

# I calculate inventory reserves

Domain: Costing

Responsibility area: Supervise Inventory Valuation

## Table of contents

- [Table of contents](#)
- [1. Objective and Scope](#)
  - [1.1. Objective of this Operation](#)
  - [1.2. Scope](#)
- [2. Definitions](#)
- [3. Tasks description](#)
  - [3.1. Background](#)
  - [3.2. Responsibilities](#)
  - [3.3. I run inventory valuation reports](#)
  - [Tasks to be completed when documenting an SAP Transaction, Report or Message code.](#)
  - [1. Title of the page = SAP Transaction code, SAP Report or SAP Message](#)
  - [2. Add the following Labels, respectively:](#)
  - [SAP Transaction => "sap\\_transaction", Transaction code "xxxx"](#)
  - [SAP Report => "sap\\_report"](#)
  - [SAP Message => "sap\\_msg"](#)
  - [3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed \(e.g. Main selections of the transaction...\)](#)
  - [Tasks to be completed when documenting an SAP Transaction, Report or Message code.](#)
  - [1. Title of the page = SAP Transaction code, SAP Report or SAP Message](#)
  - [2. Add the following Labels, respectively:](#)
  - [SAP Transaction => "sap\\_transaction", Transaction code "xxxx"](#)
  - [SAP Report => "sap\\_report"](#)
  - [SAP Message => "sap\\_msg"](#)
  - [3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed \(e.g. Main selections of the transaction...\)](#)
  - [Tasks to be completed when documenting an SAP Transaction, Report or Message code.](#)
  - [1. Title of the page = SAP Transaction code, SAP Report or SAP Message](#)
  - [2. Add the following Labels, respectively:](#)
  - [SAP Transaction => "sap\\_transaction", Transaction code "xxxx"](#)
  - [SAP Report => "sap\\_report"](#)
  - [SAP Message => "sap\\_msg"](#)
  - [3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed \(e.g. Main selections of the transaction...\)](#)
  - [3.4. I calculate inventory reserves](#)
  - [3.5. I send the report to the GBUs](#)

## Scope

---



WW

## ERP

---

PF2

WP2

## Frequency

---

## References

---

- [ZCO\\_SPAREPARTS - Industrial Supplies Depreciation](#)
- [ZWFA10A - Determination of Lowest Value;](#)
- [MRN1 - Lowest Value Determination Based On Range Of Coverage](#)
- [ZWFA21A-Determination of Lowest Value](#)
- [ZFI\\_INVENTORY\\_SMOG - Inventory SMOG report](#)
- [ZWFA23A](#)
- [MRN0](#)
- [ZWDV11 - Transfer Program of UNIX file to PC file](#)

## Forms

---

## Attachments

---

- [Inventory Impairment](#)
- [posting scheme for inventory reserve](#)
- [Hard-Close instruction for inventory reserve](#)
- [PF1 reserves Template BW](#)
- [PF1 reserves Template BW \(5642\)](#)
- [WP1 reserves Template BW](#)
- [WP1 reserves Template BW - With posting file](#)
- [WP1 reserves Template BW \(CM\) - Posting File](#)
- [PF1 reserves Template BW SPP Monthly](#)
- [PF1 reserves Template BW SPP Quarterly](#)
- [Spare Parts & Provision Report in PF1 / WP1](#)
- [Inventory Valuation](#)
- [Calculate and post Inventory Reserve](#)

*Previous OP << | calculate inventory reserves >> Next OP*

# 1. Objective and Scope

## 1.1. Objective of this Operation

The purpose of this document is to explain how to generate the proposition and how to account in ERP the valuation of the stocks at the "fair value" in order to give relevant information about the "real value" of the company to all economic actors (share-holders, legal authorities...).

## 1.2. Scope

This procedure is applied to all companies WW.

## 2. Definitions

[Finance - Glossary](#)

## 3. Tasks description

### 3.1. Background

#### \* Hard-Close instruction for Inventory Reserve (please check attachment)

##### Objectives

The purpose of this document is to explain how to generate the proposition and how to account in ERP the valuation of the stocks at the "fair value" in order to give relevant information about the "real value" of the company to all economic actors (share-holders, legal authorities...).

Before the closure in the months of March, June, September and (November and or December)\*. The final validation and postings should be done until D-5 at the latest.

#### General Rules - Frequency (\*Best Practice)

- On a quarterly basis, review the impairment of inventories based on the matrix of inventory and impairment type that is recommended and update an existing inventory reserve.
- At least once a year, justify slow-turn inventory reserve in November for hard-close and NRV inventory reserve in December for year-end close.
  
- Mandatory for all companies included in the consolidation under full integration
- Recommended for "joint operation", joint-ventures and where Solvay is considered as "associate"
- All types of inventories that need to be written down by below impairment cases:
  - Slow-turn
  - Obsolescence (end of shelf-life)
  - Off-specification / bad-quality
  - Damage
  - Net realizable value

	Slow-turn	Obsolescence / Off-specification / Bad-quality / Damage	NRV
<b>To be validated</b>	<b>In November</b>	<b>In November</b>	<b>In December</b>
<b>Finished Goods</b>	X	YES	YES
<b>Intermediate</b>	YES	YES	X
<b>RM</b>	YES	YES	X
<b>Spare Parts</b>	YES	YES	X
<b>Packaging</b>	X	YES	X

\*YES means "designated impairment types should be checked for the concerned inventory type"

WHO	WHAT	WHEN
FRA	<ul style="list-style-type: none"> <li>• Ask Service Center to reverse the slow-turn inventory reserve of Q3.</li> <li>• Ask PIM to initiate an inventory reserve for obsolete, off-spec and damaged inventories and validate it.</li> <li>• In WP1 perimeter, ask Service Center to calculate a slow-turn inventory reserve <b>based on the stocks at the end of October</b> and validate it.</li> <li>• In PF1 perimeter, calculate a slow-turn inventory reserve based on the stocks at the end of October.</li> <li>• Ask Service Center to post a new slow-turn inventory reserve for November closing.</li> </ul>	November
PIM	<ul style="list-style-type: none"> <li>• Validate an obsolete, off-spec and damaged inventories and propose an inventory reserve to FRA.</li> </ul>	November
GCCO	<ul style="list-style-type: none"> <li>• Identify the NRV inventory reserve of Q3 and if no NRV reserve posted in Q3, validate it if there is no impairment indication by NRV.</li> <li>• Ask Service Center to recalculate the NRV inventory reserve <b>based on the stocks at the end of November</b> and validate it in WP1 perimeter and calculate it in PF1 perimeter.</li> </ul>	November  December
Technical expert for spare part	<ul style="list-style-type: none"> <li>• Propose an inventory reserve for obsolete, off-spec and damaged spare parts.</li> </ul>	November
Service Center	<ul style="list-style-type: none"> <li>• Calculate an inventory reserve in WP1 perimeter and report it to FRA, according to this procedure.</li> <li>• Post an inventory reserve that is validated by FRA (slow-turn) or GCCO (NRV).</li> </ul>	November
RCOM	<ul style="list-style-type: none"> <li>• Follow up external audit requirements for hard-close in Audit WIKI.</li> </ul>	December
CAM	<ul style="list-style-type: none"> <li>• Review stock accounts for inventory reserve based on the CAM Guidebook.</li> </ul>	December D4

? Unknown Attachment

### General Rules - Depreciation

- [Standard rule](#) for NRV/LCM and Slow-turn if no local procedure defined.
- [Local procedure for inventory reserve](#) for obsolete, off-spec and damaged inventory reserve

## 3.2. Responsibilities


**SU MAC** runs the transactions and prepares the Excel files with proposal of rotation and financial depreciation.

Controllers are responsible to analyze the posting proposal sent by **SU MAC** and provide the final validation for the depreciation amounts to be posted, indicating the changes to be done to the original posting proposal. In some cases, an additional comment on the largest variances between depreciation proposed and validated is required.

Regarding Spare Parts and Gen & Tech (exc. Packaging) the **Accounting Platform Team** is responsible to perform IFRS vs LOCAL GAAP postings - see specificity on point 3.3) 1) For Spare Parts 1) PF1: Industrial Supplies - DE Specificities

## 3.3. I run inventory valuation reports

**Start the transaction ZCO\_SPAREPARTS**

 Industrial Supplies Depreciation: initial screen

Spare part by Company/ Plants / Profit center / Material

Selection Screen

Company Code

Valuation Area  to

Material Code  to

Valuation Class  to

Profit Center  to

Year

Period


Storage Location

Schedule Manager

Display Options

Layout

**STEP 2**

1. Select variant: **SLOWTURN-SP**
2. Enter the **company code**
3. Enter **Year and Period** (period must be end of month before quarterly. Feb May Aug and Oct for Hardclose)
4. Execute  to display the report or execute in background to save the report to SQ00

Spare part by Company/ Plants / Profit center / Material

Selection Screen

Company Code  7811 **2**

Valuation Area  to

Material Code  to

Valuation Class  2120 to

Profit Center  to

Year  2020 **3**

Period  10 **3**

Storage Location


Schedule Manager

Display Options

Layout  /SLOWTURNSP

**STEP 3**

**The report is displayed**

Save the report by pressing  in order to have it available in the SQ00 query ZCO\_SPAREPARTS. These will be the final figures to use in the posting. If you have not saved the report, some inconsistencies may be created.

Spare part by Company/ Plants / Profit center / Material

CoCode	GL Account	Val. Area	Val. Class	Stor. Loc.	Profit Center	Material	Material Description	FC	CGU	Matl Type	Matl Group	
7811	31000200	7897	2120	IS01	7811-1045	1760925	MASS FLOW METER SENSOR/RCCS39		PACG	U817	ZERS	0178
7811	31000200	7897	2120	IS01	7811-1045	1762001	MECHANICAL SEAL FOR P10060		PACG	U817	ZERS	0141
7811	31000200	7897	2120	IS01	7811-1045	1762030	MECHANICAL SEAL FOR A1040/10050/20011		PACG	U817	ZERS	0141
7811	31000200	7897	2120	IS01	7811-1045	1765078	CENTRIFUGAL PUMP ES100-45-200/2P-30		PACG	U817	ZERS	0153
7811	31000200	7897	2120	IS01	7811-1045	1764841	FC-302P73KTS2H2X6COOXXXXXABXCXXXXX		PACG	U817	ZERS	0474
7811	31000200	7897	2120	IS01	7811-1045	1830276	control valve SCV 10031/20022/SIZE 4"		PACG	U817	ZERS	0194
7811	31000200	7897	2120	IS01	7811-1045	1764840	FC-302P4KTS2H2X6COOXXXXXABXCXXXXX		PACG	U817	ZERS	0474
7811	31000200	7897	2120	IS01	7811-1045	1830274	control valve SCV12025/30001/SIZE 3"		PACG	U817	ZERS	0194
7811	31000200	7897	2120	IS01	7811-1045	1830245	control valve CV 94021/ SIZE 3"		PACG	U817	ZERS	0194
7811	31000200	7897	2120	IS01	7811-1045	1844919	Magnetic flowmeter DN25 0-2.5t/h 316L PA		PACG	U817	ZERS	0178
7811	31000200	7897	2120	IS01	7811-1045	1830237	control valve CV 9401U/ SIZE 3"		PACG	U817	ZERS	0194
7811	31000200	7897	2120	IS01	7811-1045	1762002	MOTOR EEV6D1T4 M23A200L4		PACG	U817	ZERS	0335

**STEP 4**

extract the report and put in the inventory reserve template

1. there are 2 provision type in the report
2. **Unrestricted provision** is calculated by slow moving day defined by the rule
3. Blocked provision is calculated by amount of inventory in blocked status (100% provision)

**STEP 5**

## Tasks to be completed when documenting an SAP Transaction, Report or Message code.

1. Title of the page = SAP Transaction code, SAP Report or SAP Message

2. Add the following Labels, respectively:

- SAP Transaction => "sap\_transaction", Transaction code "xxxx"
- SAP Report => "sap\_report"
- SAP Message => "sap\_msg"

3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed (e.g. Main selections of the transaction...)

### STEP 1

**Use transaction code: ZCO\_SPAREPARTS\_POST**

**i** ZCO\_SPAREPARTS\_PO ST- Spare parts provision posting: Initial Screen

**i** This program is for automatic posting of spare parts provision which data is saved in SQ00 table ZCO\_SPAREPARTS

The data must be available in SQ00 before processing this transaction

Report for Spareparts Provision Posting

General Selections

Company Code  to

Valuation Area

Provision Calculation Period

Test Run

Processing Type

Input posting date to post the provision

Posting Date

To reverse the provision with the posting date input

Display reports only

### STEP 2

This program is used to post/reverse spare parts provision

There are 3 processing type for this transaction

1. Posting
2. Reverse

Processing Type

Input posting date to post the provision

Posting Date

To reverse the provision with the posting date input

Display reports only

3. Display

**STEP 3**

**Fill the selection**

**Selection Parameters:**

1. Company code
2. Valuation area **put \* to select all valuation area** or specific the value
3. Provision calculation period: period that the data is extracted to SQ00 (provision period = Feb, May, Aug and Oct)
4. Processing type:
  - Posting = put the posting date as end of quarterly month
  - Reverse = put the same date of the posting to repost the provision or put it in next quarter
  - Display = only display the data
 Then execute the transaction

Report for Spareparts Provision Posting

---

General Selections

Company Code 7180 1 to [ ] [ ]

Valuation Area \* 2 [ ]

Provision Calculation Period 2 2021 3

---

Test Run

Processing Type

Input posting date to post the provision

Posting Date 4 31.03.2021 5

To reverse the provision with the posting date input

Display reports only

**STEP 4**

**Output results:**

**Posting**

- When Test mode is selected: you can save and output will give you the status whether it can be posted (in case of the error from Master data is missing please contact SU MAC)

Report for Spareparts Provision Posting

Date	CoCode	G/L Account	Val. Area	Profit Center	Val. Class	Val. Type	Material	Curren.	Val.Stream	FC	CGU	De
30.04.2021	6062	31000200	8245	8245-20449	Z120		1908475	SGD	CGU0N077		CSCGU073	
		31000200					1908479	SGD	CGU0N077		CSCGU073	
		31000200					1908480	SGD	CGU0N077		CSCGU073	
		31000200					1908484	SGD	CGU0N077		CSCGU073	
		31000200					1908490	SGD	CGU0N077		CSCGU073	
		31000200					1908491	SGD	CGU0N077		CSCGU073	
		31000200					1908492	SGD	CGU0N077		CSCGU073	
		31000200					1908493	SGD	CGU0N077		CSCGU073	
		31000200					1908494	SGD	CGU0N077		CSCGU073	
		31000200					1908495	SGD	CGU0N077		CSCGU073	

Message text	Msg. Var.	Status
Document check - no errors: BKPFF \$ WQ1_400	BKPFF	<span style="color: green;">■</span>

Message text	Msg. Var.	Status
Document posted successfully: BKPFF 100000146360622021 WQ1_400	BKPFF	<span style="color: green;">■</span>

- When test mode is not selected: when you save the output will return with document number and the items will be locked with document number

Bkldd Prov	UnstrProv	Total Prov	Posted	Cancelled Prov.	Year	Post Doc.	Revsd Doc	Current Date	Use
0.00	206.21	206.21	✓	□	2021	2300002055		24.03.2021	BUI
0.00	2.67	2.67	✓	□	2021	2300002055		24.03.2021	BUI
0.00	9.60	9.60	✓	□	2021	2300002055		24.03.2021	BUI
0.00	0.00	0.00	□	□				09.03.2021	TH
0.00	2.16	2.16	✓	□	2021	2300002055		24.03.2021	BUI
0.00	24.04	24.04	✓	□	2021	2300002055		24.03.2021	BUI
0.00	62.46	62.46	✓	□	2021	2300002055		24.03.2021	BUI
0.00	14.89	14.89	✓	□	2021	2300002055		24.03.2021	BUI
0.00	25.60	25.60	✓	□	2021	2300002055		24.03.2021	BUI
0.00	20.80	20.80	✓	□	2021	2300002055		24.03.2021	BUI
0.00	0.00	0.00	□	□				09.03.2021	TH

## Reverse

- Steps are similar to the posting



Provision data will be frozen in the table SQ00 after document is posted by the program

## NOTE:



In case it's necessary to update the CC automatically used, this should be done directly in transaction ZCO\_SP\_POS TScheme

### Change View "Spare Parts Posting Scheme Table": Overview

CoCd	Plnt	BusA	Cost Center
0143	VKP	7360	tro37700000
0212	EPS	7250	DG37700000
0237	JEI	7360	X437700000
0240	WNI		WN37700000
0240	WNI	7360	WN37700000
0240	WNIH	7360	WN37700000
0245	TOS	7510	SQ37700000
0245	TOSA	7250	SQ37700002
0245	TOSB	7470	SQ37700003

## Workflow history

This view shows the 5 most recent entries. The complete workflow log is available from the 'Document Activity' menu item.

Sept 28, 2022	Actor	Type	Activity	Version
Published	GONCALO, Ana Catarina	Edit	updated the page at 11:02 am Other contributors:	
	GONCALO, Ana Catarina	State	changed state to <b>Published</b> at 9:02 am	v6
Draft	GONCALO, Ana Catarina	State	gave <i>Approvers</i> approval at 9:02 am	
		State	changed state to <b>Draft</b> at 9:02 am	v5
Jun 07, 2021				
Published	Burapong Soonphonrai	Edit	updated the page at 8:34 am	
	Burapong Soonphonrai	State	changed state to <b>Published</b> at 6:36 am	v4

## Workflow history

This view shows the 5 most recent entries. The complete workflow log is available from the 'Document Activity' menu item.

Sept 04, 2023	Actor	Type	Activity	Version
Published	GONCALO, Ana Catarina	State	changed state to <b>Published</b> at 7:01 am	v6

Draft	GONCALO, Ana Catarina	State	gave <i>Approvers</i> approval at 7:01 am	
Oct 11, 2022				
	Lara Alves	Edit	updated the page at 3:04 pm Other contributors: 	
	Lara Alves	State	changed state to <b>Draft</b> at 1:07 pm	v6
Published	Lara Alves	State	changed state to <b>Published</b> at 1:04 pm	v5

## Tasks to be completed when documenting an SAP Transaction, Report or Message code.

1. Title of the page = SAP Transaction code, SAP Report or SAP Message

2. Add the following Labels, respectively:

- SAP Transaction => "sap\_transaction", Transaction code "xxxx"
- SAP Report => "sap\_report"
- SAP Message => "sap\_msg"

3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed (e.g. Main selections of the transaction...)

STEP 1

**Use transaction code:  
Z1K\_SPAREPARTS**

**You will be able to find four sections:**

- Selection Screen
- Layout
- Download to excel



PF2 - Report  
Z1K\_SPAREPARTS: This report will provide you extraction of several fields of the master data of the material as well as stock quantities, values and consumption-

**i** This report is mainly used to provide information for the calculation PF1 inventory reserves:

- Raw Materials
- Spare Parts
- Finished goods (limited)

**STEP 2 Selection Screen**

In the Selection screen, the following data needs to be selected:

- Company code
- Valuation class (Of the material)
- Year
- Month
- The other fields, can be selected depending on the level of detail available /needed
- Layout can also be selected if available (Otherwise can be define after execution)

Spare part by Company/ Plants / Profit center / Material

Selection Screen

Company Code: 0270

Valuation Area: to

Material Code: to

Valuation Class: z055

Profit Center: to

Year: 2019

Period: 12

Storage Location

Display Options

Layout:

**STEP 3 Layout**

Depending on the information needed, select the different fields to prepare the report

First screen after execution:

CoCode	GL Account	Val. Class	Val. Area	Stor. Loc.	Storage Bin	Profit Center	Material	Material Description	Matl no.	Val. Type	Matl Type	Matl Group	Decoded	Item. Life	Shelf life	ABC	CO
0306	2100010500	Z054	PO5A			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5B			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5C			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5D			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5E			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5F			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5G			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5H			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5I			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5J			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5K			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5L			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5M			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5N			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5O			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5P			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5Q			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5R			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5S			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5T			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5U			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5V			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5W			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5X			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5Y			07000	10204	EE LT (+ITEL)		2790	204010		0				
0306	2100010500	Z054	PO5Z			07000	10204	EE LT (+ITEL)		2790	204010		0				

Layout selection:

Spare part by Company/ Plants / Profit center / Material

Change Layout

Column Selection | Sort Order | Filter | View | Display

Displayed Columns

- Company Code
- GL Account
- Valuation Class
- Valuation Area
- Storage Location
- Storage Bin
- Profit Center
- Material
- Material Description
- Old material number
- Valuation Type
- Material Type

Column Set

- Column Name
- Movement type
- Stock quantities - Plant
- Stock values - Plant
- Moving Average Price
- Year current period
- Current period
- Purchasing Group

**STEP 4 Extraction to excel**

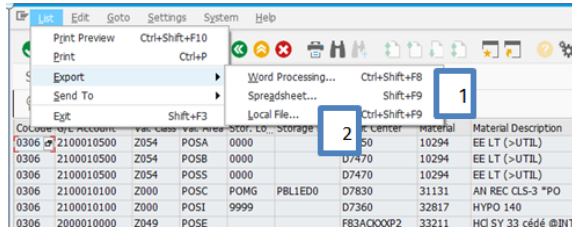
excel

Go to list -> Export

and select the option needed

It is possible to extract to excel in two different ways:

1. Excel
2. Local File



### IFRS accounts

The Z1K\_SPAREPARTS transaction only uses the G/L account 6310000000 on the debit side which is a limitation for Germany companies, once they use dedicated accounts depending on the material. For **Spare Parts** it should be used the G/L account 6310000020 and for Gen & Tech (exc. Packaging) the G/L account 6310000050, according the following matrix: [PF2 Germany WD\\_Inventories accounts](#).

To guarantee the correct reporting, a manual reclassification will have to be performed by **Accounting Platform Team**.

Debit PL account 6310000020 AND/OR 6310000050 (in order to determine the amount to be transferred take into consideration the balance account, whether it is 2119010000 **Spare Parts** or 2119000000 Gen & Tech (exc. Packaging)).

Credit PL account 6310000000

### Eliminations accounts

The Z1K\_SPAREPARTS transaction only posts in IFRS. Therefore, elimination will have to be manually performed by the **Accounting Platform Team**:

- **Spare Parts**: post elimination as per the following matrix: [PF2 Germany WD\\_Inventories accounts](#).

Debit BS account B119010009

Credit PL account F310000029

- **Gen & Tech (exc. Packaging)**: not to eliminate (no difference IFRS vs LOCAL GAAP)

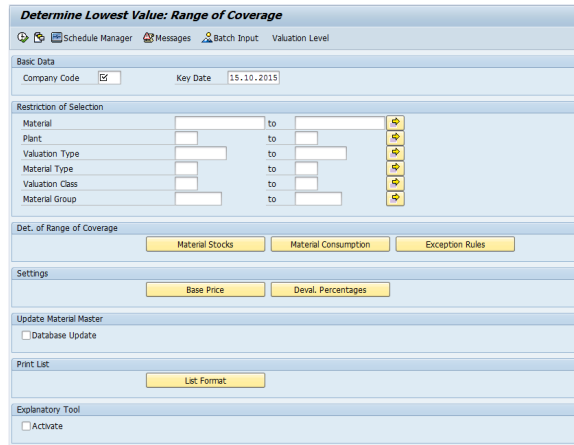
Every time there are new users performing this procedure, it's important to maintain them in a specific table, so that they can be considered "Authorized Users to Save Spare Parts Report": T-Code GS02, Table ZCO\_USER\_SPAREPARTS (to be done by the TL).

NOTE All users can run the report (both in foreground and background), but only the User IDs that are maintained in the set ZCO\_USER\_SPAREPARTS can save the report result in the customized table. If the Saving part is not Done, we might have inconsistencies between the proposal posting and the real posting performed by the system.

STEP 1

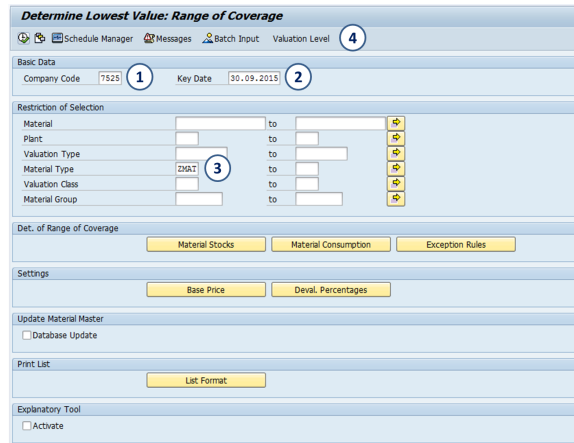
### Start the transaction MRN1

**i** Determine Lowest Value:  
Range of Coverage: initial screen



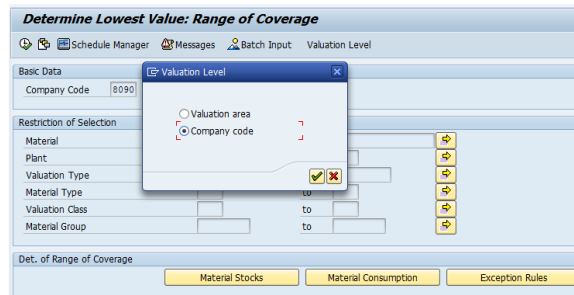
**STEP 2**

1. Enter the **company code**
2. **Key date**: Last day of the month = reference date for the calculation of R.O.C.
3. **Material type**: ZMAT : Finished products & RM & SF
4. Click on **Valuation level** to open a new window



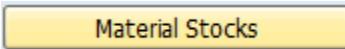
**STEP 3**

Select "Company Code"



**STEP 4**

Click on

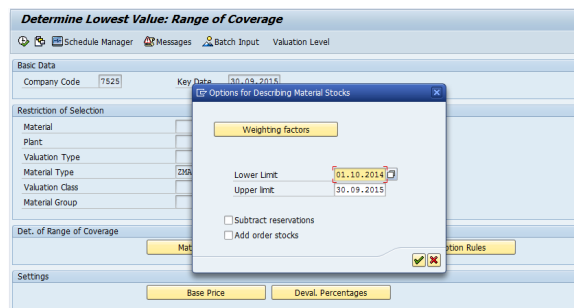


Enter:

- "Upper limit" = "key date"
- "Lower limit" = "Upper Limit" - 12 months

The range of dates corresponds to the period of analysis of the monthly stocks

and enter



**STEP 5**

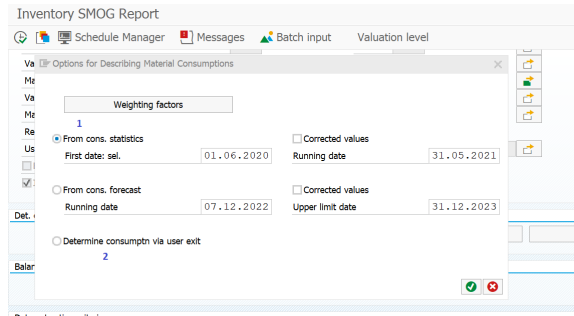
Click on

**Material Consumption**

1. Select and enter the range of date in the first range as the analysis period for the determination of consumptions.



and enter



The option "Determine consumption via user exit" can be selected to apply the rules to calculate the range of coverage (average consumption).

**STEP 6**

Click on

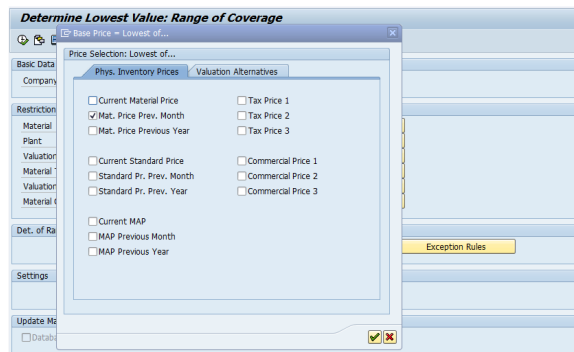
**Base Price**

It is the standard cost of the month

- If the transaction is run before the end of the month:
  - Select the **current material price**
- If the transaction is run after the end of the month:
  - Select the **Mat. Price Prev. Month**



and enter



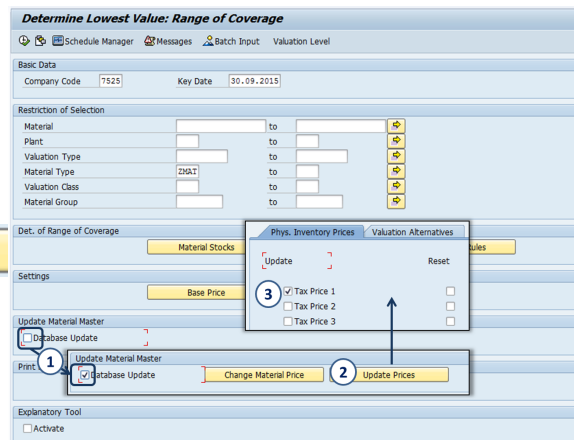
**STEP 7**

1. Check "Database Update" and 2 new buttons appear.
  - Never click on "Change Material Price"
2. Click on
3. Check "Tax Price 1" to store the price calculated by the system

**Update Prices**



and enter



Then start the calculation by clicking



on

Ignore the warning message

No material number interval entered. Please check

Enter ↵

by clicking on

**STEP 8**

The report is displayed

1 Determine Lowest Value: Range of Coverage 16.10.2015

ValA	Material	Material Description	MTyp	Average Stock	BUn	Average Consumption	BUn	Range of Coverage	Base Price	% Deduct.	New Price	Price Unit
7603	132395	TY S 218L2 V30 BLACK 25KG PB/A	ZMAT	12,975.000	KG	4,856.250	KG	2.672	2,724,420	0.0	2,724,420	1,000
7603	132438	TY A 216 NATURAL 1000KG BB/A	ZMAT	0.000	KG	0.000	KG	0.000	2,982,959	0.0	2,982,959	1,000
7603	132449	TY SX 218 V50 BLACK 38N-K 25KG(KP) PB/A	ZMAT	10,175.000	KG	6,002.500	KG	1.695	2,180,568	0.0	2,180,568	1,000
7603	132664	TY A 216L2 V15 GREY 2355 25KG(KP) PB/A	ZMAT	850.000	KG	1,660.417	KG	0.512	3,263,336	0.0	3,263,336	1,000
7603	132894	HYDROGEN PEROXIDE 5% BULK	ZMAT	810.000	KG	787.500	KG	1.029	590,000	0.0	590,000	1,000
7603	132929	TY A 216 L2 BLACK 25KG PB/A	ZMAT	0.000	KG	6.417	KG	4.000	5,288,000	0.0	5,288,000	1,000
7603	133114	STABAMID 27AE4 K BULK PROCESS	ZMAT	0.000	TO	3.543	TO	0.020	2,330,000	0.0	2,330,000	1
7603	133133	TY eXten D 219WFC V30 BLACK 25KG(612)/E	ZMAT	0.000	KG	0.000	KG	0.000	4,285,753	0.0	4,285,753	1,000
7603	133170	STABAMID 27AE4 K BIG BAG 1100 KG	ZMAT	1.987	TO	3.392	TO	0.586	2,374,366	0.0	2,374,366	1
7603	133184	MACKTERRA SSB-70CT PASTILLE 25KG BAGS	ZMAT	0.000	KG	0.000	KG	0.000	3,200,000	0.0	3,200,000	1,000

1. **Material Master Data** & plant code.
2. **Stock quantity** at the end of the month (execution date)
3. **Average consumption** on the last 12 months
4. **Number of months** needed to consume the whole stock with the average consumption = Average stock (2) / Average consumption (3)
5. **Base price** used for the calculation of impairment (= standard cost)
6. **% Deduct** calculated in function of range of coverage (4)
  - Range of coverage < 12 = 0 %
  - 12 < Range of coverage 24 = 50 %
  - 36 < Range of coverage = 100 %
  - 24 < Range of coverage 36 = 75 %
7. **New price** on which the range of coverage is applied = (100 - % Deduct (6)) x Base price (5)

**Tasks to be completed when documenting an SAP Transaction, Report or Message code.**

1. Title of the page = SAP Transaction code, SAP Report or SAP Message

2. Add the following Labels, respectively:

- SAP Transaction => "sap\_transaction", Transaction code "xxxx"
- SAP Report => "sap\_report"
- SAP Message => "sap\_msg"

3. On the left section, describe the steps. On the right section, insert respective print screens and additional guidelines, if needed (e.g. Main selections of the transaction...)

**STEP 1**

Use transaction code:  
Z1K\_SPAREPARTS

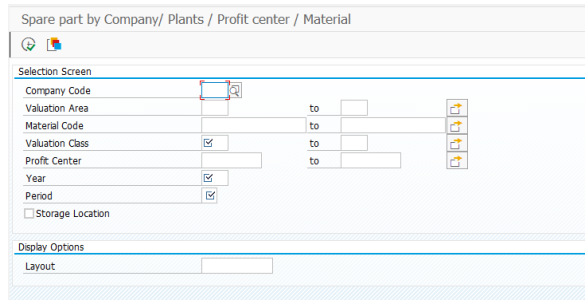
You will be able to find four sections:

- Selection Screen
- Layout
- Download to excel

**i** PF2 - Report Z1k\_SPAREPARTS: This report will provide you extraction of several fields of the master data of the material as well as stock quantities, values and consumption-

**i** This report is mainly used to provide information for the calculation PF1 inventory reserves:

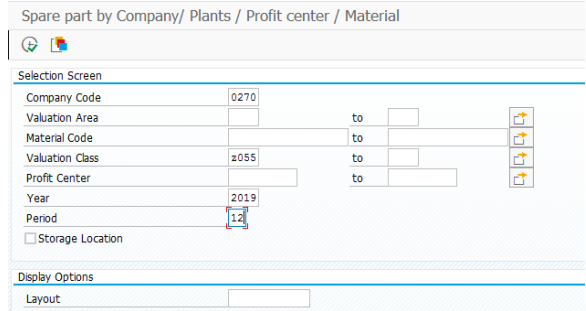
- Raw Materials
- Spare Parts
- Finished goods (limited)



**STEP 2 Selection Screen**

In the Selection screen, the following data needs to be selected:

- Company code
- Valuation class (Of the material)
- Year
- Month
- The other fields, can be selected depending on the level of detail available /needed
- Layout can also be selected if available (Otherwise can be define after execution)



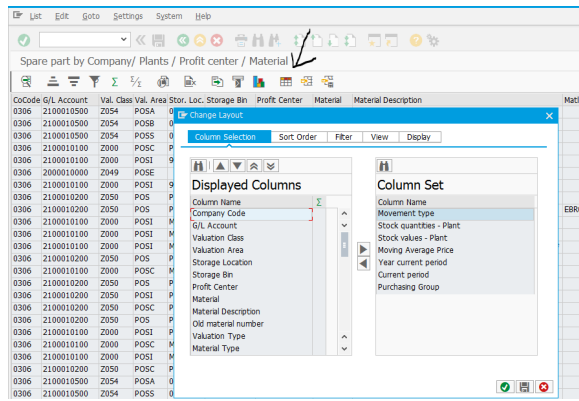
**STEP 3 Layout**

Depending on the information needed, select the different fields to prepare the report

First screen after execution:

GL Account	Val. Class	Val. Area	Stock	Loc.	Storage Bin	Profit Center	Material	Material Description	Metric	Val. Type	NSG Type	NSG Group	Debit	Amt.	Life	Shelf	Pl.	ABC
0386	2100010300	2154	PO54	0000		07250	10294	EL LT (47FL)		2790	204540		0	0				
0386	2100010300	2154	PO58	0000		07470	10294	EL LT (47FL)		2790	204540		0	0				
0386	2100010300	2154	PO52	0000		07470	10294	EL LT (47FL)		2790	204540		0	0				
0386	2100010300	2150	PO50	PO90	PBL1800	07620	31121	WM REC.05-710		2790	21519461		0	0				
0386	2100010300	2150	PO51	9999		07360	32817	HWPO 140		2790	21512425		0	0				
0386	2100010300	2149	PO50			08420009	32311	WIC 10 21 444 Ø31T		2790	21018715		0	0				
0386	2100010300	2150	PO51	9999		07360	45068	LIC 10 14 +40 P		2790	21520447		0	0				
0386	2100010300	2150	PO50	PO90	PO90	07360	100009	ACTX ALUMIN. GRADE A, 4 TO 8 MM * F540		2790	204620		0	0				
0386	2100010300	2150	PO5	PO90	PBL4200	07360	100079	CTRXC ACB MONOCHRYSTAL * 125		2790	206010		0	0				

Layout selection:

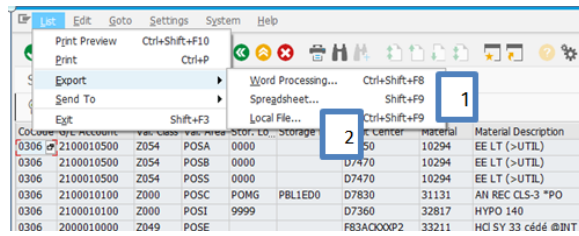


**STEP 4** Extraction to excel

Go to list -> Export and select the option needed

It is possible to extract to excel in two different ways:

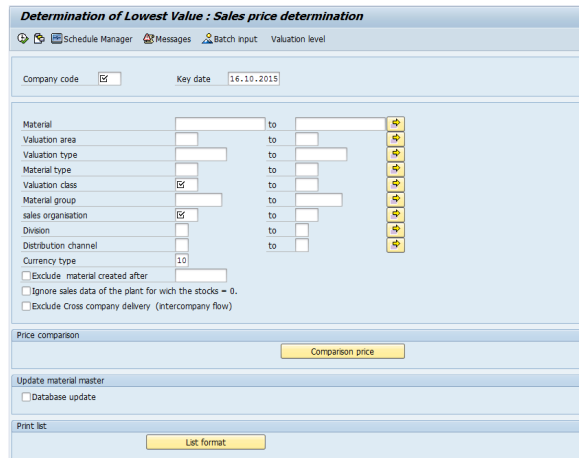
1. Excel
2. Local File



**STEP 1**

Start the transaction ZWFA21A

**i** Determination of Lowest Value: Sales price determination: initial screen



**STEP 2**

1. Enter the company code

2. **Key date:** Last day of the month
3. **Material type:** ZMAT - Raw materials & Finished goods
4. **Valuation class:**
  - Z130 : Trading goods
  - Z150 : Finished products
5. **Sales organisation:** All sales organisation of the company
6. **Currency type:** Useless (all data in specific table are in local currency)
7. Uncheck **Exclude Cross company delivery**

**STEP 3**

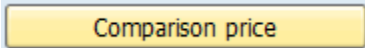
1. Click on "Valuation level"
2. Check "Company code"



and enter

**STEP 4**

Click on



Select the relationship to Market Price = **Lowest val. Comparison**

Select the price used for the comparison:

- "Mat.Price Prev.Month" (material price previous month)



and enter

**STEP 5**

1. Check "Database update" and a new button appears.
2. Click on **Update phys. inv. price**
3. Select "Tax price 2": field of the material master data in which the calculated price is saved



and enter

Then start the calculation by clicking



on

Ignore the warning message

No material number interval entered. Please check

Enter ↵

by clicking on

**STEP 5**

The report is displayed

Determination of Lowest Value: Sales price determination part 2

ValR	Material	Val. Class.	Val. type	Material description	MatType	Tot. stock	Net Real value	Comparison price	Lowest price	per	Price Date	Price Source
7603	118799	Z150		TY W500A GREY 2980 500 KG BB/A	ZMAT	21,500 KG	4,092,000	3,397,332	3,397,332	/1,000	201506	COFA
7603	118950	Z150		FM01A-C32H2MX30 GREY 174NH-M 10KG BOX /A	ZMAT	200 KG	14,499,000	14,499,315	14,499,000	/1,000	201509	COFA
7603	118800	Z150		TY SX 216 V55 G-GREY 25 KG PB/A	ZMAT	1,800 KG	3,129,000	2,488,740	2,488,740	/1,000	201506	COFA
7603	119932	Z150		STABAMID 24FE3 K BIG BAG 750 KG	ZMAT	38,158 TO	26,811,460	24,038,485	24,038,485	/ 10	201506	COFA
7603	119997	Z150		A 238SI CV28 BLACK 25 KG PB /A	ZMAT	75 KG	1,000,000	454,500	454,500	/1,000	201506	COFA
7603	121497	Z150		STAR AFX 216 V60 GREY 2327 25KG(ME) /A	ZMAT	0 KG	1,000,000	81,000	81,000	/1,000	201506	COFA
7603	124713	Z150		TY S 218 MV20 BLACK-E 750KG BB/A	ZMAT	21,000 KG	2,599,000	2,353,000	2,353,000	/ 1	201506	COFA
7603	125507	Z150		TY 2417IG4 BLACK 25KG(KP) PB/A	ZMAT	6,050 KG	3,972,000	2,849,472	2,849,472	/1,000	201506	COFA
7603	125508	Z150		TY C 216 V55 BLACK 25 KG PB/A	ZMAT	2,500 KG	3,008,000	2,119,186	2,119,186	/1,000	201506	COFA
7603	126165	Z150		TY SX 218L2 V50 BLACK 38N 25 KG PB/A	ZMAT	7,000 KG	3,849,000	2,716,118	2,716,118	/1,000	201506	COFA

1. **Material Master Data & plant code**
2. **Stock quantity** at the end of the month (execution date)
3. **Net Real value** most recent "net real value" on the "key date"
4. **Comparison price:** Price selected in the "comparison price" box (here "price on the previous month")
5. **Lowest price:** Lowest value of the two prices (3) & (4) followed by the price unit
6. **Price date:** Date of calculation of the price
7. **Price Source:** Origin of the price

Unable to render {include} The included page could not be found.

### 3.4. I calculate inventory reserves

**Responsibility area:** Calculate and post Inventory Reserve

**STEP 1**

Start the transaction ZFI\_INVENTORY\_SMOG

Inventory SMOG report: initial screen

Inventory SMOG Report

Schedule Manager Messages Batch input Valuation level

Company code  Key date

Material  to

Valuation Area  to

Valuation Type  to

Material Type  to

Valuation Class  to

Material Group  to

Remaining shelf life  (Days)

Usage decision  to

Exclude material created after

Ignore stocks null

Det. of Range of Coverage

Balance sheet value

Data extraction criteria

Extract data in CSV file

Unix file path and file name

Max number of lines by file

Layout

Variant

**STEP 2**

1. Select variant: /SMOG\_TEMPLATE

2. Enter the **company code**
3. **Key date:** Last day of the month before quarterly
4. **Material type:** ZMAT and ZVER
5. The materials with null stock should not be considered in the calculation. The field must be flagged. Note: The new materials can be excluded by flagging the field "Exclude material created after" - it is not mandatory, it will depend of the business.
6. **Variant layout:** /SMOQ\_TP

**STEP 3**

1. Click on "Valuation level"
2. Select "Company code"

and enter

Note: The rate of coverage is calculated at **company code level** and not batch level -The reason is that in some plants we only have the transfer of stock between 2 locations and no sale or consumption, which means that these plants always have 100% depreciation.

**STEP 4**

Click on

**Prices/levels**

1. Check "Tax Price 1" (where the range of coverage is stored) and "Tax Price 2" (where the Net realizable value is stored)
2. Check "0=0" Level 1
3. Click on **Bal.Sh.Val**
4. Add "Stock Value" to the already selected values.

The calculation of impairment will be based on the lowest of the 3 values

- Stock value (=standard)
- Value Level 1 (= Tax Price 1)
- Value Level 2 (= Tax Price 2)

and enter if you have a message you can click on

**Continue**

STEP 5

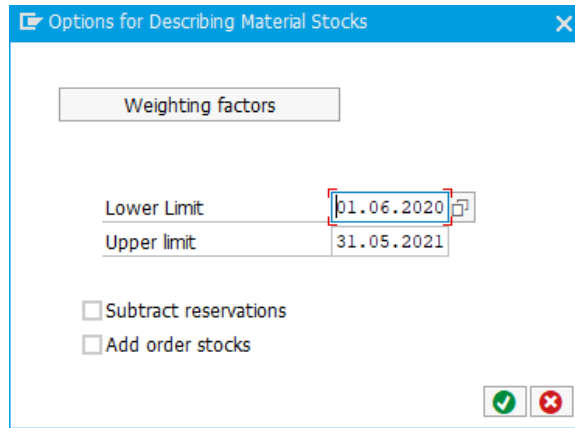
Click on

**Material Stocks**

Enter:

- "Upper limit" = "key date"
- "Lower limit" = "Upper Limit" – 12 months

The range of dates corresponds to the period of analysis of the monthly stocks



STEP 6

Click on

**Material Consumption**

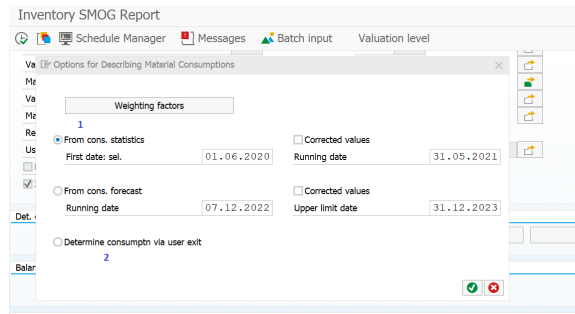
1. Select and enter the range of date in the first range as the analysis period for the determination of consumptions.

Then execute the transaction

The option "Determine consumption via user exit" can be selected to apply the rules to calculate the range of coverage (average consumption).

Then start the calculation by clicking on

Ignore the warning message



STEP 7

**SMOG Report Functions**

1. The total stock are summarized by the batch stock, non batch stock and stock in transit.

Account	Val. Area	Val. Class	Material	Val. Type	Material Description	Stor. Loc. Batch	BatchStock	NoBatchStk	Stock in Transit	Unit Total Value
31000300	8192	Z110	1825577		PE DRUM 208L PO BLUE Y1.4/150 VENTED		0	446	0	PC 10,644.35
31000300	8192	Z110	1825585		STEEL DRUM 208L PO 1.2X0.9X1.2 WBG ODPHL		0	461	0	PC 12,043.85
31000300	8192	Z110	1825590		STEEL DRUM 208L PO 1.2X0.9X1.2 WBB UNLND		0	564	0	PC 14,127.75
31000300	8192	Z110	1825601		STEEL DRUM 208L TO 1.1X0.8X1.1 WBB ODPHL		0	499	4	PC 14,304.03

2. Reserves and Financial depreciation

Manuf. Dte	Days Expr.	Expires On	ROC (M)	%Reserve	Coverage	BlockedQty	BlockedAmt	BlckQtyAdj	BlckAmtAdj	Aged Qty	ΣAged Amt	ΣNetCover	ΣFinReserve	ΣGood
08.09.2017	723- days	08.09.2019	9,999.000	1.00	2.86	0	0.00	0	0.00	1	2.86	0.00	2.86	0.00
15.09.2017	716- days	15.09.2019	18.000	0.50	1.34	0	0.00	0	0.00	1	2.68	0.00	2.68	0.00
30.09.2017	701- days	30.09.2019	0.077	0.00	0.00	0	0.00	0	0.00	1	3.35	0.00	3.35	0.00
25.11.2017	645- days	25.11.2019	0.006	0.00	0.00	0	0.00	0	0.00	1	2.89	0.00	2.89	0.00
06.12.2017	634- days	06.12.2019	9,999.000	1.00	3.02	0	0.00	0	0.00	1	3.02	0.00	3.02	0.00

- **Fin.Depr:** value is calculated from ZWFA21A stored in field **tax price 2** in material master data
- **ROC(M):** value is calculated from MRN1 stored in field **tax price 1** in material master data

• %Reserve:

If ROC<12, then %Reserve = 0

If ROC>12 & ROC<24, then %Reserve = 0.5

If ROC>24 & ROC<36, then %Reserve = 0.75

If ROC>36, then %Reserve = 1

- **Financial Depreciation:** based on Solvay standard : If source price is 'COPA' and Market price < Total value, then Financial depreciation = Total value - Market price
- **Coverage:** (Stock qty \* % Reserve)\* Standard material price
- **Blocked Qty:** (Off spec material) material batch with blocked status then total batch stock is blocked (100% provision).
- **Blocked Amt:** Blocked Qty \* Standard Material Price
- **Aged Qty:** (Obsolescence material) When the day until expiration is less than 0, the whole batch stock will be aged (100% provision).
- **Aged Amt:** Aged Qty \* Standard Material Price
- **NetCover:** Coverage - blocked amt - aged amt - blocked amt adj
- **FinReserve:** NetCover + blocked amt + aged amt + blocked amt adj
- **Good:** Total value - Financial Reserve

## IMPORTANT

The program **ZFI\_INVENTORY\_SMOG** will prioritize the 3 following rules:

### 1. Identify any blocking stock of the batch

If yes, it will be proposed to be 100% reserved

### 2. Identify the aging of the stock/batch based on Expiration Date

If date expired, it will be proposed to be 100% reserved

### 3. Identify the Range of Coverage (RoC) based on the last 12 months of consumption ( average consumption / average stock)

Reserved proposed based on following ranges

If ROC<12, then %Reserve = 0

If ROC>12 & ROC<24, then %Reserve = 0.5




If ROC>24 & ROC<36, then %Reserve = 0.75

if ROC>36, then %Reserve = 1, so for cases where ROC is equal or 9.999,00, it means that there is no consume for a long time

Note: If stock status is blocked or expired **Depreciation is 100%**.

## Workflow history

This view shows the 5 most recent entries. The complete workflow log is available from the 'Document Activity' menu item.

Nov 26, 2024	Actor	Type	Activity	Version
Published	 Gomes, Susana	Edit	updated the page at 4:57 pm Other contributors: 	
		State	changed state to <b>Published</b> at 3:57 pm	v23
Draft	 Gomes, Susana	State	gave <i>Approvers</i> approval at 3:57 pm	

State changed state to Draft at 3:57 pm v23

Dec 12, 2022

Published Lara Alves Edit updated the page at 5:07 pm

Lara Alves State changed state to Published at 4:08 pm v22

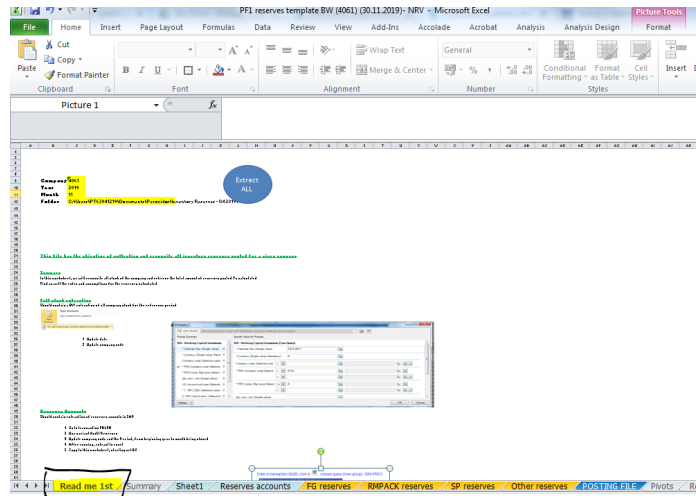
Draft Lara Alves State gave Approvers approval at 4:08 pm

State changed state to Draft at 4:08 pm v22

The process is currently processed with the support of one excel template that needs to be updated with the extractions from each transaction mention in section 3.3.

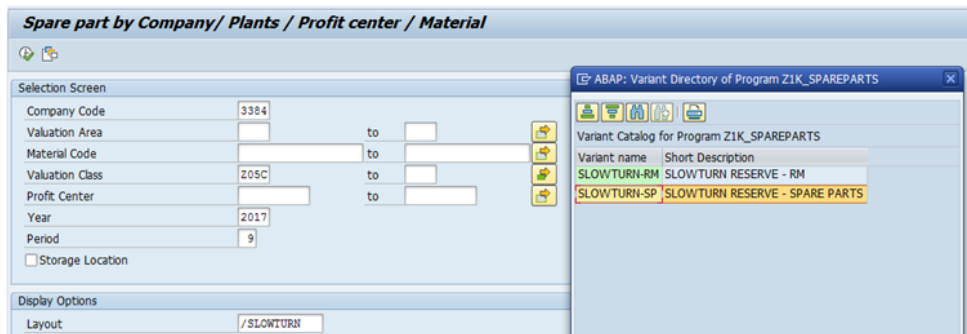
**Worksheet "Read Me" in the template:**

- The excel template contains a Read Me worksheet with the details of how to extract data and fill in each worksheet.
- Some files, might contain one Excel Macro to extract automatically the data from SAP and fill in each worksheet.



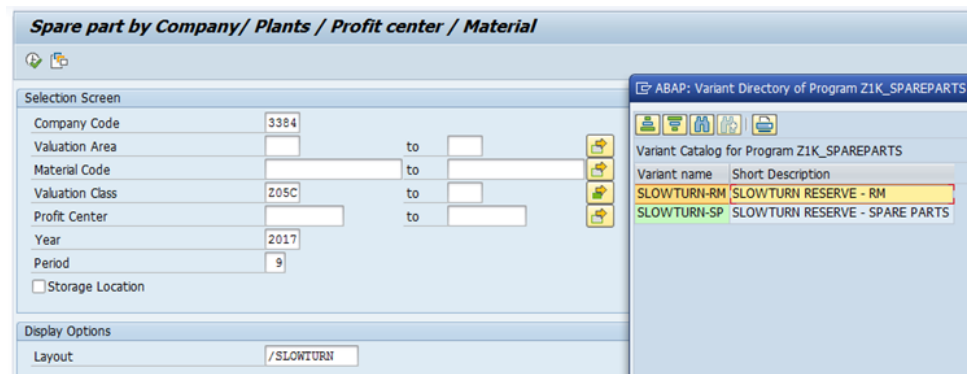
**Prepare Spare Parts data (3.3.1):**

1. Go to report Z1K\_spareparts
2. Select variant /SLOWTURN-SP
3. Update the company code
4. Update the year and month
5. After running, extract to excel
6. Copy to **worksheet "SP reserves"**, starting cell A2



**Prepare Raw Materials & Packaging data (3.3.2):**

1. Go to report Z1K\_spareparts
2. Select variant /SLOWTURN-RM
3. Update the company code
4. Update the year and month
5. After running, extract to excel
6. Copy to **worksheet "RMPACK reserves"**, starting cell A2



**Prepare Finished Goods Data (3.3.3):**

1. Got to SQ00
2. Select query/user group SXS-PRD1
3. Run table Z1K\_UPIS3
4. Select Variant "INV RESERVES" with the company, plant (if necessary) and period/Year
5. After running, extract to excel
6. Copy to **worksheet "FG reserves"**, starting cell A2

Select query/user group SXS-PRD1

Query from User Group COSTING: Initial Screen

Name	User group name
COSTING	Costing
FI_3S_CTB	QUERIES FOR 3S CTB
SXS-PRD1	Solexis Products 1 (batches)
Z1_FI	FI

Run table Z1K\_UPIS3

Query from User Group SXS-PRD1: Initial Screen

Query area: Standard Area (Client-specific)

Query:

QuickViewer    Display    Description

Name	Title	InfoSet	Logical Database	Table/View/Join	InfoSet Title
Z1C_ZWPPMCKOST	ZWPPMCKOST	Z1C_ZWPPMCKOST_TAB		ZWPPMCKOST	PT99375423:Z1C_ZWPPMCKOST
Z1K_BATCH_FV	CO BATCHES: list - Fix Var in Cny curr	CO-BATCH-NEW5		Z1K_BATCH3	CO Batches and UPIS
Z1K_BATCH_NEW	CO BATCHES: list - NEW version ---	CO-BATCH-NEW5		Z1K_BATCH3	CO Batches and UPIS
Z1K_PLANT	CO - plants by company code	CO_T001K		T001K	CO Cny plants (T001K)
Z1K_UPIS3	CO UPIS + SlowMoving + LCM - VERSION 2020	CO-BATCH-NEW5		Z1K_BATCH3	CO Batches and UPIS
Z1K_UPISTEST	UPIS - summary - DO NOT USE	CO-BATCH-NEW5		Z1K_BATCH3	CO Batches and UPIS
Z1K_UPIS_RAW	CO UPIS - VERSION 2012 - details in origin currency	CO-BATCH-NEW5		Z1K_BATCH3	CO Batches and UPIS
Z1K_UPIS_SUM	UPIS - summary - DO NOT USE	CO-BATCH-NEW5		Z1K_BATCH3	CO Batches and UPIS

Select Variant "INV RESERVES" with the company, plant (if necessary) and period/Year

CO UPIS + SlowMoving + LCM - VERSION 2020

Program selections

Company Code	4061	
Year	2019	
Period	11	
profit ctr		to
plant		to
Industrial Origin		to
<input type="checkbox"/> Read UD DETAIL ?		
Valuation Class	Z101	to
Material Number		to
Batch Number		to
Product hierarchy		to
Output Format		

ABAP: Variant Directory of Program AQ20SXS-PRD1====Z1K\_UPIS3====

Variant name	Short Description	Environment	Protecte
GBU SP Z061	GBU SP x UPIS Z061	A	
GBUSPBACHTESSL	GBU SP BACHTES/SaraLoddo	A	
IAC5835	IAC5835	A	
INV RESERVES	Inv Reserves calculation	A	
P_A-Y_VVV	SpP Alg & Hyf WorldWide	A	
P_CNA	SpP CNA	A	
P_CNA1	SpP CNA1	A	
SODA ASH	SODA ASH BU UPIS	A	
SPOL TOTAL	UPIS x FG & WIP	A	
SPP BELGIUM	SpP Belgium	A	
STOCK GRU LCM	stock GRU LCM	A	

**3.5. I send the report to the GBUs**

**3.5.1. I generate the proposition files**

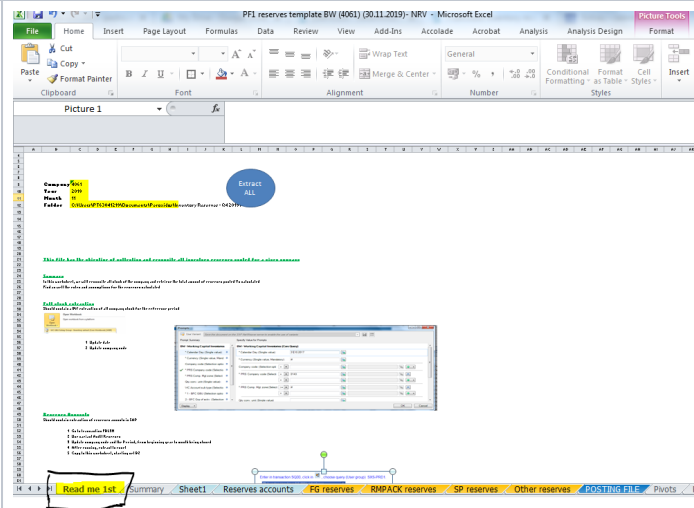
Extract the data in spreadsheet format from ZCO\_SPAREPARTS and ZFI\_INVENTORY\_SMOG

and copy the data to inventory reserves template field A2 in both "RMFG reserves" & "Industrial supplies reserves"

Having the extractions done in section 3.4 related to PF2, each worksheet needs to be completed

**Worksheet "Read Me" in the template:**

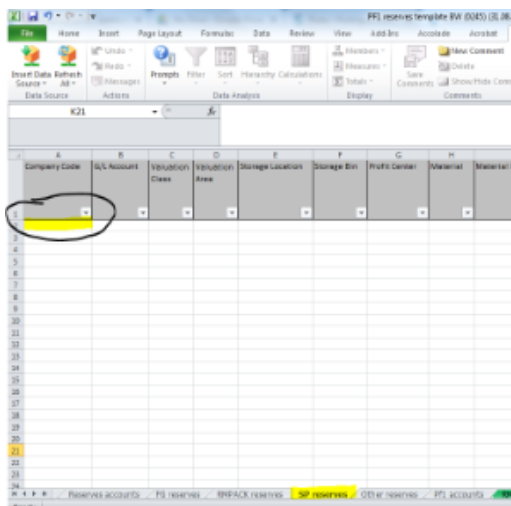
- The excel template contains a Read Me worksheet with the details of how to extract data and fill in each worksheet.
- Some files, might contain one Excel Macro to extract automatically the data from SAP and fill in each worksheet.



**Prepare Spare Parts data (3.3.1):**

1. Copy the extraction to **worksheet "SP reserves"**, starting cell A2
  - a. Check the last columns are not overwrite, as these contain the formulas to calculate the reserves

Copy the extraction to cell A2



Have in mind that not to overwrite the last columns:

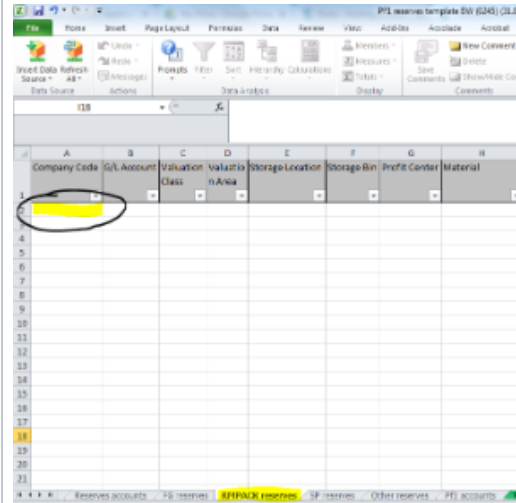
AM	AN	AO	AP
Material Date of Last Count	No. of Slow Moving Days	Depreciation rate for 10% rule (=IF(AL2>365;10%;0%))	Slow-turn reserve by AJ2*AM2
		0%	0%
		0%	0%
		0%	0%

These columns are the ones containing the formulas to calculate the final res

**Prepare Raw Materials & Packaging data (3.3.2):**

1. Copy the extraction to **worksheet "RMPACK reserves"**, starting cell A2
  - a. Check the last columns are not overwrite, as these contain the formulas to calculate the reserves

Copy the extraction to cell A2



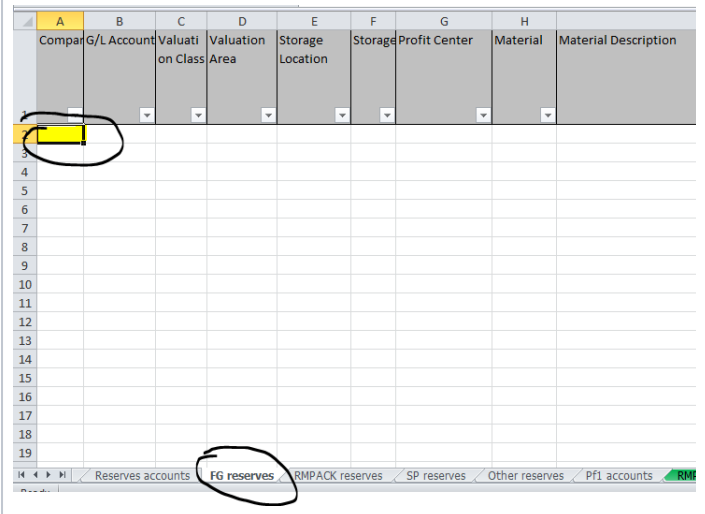
Have in mind that not to overwrite the last columns:

AN	AO	AP	AQ	AI
No. of Slow Moving Days	Material Type	Range of coverage	Rate of depreciation	Coverage Slow reserve
	RM		100	100%
	RM		100	100%
	RM		100	100%
	RM		100	100%
	RM		100	100%
	RM		100	100%

These columns are the ones containing the formulas to calculate the final res

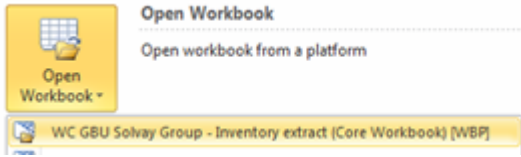
**Prepare Finished Goods Data (3.3.3):**

1. Copy the extraction to **worksheet "FG reserves"**, starting cell A2



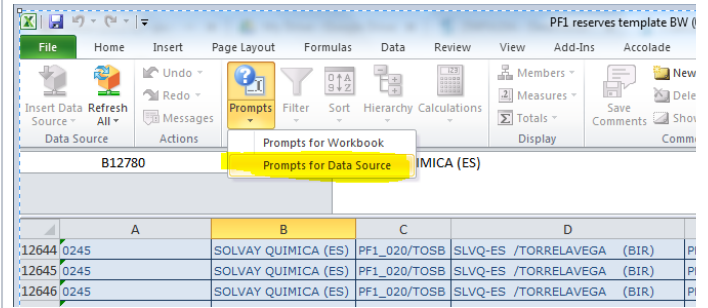
**Worksheet "Full stock extraction" :**

- Extract through BW, the stock of the company for the period in analysis

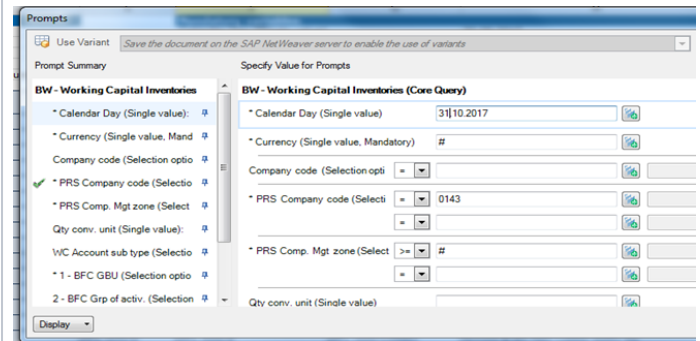


1. Refresh this worksheet through Analysis/Prompt
2. Select date (Last day of the month in analysis)
3. Select the company code

Go to "prompt" to perform the refresh

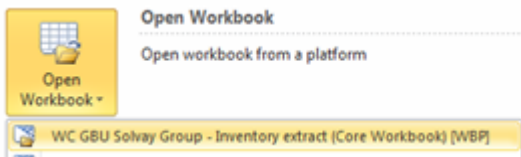


Select the date and company



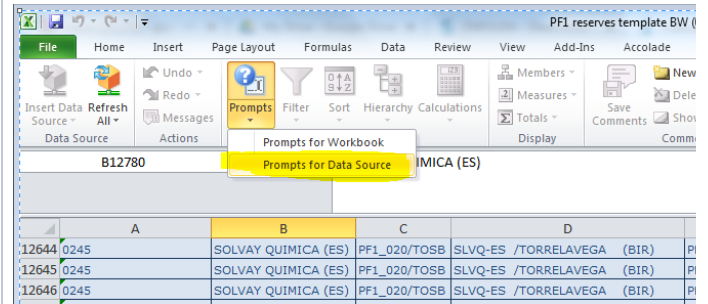
**Worksheet "Reserve accounts" :**

- Extract through BW, the **Balance sheet reserve accounts** of the company for the period in analysis

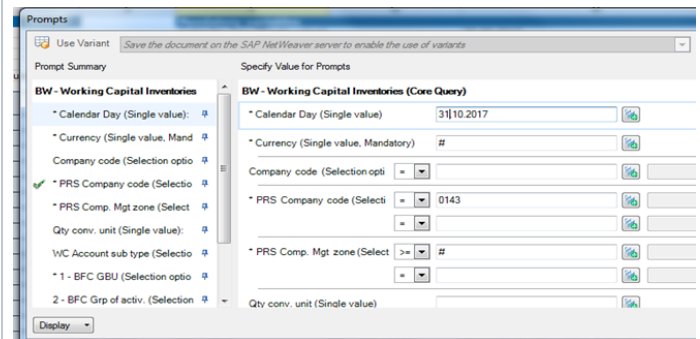


1. Refresh this worksheet through Analysis/Prompt
2. Select date (Last day of the month in analysis)
3. Select the company code

Go to "prompt" to perform the refresh



Select the date and company



**Worksheet "Summary" in the template:**

- The total amount of the columns with the calculated reserve, should be in column G
- The total amount of company stock retrieved in worksheet "full stock extraction" should be in column C
- The total amount of the Balance sheet accounts coming from worksheet "reserve accounts" should be in column F

Template

**3.5.2. I prepare the proposition files**

Ensure all the data in other sheets are reflected into tab Summary

**Solvay Template Analysis - Write-off inventories**

Material class	Category of Stock	Check of Total Stock Amounts			Check of Reserves Posted		
		Total Value LC amount	Total Value LC amount from reserves calculation	Differences	Total Value LC of write-off booked	Total Value LC of write-off calculated	Differences
Z100	Raw Materials	-	-	-	-	-	-
Z105	Other Raw Materials	-	-	-	-	-	-
	Heavy Fuel	-	-	-	-	-	-
	Solid Fuel	-	-	-	-	-	-
	Light Fuel	-	-	-	-	-	-
Z110	Packaging	-	-	-	-	-	-
	Semi-Finished Goods	-	-	-	-	-	-
Z120/Z125	Spare Parts/Industrial Supplies RM	-	-	-	-	-	-
Z160	Spare Parts/Industrial Supplies FP	-	-	-	-	-	-
Z170/Z175	Gen & Tech exc. Packaging	-	-	-	-	-	-
Z150/Z140	Finished Goods manufactured	-	-	-	-	-	-
Z130	Finished Goods purchased/Goods for resale	-	-	-	-	-	-
<b>Total</b>		<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>

To finalize the template before send it to the Controllers, some consistency checks need to be done.

**Prepare Spare Parts data (3.3.1):**

1. Check that no formula is missing in the last columns

Have in mind that not to overwrite the last columns:

Formula to determine if there is % to be calculated

IF(R2="X";0;IF(AN2>365;10%;0%))

Where column R is related to "critical spare part" and Column AN is related to

Number	Styles
--------	--------

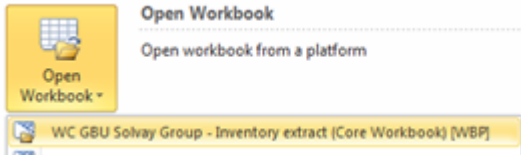
AM	AN	AO	AP
Age of Last Count	No. of Slow Moving Days	Depreciation rate for 10% rule (=IF(AL2>365;10%;0%))	Slow-turn reserve by AJ2*AM2
		0%	
		0%	
		0%	
		0%	

The formulas can change, depending on additional criteria implemented for a



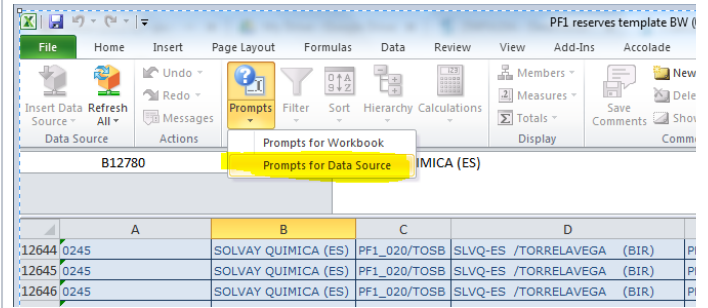
**Worksheet "Full stock extraction" :**

- Extract through BW, the stock of the company for the period in analysis

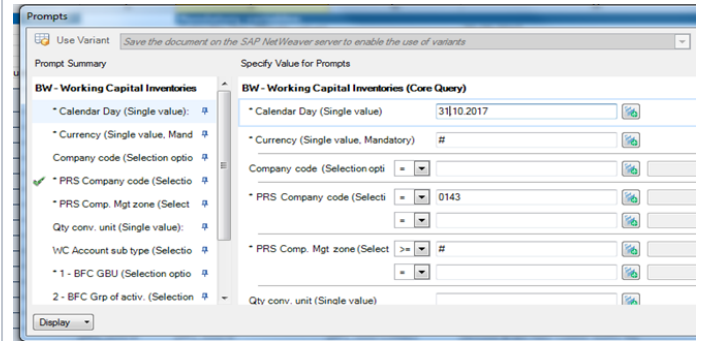


1. Refresh this worksheet through Analysis/Prompt
2. Select date (Last day of the month in analysis)
3. Select the company code

Go to "prompt" to perform the refresh

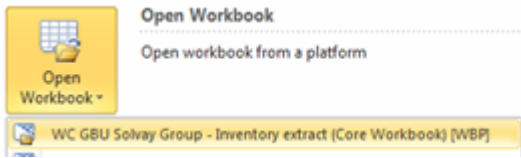


Select the date and company



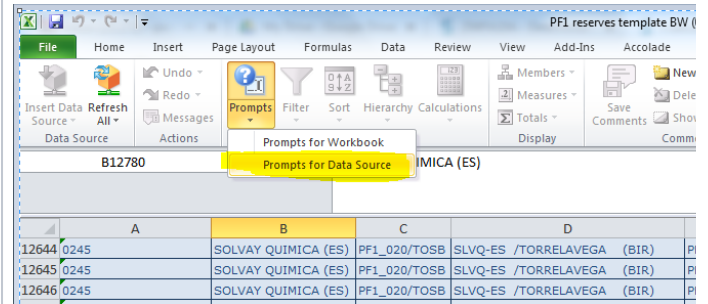
**Worksheet "Reserve accounts" :**

- Extract through BW, the [Balance sheet reserve accounts](#) of the company for the period in analysis



1. Refresh this worksheet through Analysis/Prompt
2. Select date (Last day of the month in analysis)
3. Select the company code

Go to "prompt" to perform the refresh



Select the date and company

