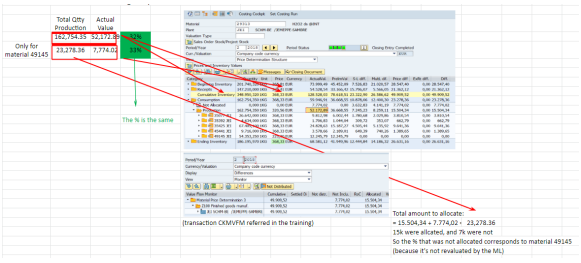
How to calculate the amount not allocated?

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



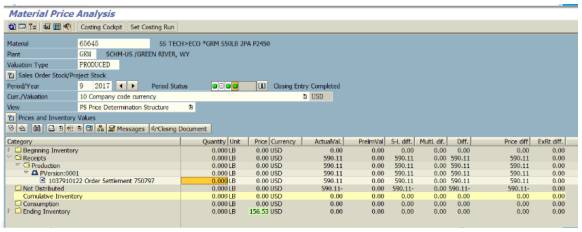
If we check the master data of all these materials, we'll see that the last one is S2, and not S3, so, the ML is not able to allocate the revaluation part for this material - it only revaluates for the others.





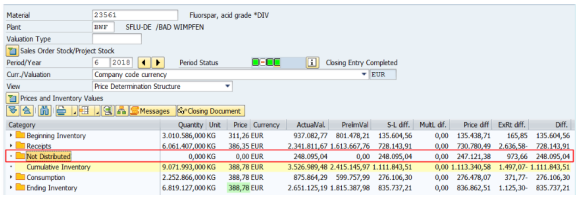
Situation 3 - Not Distributed (Zero GR from PP Order)

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).



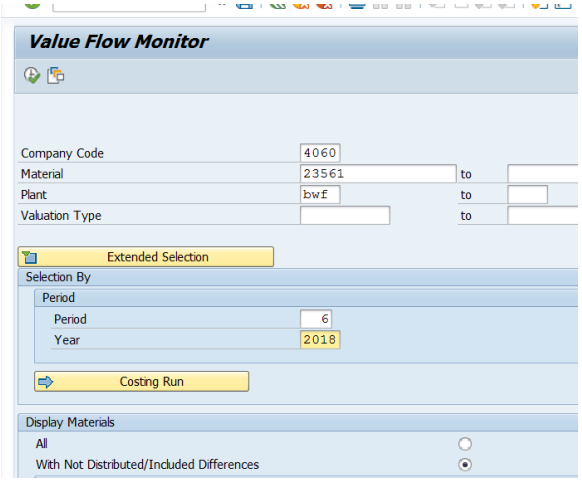
Situation 4 - Not Distributed (Negative Open Stock):

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.

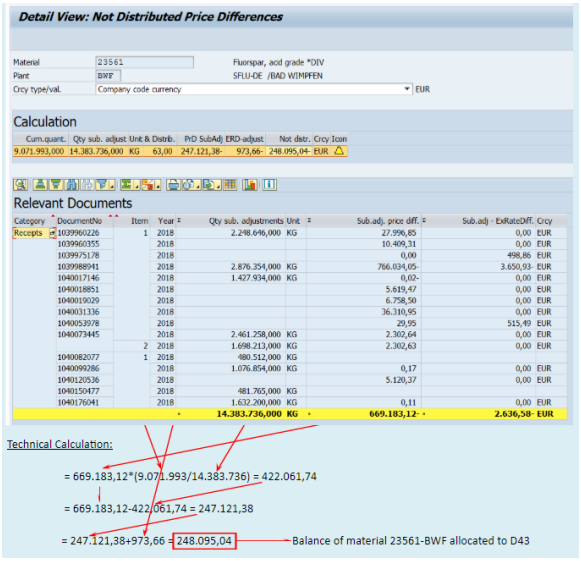


How to calculate the amount not distributed?

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



Outcome of the transaction:



Detail View: Not Distributed Price Differences

Material	23561	Fluorspar, acid grade *DIV
Plant	BWF	SFLU-DE /BAD WIMPFEN
Crcy type/val.	Company code currency	EUR

Calculation

Cum.quant.	Qty sub. adjust	Unit	% Distrib.	PrD SubAdj	ERD-adjust	Not distr.	Crcy	Icon
9.071.993,000	14.383.736,000	KG	63,00	247.121,38-	973,66-	248.095,04-	EUR	

Relevant Documents

Category	DocumentNo	Item	Year	Qty sub. adjustments	Unit	Sub.adj. price diff.	Sub.adj - ExRateDiff.	Crcy
Receipts	1039960226	1	2018	2.248.646,000	KG	27.996,85	0,00	EUR
	1039960355		2018			10.409,31	0,00	EUR
	1039975178		2018			0,00	498,86	EUR
	1039988941		2018	2.876.354,000	KG	766.034,05-	3.650,93-	EUR
	1040017146		2018	1.427.934,000	KG	0,02-	0,00	EUR
	1040018851		2018			5.619,47	0,00	EUR
	1040019029		2018			6.758,50	0,00	EUR
	1040031336		2018			36.310,95	0,00	EUR
	1040053978		2018			29,95	515,49	EUR
	1040073445		2018	2.461.258,000	KG	2.302,64	0,00	EUR
		2	2018	1.698.213,000	KG	2.302,63	0,00	EUR
	1040082077	1	2018	480.512,000	KG			
	1040099286		2018	1.076.854,000	KG	0,17	0,00	EUR
	1040120536		2018			5.120,37	0,00	EUR
	1040150477		2018	481.765,000	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 — Balance of material 23561-BWF allocated to D43