

I perform the FI/COPA reconciliation of COGS (cost of goods sold)

Domain: Costing

Responsibility area: Ensure Costing Allocations

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 - 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...)
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 - 3.2. I analyse the discrepancies
 - 3.3. I perform the corresponding posting to reconcile FI/COPA

Scope



WW

ERP

PF2
WP2

Frequency



Month

References

- ZWFA15P - Reconciliation of Cost of Goods Sold
- Z1K_RECONCILIATION - Reconciliation of Cost of Goods Sold

Forms

Attachments

- ZWFA15P Variances (WP2)
- Z1K_Reconciliation Variances (PF2)

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1. Objective and Scope

1.1. Objective of this Operation

The objective of this operation is to guarantee that the delta FI-COPA inside COGS headings equals 0 at the end of the month during closure. It perform the necessary corrections based on defined and approved instructions and the necessary internal controls.

1.2. Scope

This procedure is applied to all companies WW.

2. Definitions

See [Finance - Glossary](#)

3. Tasks description

3.1. I run the COGS reconciliation report

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

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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_RECONCILIATION - Reconciliation of Cost of Goods Sold: Initial Screen

Go to transaction **Z1K_RECONCILIATION**, and select the Default variant (it's important to use this variant and not create different ones, because IS is constantly updating it with more details that might be useful):

Variant name	Short Description
DEFAULT	Default Variant SPS COGS Check
DEF_COGS_BACKUP	Default Variant SPS COGS Check

After choosing the variant and adding the company code, it's important to press "Enter" so that you have both periods with the same information:

Operating concern	FO01
Company Code	0270
Calendar year / month	02.2018
Posting Period	1 2018

STEP 2

After running the report you'll have 3 columns:

- Amount in FI
- Amount in COPA
- Tip: for bigger companies, it might be helpful to make a filter in column "difference" excluding the range -1 to 1:

Select.	Value	to	Value
Difference FI-PA	1,00	to	1,00

Materi	Plant	FI Amount in LC	Difference	Kind	PA Amount D
15366		1.768,70	1.768,70		
16654		7.749,60	7.749,60		
19021		15.301,21	15.301,21		
20424		103.361,30	103.361,30		
20425		34.095,40	34.095,40		
23794		11.992,86	11.992,86		
23796		6.968,74	6.968,74		
25930		849,53	849,53		
30156		1.003.095,90	1.003.095,9		
31851		126.654,97	126.654,97		
31859		2.524,94	2.524,94		
31867		306.069,77	306.097,66		27,89
31874		31.630,44	31.630,44		
32490		2.110,08	2.110,08		
35028		70.908,03	70.908,03		
35029		81.575,27	81.675,96		100,69
35020		6.150,70	6.150,70		

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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:

i ZWFA15P - Reconciliation of Cost of Goods Sold: Initial Screen

Go to transaction **ZWFA15P**, select the variant of the company code to be analyzed (for example for ZFR3, choose ZFR3_CLOSING) and Validate  and select the corresponding company.

Document Type:

- **WA**: Goods issue
- **WL**: Goods issue/delivery

Movement Code:

- **453** : TP returns to own
- **454** : TP own to returns
- **457** : TP Returns to own QI.
- **459** : TP Ret. to own blkcd.
- **460** : TP Own blkcd to ret.

TP: Transfer to company's own stock

COPA posting without FI posting

- Direct manual posting in COPA only (document type Z).
- Direct trading: billing without goods receipt.
- Returns: credit memo issued without movement type 45X.

Variance between the amount posted in FI and the amount posted in COPA for the same operation.

- New material: calculation of the first standard price after some deliveries or production.
- Release of new standard cost of the material between delivery and billing on the month of the delivery.
- Variance rounding up.
- Return: movements 651 and 45X entered on different periods than credit memo.
- Qualification Delayed & Eco Services: Shipped material code different from billed material code. When there is a difference between standard costs of the material codes involved.
- Deletion of a standard cost and recalculation of a new one between shipment and billing.

3.3. I perform the corresponding posting to reconcile FI/COPA

After performing the relevant checks and analyzing origins of differences, it is necessary to apply the appropriate corrections, according to [this file](#). The corrections can be done via FI (this is the primary option that should be used almost every time) or via COPA, according to the type of difference.

Note:

A) For all corrections done in FI it's recommended to use document type S1, and it's mandatory to use one GL account which is mentioned in parameter G/L account for non-GBB:

FI-CO Reconciliation of cost of goods sold

Operating concern: FO01
Company Code: 4056 SOLVAY CHEM (DE)
Calendar year / month: 07.2019
Posting Period: 7 2019
Document Type: PZ
BKPF Transaction code:
Movement Type: 453
Material:
Plant:
Acct modification: INV
G/L account for non-GBB: 6040200000
Upper Limit for rounding diff.: 1,00 EUR
CO-PA
Record Type: X
Billing Type: G2VS
Currency type: 10
Output
Layout: /DEFAULT
E-Mail Address:
Multiple Selection for G/L account for non-GBB
Select Single Values (15) | Select Ranges | Ex
O... Single value
6040200000
6040200010
6040110000
6040200020
6400000010
6098010100
6098010000
6098020000

B) For all corrections done in COPA it's mandatory to use one of the following value fields:

FERTP Vbl.manuf.costs
FERTF Fix prod. costs
VVF00 F00 DEP Std
VVD0X D0X VC Variance COGS
VVE0X E0X FC Var. COGS
VVF0X F0X DEP Var. COGS
VVICP ICP Interco cost
VV151 151 samples
VVTXA Adj Fiscal Deprec

AND to fill the following characteristics: Material + Plant + Profit Center + Amount.

Additionally, we need to check if which quantities should be posted in our correction:

Example 1 - Quantities already posted in both modules - In this case, we should not enter any quantity in our document:

Material	Plant	FI Amount in LC	Difference FI-PA	Kind	PA Amount	DocumentNo	Item	Type	Doc. no.	Doc. Date	RecordType	Pt. of val.	Sales Doc.	Item	Quantity	Unit	BST	Profit Center	Ref. doc. no.	Ref. item
10924		5.801,42	5.801,42		5.754,86	6211132661		RE	28012499		F		8959082	10	24.200,000	KG		PA7AB0021		
		5.801,42	-46,62		5.754,86															

Example 2 - Quantities posted only in FI or in CO (only 1 document posted) - In this case, in our document we should post the quantities also:

CoCd	Material	Plant	FI Amount in LC	Difference Kind	PA Amount	DocumentNo	Item	Posting Date	Mv	Doc. no.	Item	RecordTy	Sales Do	Item	Quantity	BUn	BI
4290	61504	DPM	840,36	840,36-		6210411461		2 09.01.2018	453						2.000,000	LB	
	61504		840,36	840,36-													

Example 3 - Quantities not posted on both sides - In this case it's necessary to understand why we don't have quantities. For example, here the postings relate the ML and KE27. And these 2 procedures must also be posted without quantities because these transactions are ran in SAP only to correct the price of the materials and, consequently, the stock valorization (the quantities should not be affected). So we should make our correction without entering any quantity:

CoCd	Material	Plant	FI Amount in LC	Difference Kind	PA Amount	DocumentNo	Item	Ty	Doc. no.	RecordTy	Pt. of v.	Quantity	BUn
4060	15730	BWF	17.033,94		17.033,94				32518018	F	1	0,000	VKG
4060	15730	BWF	17.033,94		17.033,94				32518500	F	1	0,000	VKG
4060	15730	BWF	15.792,89		15.792,89				32518308	F	1	0,000	VKG
4060	15730	BWF	14.965,52		14.965,52				32518307	F	1	0,000	VKG
4060	15730	BWF	14.381,51		14.381,51				32518183	F	1	0,000	VKG
4060	15730	BWF	1.119,36		1.119,36				32518277	F	1	0,000	VKG
4060	15730	BWF	1.070,69		1.070,69				32517938	F	1	0,000	VKG
4060	15730	BWF	170,33		170,33				32518510	F	1	0,000	VKG
4060	15730	BWF	121,68		121,68				32518511	F	1	0,000	VKG
			76.725,74		76.725,74								
4060	15730	BWF	76.652,72		76.652,72	6414133279	267	ML					
			76.652,72		76.652,72								
			73,02		73,02								

A check by plant/material should be done after corrections have been applied to guarantee that everything is OK.

At the end of the analysis and correction process, the gap should be equal or near 0.

After performing the relevant checks and analyzing origins of differences, it is necessary to apply the appropriate corrections, according to [this file](#). The corrections can be done via FI (this is the primary option that should be used almost every time) or via COPA (in exceptional situations only), according to the type of difference.

Note:

For all manual corrections to be done, it's mandatory to use the accounts/document type/etc that appears in each variant:

W1.5.5(001) Reconciliation of cost of goods sold



ALV variant

/ZWF15RMAT

6068 COGS

Selection criteria

Company code	ZFR3			
Period	06.2019			
Plant		to		
Material code		to		
Limit	1,00			
<input type="checkbox"/> Only variances				

Data PA

Operating concern	Z006			
Billing Type	= ZPPL	to		
Item Category		to		
Record Type	F	to		
Currency type	10			

Data FI

Document type	WA	to		
Movement code	453	to	460	
Account Number	98150363	to		

Manual adjustment postings

Document type	AD	to		
COPA account number	98154199	to		
FI account number	98350050	to		
Cost center	ZFR3-9200	to		

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