

APAC - China Bank Draft Posting

Objective and Scope

Objective

This Local operational procedure (LOP) demonstrates processes and procedures to execute Accounts Receivable activities in Bank Draft posting for legal entities in CHINA. This LOP provides instruction for users to perform recurring activities and reacting expected scenarios.

Scope

This LOP applies for Accounts Receivable-Bank Draft posting of all CHINA entities:

Solvay Specialty Polymers (Changshu) Co Ltd	5991
Solvay Chemicals (Shanghai) Co Ltd	6078
Solvay (Shanghai) Co Ltd	5876
Solvay Lantian (Quzhou) Chemicals Co Ltd	5993
Solvay (China) Co Ltd	7728
Solvay (Shanghai) International Trading Co Ltd	6859
Solvay Fine Chemical Additives (Qingdao) Co Ltd	7797
Solvay (Zhenjiang) Chemicals Co Ltd	7811
Zhuhai Solvay Specialty Chemicals Co Ltd	6577
Liyang Solvay Rare Earth New Materials Co Ltd	6811
Solvay (Zhangjiagang) Specialty Chemicals Co Ltd	6526
Solvay Hengchang (Zhangjiagang) Specialty Chemical Co Ltd	7810
Cytec Engineered Materials (Shanghai) Co Ltd	7776
Cytec Industries (Shanghai) Co Ltd	7734

Reference Documents

Process Flow (shown in the process)

Definitions

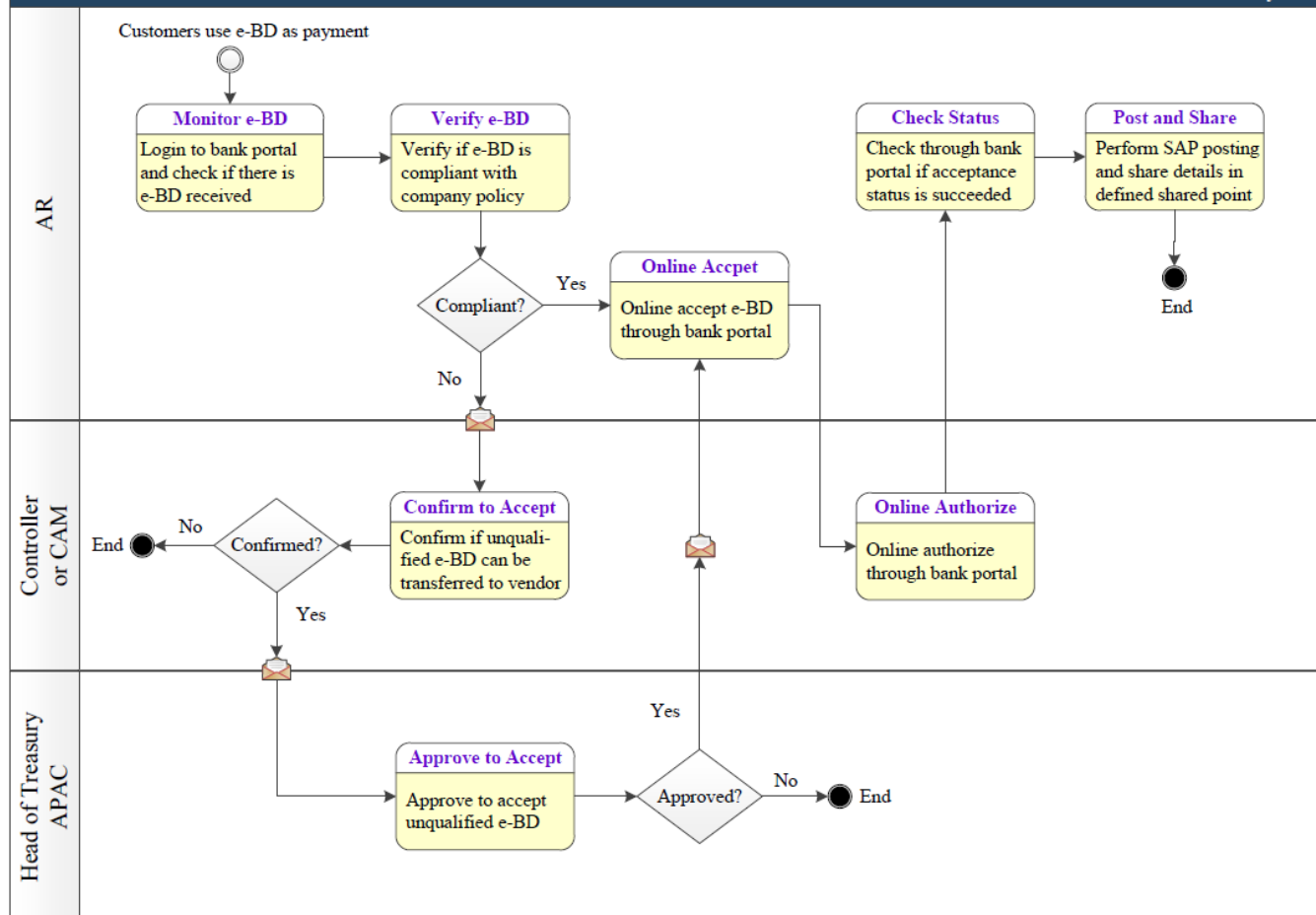
- SBS: In the current document, "Solvay Business Services" will be replaced by its abbreviation "SBS"
- OP: Operations Procedures
- BD: Bank Draft
- AR: Accounts Receivable
- AP: Accounts Payable
- CSR: Customer Service Representative
- T-Code: Transaction Code (SAP)
- G/L: General Ledger

Process Flows

1. Posting for Bank Draft Receiving

Electronic Bank Draft Acceptance

On a Daily Basis



After Bank Draft has been accepted through bank portal, AR record Bank Draft information in defined shared point, then clear Account Receivable and create Notes Receivable under the same customer account in SAP.

Step:

1. After received Bank Draft information, AR record it in defined shared point.

Customer Name	RCS Code	Draft No	Issue da	Maturity Date	Maturity	BD Drawer	BD Amount	Comment	Received Date	Perit	Posting Date	Ag	Voucher N	Clearing N	GBU
台州市本溪化学有限公司	2040155	30500053 23734833	08.07.2015	08.01.2016	201601	6 民生温州分行营	454,744.00		28/7/2015	Jul-15	28/7/2015	5.33	1410000263		Aroma
上海生泰绿生物科技有限公司	2025976	31400051 21238487	23.07.2015	22.01.2016	201601	5.97 江苏紫金农村商	900,000.00		29/7/2015	Jul-15	29/7/2015	5.77	1410000264		Aroma
浙江省化工进出口有限公司	2030084	31300051 32610131	27.07.2015	27.01.2016	201601	6 宁波银行杭州城	436,000.00		29/7/2015	Jul-15	29/7/2015	5.93	1410000265		Aroma
上海医药工业有限公司	70941	10300052 25610522	16.07.2015	16.01.2016	201601	6 农行滨海支行	500,000.00		30/7/2015	Jul-15	30/7/2015	5.63	1410000268		Aroma
上海医药工业有限公司	70941	10300052 25610523	16.07.2015	16.01.2016	201601	6 农行滨海支行	500,000.00		30/7/2015	Jul-15	30/7/2015	5.63	1410000268		Aroma
上海医药工业有限公司	70941	30700051 30965846	09.06.2015	09.12.2015	201512	6 平安银行上海分	500,000.00		30/7/2015	Jul-15	30/7/2015	4.3	1410000268		Aroma
上海医药工业有限公司	70941	10200052 24538645	11.06.2015	09.12.2015	201512	5.93 工行南通启东支	100,000.00		30/7/2015	Jul-15	30/7/2015	4.3	1410000268		Aroma
上海医药工业有限公司	70941	10200052 24538640	11.06.2015	09.12.2015	201512	5.93 工行南通启东支	100,000.00		30/7/2015	Jul-15	30/7/2015	4.3	1410000268		Aroma
上海医药工业有限公司	70941	10200052 24538649	11.06.2015	09.12.2015	201512	5.93 工行南通启东支	100,000.00		30/7/2015	Jul-15	30/7/2015	4.3	1410000268		Aroma
上海医药工业有限公司	70941	30500053 26601660	15.07.2015	15.01.2016	201601	6 民生南阳分行营	100,000.00		30/7/2015	Jul-15	30/7/2015	5.6	1410000268		Aroma
上海医药工业有限公司	70941	30300051 22243485	24.06.2015	24.12.2015	201512	6 光大石家分行	100,000.00		30/7/2015	Jul-15	30/7/2015	4.8	1410000268		Aroma
嘉兴东方铜箔科技有限公司	2014796	30200053 24397571	26.05.2015	26.11.2015	201511	6 中信东营分行营	500,000.00		31/7/2015	Jul-15	31/7/2015	3.87	1410000269		Novecare
嘉兴东方铜箔科技有限公司	2014796	30300051 22600216	21.05.2015	21.11.2015	201511	6 光大济南分行	500,000.00		31/7/2015	Jul-15	31/7/2015	3.7	1410000269		Novecare
江苏鑫源科技股份有限公司	2023125	30900053 27673866	17.06.2015	17.12.2015	201512	6 兴业太分	500,000.00		31/7/2015	Jul-15	31/7/2015	4.67	1410000270		Novecare
滨州国润医药科技有限公司	2009000	10400052 27093001	28.07.2015	28.01.2016	201601	6 中行东阳支行营	200,000.00		3/8/2015	Jul-15	3/8/2015	5.83	1410000271		Aroma

Definitions of each column:

Customer name: Name of customer who pay by bank draft
 RCS code: Customer code in SAP
 Draft No.: Bank draft number (Copied from bank portal)
 Issue Date: Date of issuing bank draft (Copied from bank portal)
 Maturity Date: Date of cash collection (Copied from bank portal)
 Maturity: Year and month of maturity date (Formulated by Excel)
 Month: Actual age of bank draft (Counted from issue date to maturity date)
 BD drawer: Bank draft issue bank (Copied from bank portal)
 BD amount: Amount of bank draft (Copied from bank portal)
 Comment: Status of cleared bank draft
 Received date: Date of receiving bank draft
 Period: Accounting period of receivable
 Posting Date: Date of receiving and posting bank draft in SAP
 Age: Age of bank draft on our hand (Counted from received date to maturity date)
 Voucher number: Document posting number (Record receiving bank draft)
 Clearing number: Document posting number (Record Bank draft collection, Transferring, Discount, Return)
 GBU: Business unit that bank draft paid to (For defining profit center to be used)

2. Record bank draft receiving in SAP by using t-code F-36.

On the screen "Bill of Exchange Payment: Header Data", insert information in the required fields as below:

Bill of Exchange Payment: Header Data					
Choose open items		Account Model			
Document Date	21.02.2021	Type	DW	Company Code	7776
Posting Date	21.02.2021	Period	2	Currency/Rate	CNY
Document Number				Translation dte	
Reference	REC. BD			Cross-CCode No.	
Doc.Header Text	(BD'S ISSUE BANK)				
Clearing text	REC. BD-(CUSTOMER NAME)				
	Pages				
Transaction to be processed					
☐ Outgoing payment ☒ Incoming payment ☐ Credit memo ☐ Transfer posting with clearing					
First line item					
PstKy	09	Account	2085802	SQL Ind	8 TType

Document Date/Posting Date: The date of receiving bank draft
 Type: "DW" representing Customer Bill Exchange
 Company code: 4 Digits representing the company
 Currency: "CNY"
 Reference: "REC. BD"
 Doc. Header Text: BD's Issue Bank
 Clearing text: "REC. BD" + Customer Name
 Transaction to be processed: "Incoming payment" is default selected.

In the "First Line item", insert information in the required fields as below:

PstKy: "09" representing Special G/L debit (it is default displayed)
 Account: Customer code
 S GL Ind: The special G/L indicator "9" representing Bank Draft CN (< 3 months) or
 "8" representing Bank Draft CN (> 3 months)

Press "Enter" to go to the next screen.

On the screen "Bill of Exchange Payment Add Customer item", insert information in the required fields as below:

Bill of Exchange Payment Add Customer item					
Choose open items Process Open Items More data Account Model					
Customer	4001511	GREEN EXCEL (SHANGHAI) LIMITED		G/L	2213000010
Company Code	5876	ROOM I, FLOOR 7 NO.1881 GUBEI ROAD			
SOLVAY SHANGHAI LTD		SHANGHAI			
Item 1 / BD debit >3M / 09 8					
Amount	100,000.00	JPY	Amount in LC		CNY
Assignment	20210129839876629	Bus. Area	3490		
Text	REC. BD-(CUSTOMER NAME)				
Bill of exchange details					
Due on	01.06.2021	☐ Demand bl	Bill/ex.status	☐	Planned usage
Issue date	01.01.2021	☒ Accepted	Bill protest ID	☐	Payment Method
Drawer	SOLVAY SHANGHAI LTD		SHANGHAI	31	
Drawee	GREEN EXCEL (SHANGHAI) LIMITED		SHANGHAI		
Bank Key	FCNXX000023	Bank Country	CN		
Bank Account	100128670901693701	Control key			
Reference	9				
IBAN		IBAN			
Bank name	INDUSTRIAL AND COMMERCIAL BANK OF CHINA / SHANGHAI PANYU ROA				
Next line item					
PstKy	19	Account	4001511	SGL Ind	A
				New co.code	

Amount: The amount of bank draft
 Assignment: Bank draft number
 Bus. Area: The defined digits representing Business Unit (PF1 only)
 Text: "REC. BD" + Customer Name, except Mortgage Bank Draft needs to insert "For Deposit"
 Due on: The maturity date of the bank draft
 Issue date: The date of issuing bank draft
 Accepted: Select it when bank draft is unqualified and gets special approval
 Payment Method: "\$" (representing E-BD)
 (The other fields are default and linked to customer master data, if customer bank information was added)

Credit entry requires to post as advance payment to customer account by putting the information in next line item as below,

PstKy: "19" representing Special G/L credit on Customer account

Account: Customer code

Special G/L Ind.: The special G/L indicator "A" representing Down payment

Press "Enter" to go to the next screen.

On the screen "Bill of Exchange Payment Add Customer item", insert information in the required fields as below:

Bill of Exchange Payment Add Customer item

Choose open items Process Open Items More data Account Model

Customer 2085802 ZHANGJIAGANG FREE TRADE ZONE G/L Acc 41100600
Company Code 7776 2ND BLDG E GANG AO RD
CEM (SHANGHAI) ZHANGJIAGANG

Item 2 / Down pmnt received / 19 A

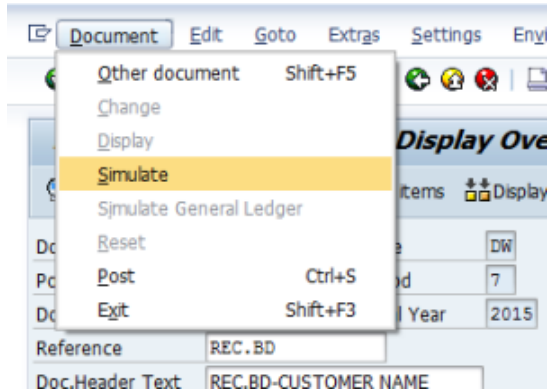
Amount 0,000,000.00 CNY
Tax Amount
Tax Code 5M ☐ Calculate tax
Disc.perc. Disc. Amount Invest.ID ☐
Purch.Doc. Real estate ☐
Contract Profit Ctr 7776-X1239 Flow Type
Assignment REC. BD
Text REC. BD-(CUSTOMER NAME) Long Texts

Next Line Item

PstKy Account SGL Ind New co.code

Amount: Bank draft receiving amount
Tax code: "5M" (WP1) or "B0" (PF1)
Profit Center: The defined digits representing Business Unit (WP1 only)
Assignment: "REC. BD"
Text: "REC. BD" + Customer Name

Click "**Document**" and "**Simulate**" to check if credit and debit entries are balance.



Bill of Exchange Payment Display Overview

Display currency
 Taxes
 Reset

Document Date	03.03.2021	Type	DW	Company Code	7776
Posting Date	03.03.2021	Period	3	Currency	CNY
Document Number	INTERNAL	Fiscal Year	2021	Translation dte	03.03.2021
Reference	REC. BD			Cross-CCode No.	
Doc.Header Text	(BD'S ISSUE BANK)			Trading part.BA	
		Number of Pages			

Items in document currency

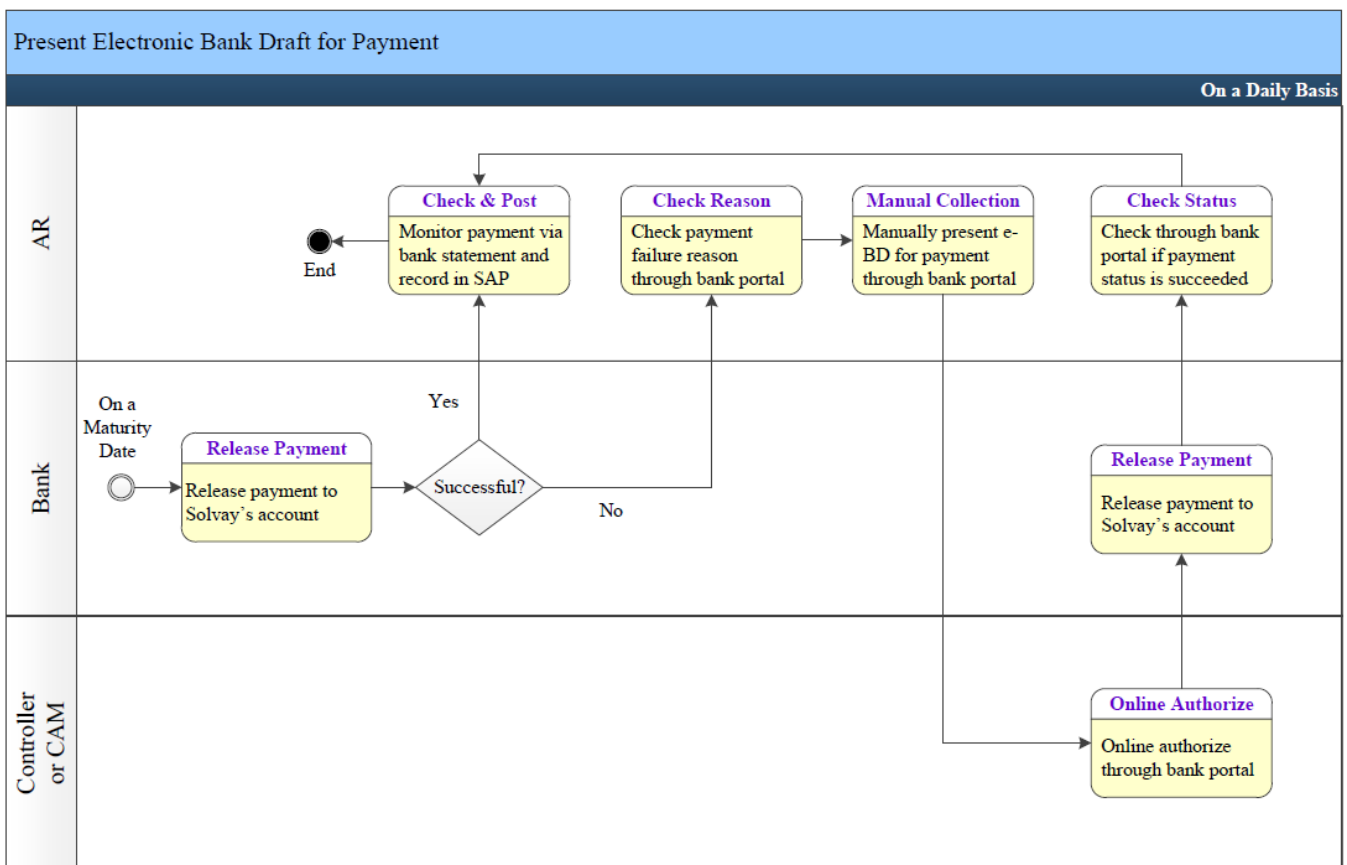
PK	BusA	Acct		CNY	Amount	Tax amnt
001	098	0002085802	ZHANGJIAGANG FREE T	1,000,000.00		
002	19A	0002085802	ZHANGJIAGANG FREE T	1,000,000.00-		5M
D		1,000,000.00		C	1,000,000.00	0.00
					*	2 Line items



Click "Post" and get the document number.

Remark: When document is posted as advance payment, it is required to clear the item against corresponding invoice in another step by using t-code F-32, please refer to Advance Payment Clearing Procedures.

2. Posting for Bank Draft's Cash Collection



Step:

- Example of Bank Statement with Bank Draft Collection:*

2. Check and find corresponding document that recorded bank draft receiving earlier via t-code FBL5N.

Corresponding document can refer to bank draft number inserted in "Assignment" field, it is supposed to be the same bank draft number shown in bank statement.

3. Record bank draft collection in SAP by using t-code FEBA.

On the screen "Edit Bank Statement", double click on payment transaction in the left-hand side to display payment details in the right-hand side:

Click **"Post"** to record the payment and select open item or bank draft to be cleared.

Post with Clearing Select open items

Process Open Items

Open item selection	Additional selections
Company Code 6577	☐ None
Account 2056553	☐ Amount
Account type D	☒ Document Number
Special G/L ind 8 ☐ Normal OI	☐ Posting Date
Pmnt advice no.	☐ Dunning Area
☐ Other accounts	☐ Reference
☐ Distribute by age	☐ Text
☐ Automatic search	☐ Fiscal Year
	☐ Baseline Payment Dte
	☐ Line item

In the "Open item selection":

Company Code: 4 Digits representing the company
 Account: Customer code
 Account type: "D" representing Customer Account
 Special G/L ind: "8" or "9"

Then select "Document Number" in the "Additional selections".

Click "**Process open items**" and insert document number that posted as received bank draft earlier.

Post with Clearing Enter selection criteria

Other selection Other account Process Open Items

Parameters entered

Company Code
 Account
 Account type
 Special G/L ind. ☐ Standard OIs

Document Number

From	To
1410000002	

Click "**Process open items**" to clear cash-collected bank draft.

Post with Clearing Process open items



Distribute Difference

Charge Off Difference



Editing Options



Standard

Partial Pmt

Res.Items

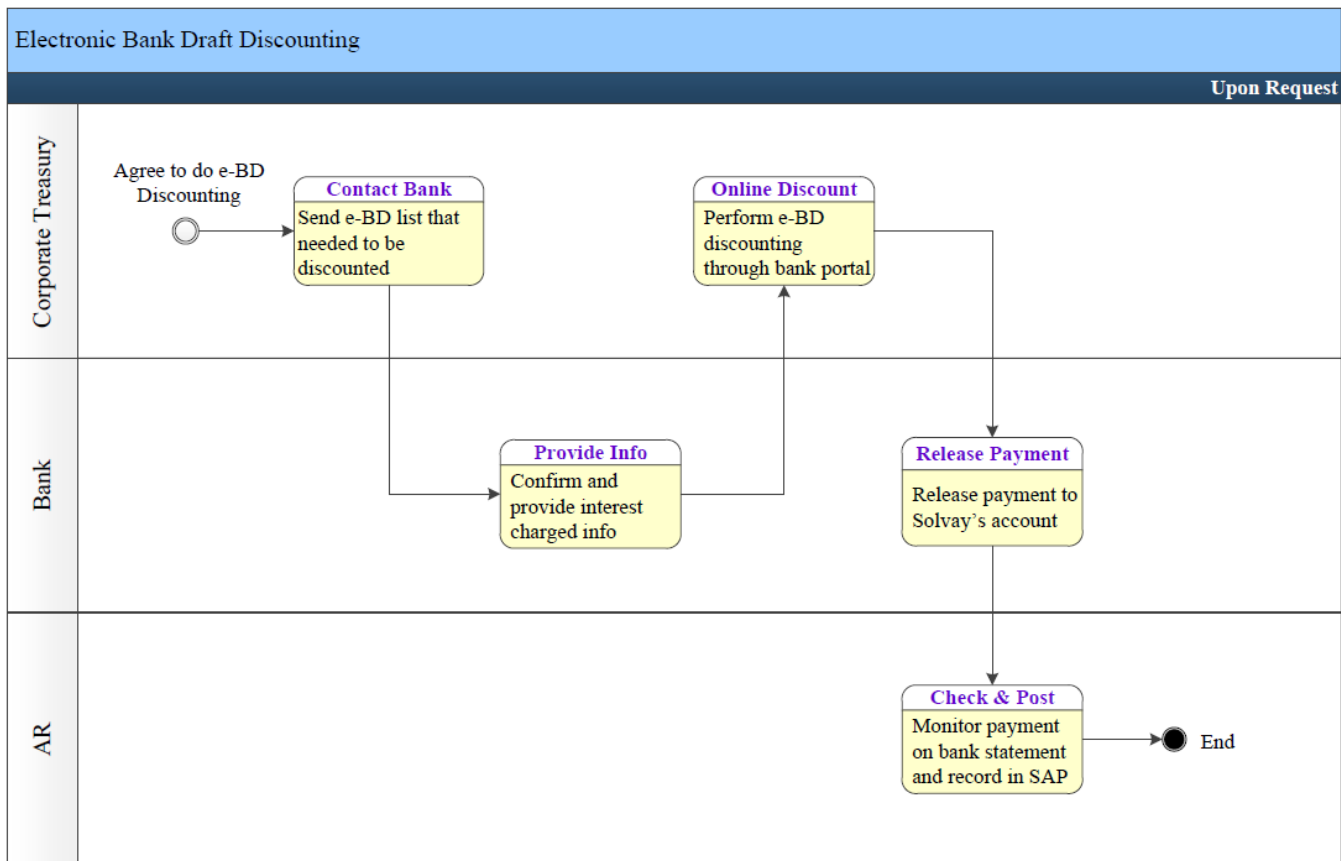
WH Tax

Account items 2056553 SUPER VISION FOSHAN CHEMICAL CO LTD

Document N...	D..	Documen...	P..	Bus...	Da...	CNY Gross	CashDiscount	CDPer.
1410000002	DW	01.02.2...	09		143-	100,000.00		

Click "Post"  and get the document number.

3. Posting for Bank Draft Discounting



Bank Draft Discounting is to early submit Bank Draft to the bank, in order to get the payment before its maturity date, but company needs to pay interest charges to the bank. It is basically managed by Treasury Cooperate team.

Step:

1. AR download and monitor bank statement on a daily basis, then check if there is incoming payment received from bank draft discounting. Sometimes Treasury Cooperate team would provide information in advance.

Bank Draft Discounting would have large amount of incoming payment with specific wording in bank statement.

Example of Bank Statement with Bank Draft Discounting:

查询账号 [Inquirer acc496258201841									
	Novecare	7811-10449	CN15	50050423	496258201841				
	Aroma	7811-11045	CN05						
12,362,331.20				纸质银承	20150717	1600000073	银行承兑汇票	0001120150717005009	纸票贴现放款处理

2. Prepare Discounted Bank Draft list in Shared file.

Customer Name	RCS Code	Draft No	Issue data	Maturity Date	Maturity Month	MO	BD Drawer	BD Amount	Comment	Received Data	Period	Posting Date		Voucher No	Clearing N
万华化学集团股份有限	2038237	10400052 25222627	10.04.2015	10.10.2015	201510	6	中行晋江支行	200,000.00	DISCOUNT	29/4/2015	Apr-15	29/4/2015	5.37	1410000118	1600000073
南京冠华贸易有限公司	66268	10200052 23099402	24.04.2015	24.10.2015	201510	6	工行佛山北滘支行	435,609.00	DISCOUNT	30/4/2015	Apr-15	30/4/2015	5.8	1410000123	1600000073
浙江省化工进出口有限	2030084	10400052 27630279	11.05.2015	08.11.2015	201511	5.9	中行浙江省分行营业	330,000.00	DISCOUNT	13/5/2015	May-15	13/5/2015	5.83	1410000142	1600000073
嘉兴东方钢帘线有限公	2014796	10300052 25095385	30.03.2015	30.09.2015	201509	6	荣成农行	1,100,000.00	DISCOUNT	15/5/2015	May-15	15/5/2015	4.5	1410000150	1600000073
上海生泰绿生物科技有	2025976	10200052 23305365	19.05.2015	18.11.2015	201511	6	工行盐城大丰支行营	858,771.00	DISCOUNT	20/5/2015	May-15	20/5/2015	5.93	1410000157	1600000073
浙江省化工进出口有限	2030084	10400052 27631024	20.05.2015	20.11.2015	201511	6	中行浙江省分行营业	436,000.00	DISCOUNT	22/5/2015	May-15	22/5/2015	5.93	1410000165	1600000073
南京冠华贸易有限公司	66268	10400052 269205293	12.05.2015	11.11.2015	201511	6	中行徐州新沂支行营	1,000,000.00	DISCOUNT	25/5/2015	May-15	25/5/2015	5.53	1410000169	1600000073
嘉士民香料有限公司	2017452	30100051 24043312	22.05.2015	22.11.2015	201511	6	交行嘉兴分行	6,000,000.00	DISCOUNT	2/6/2015	Jun-15	2/6/2015	5.67	1410000180	1600000073
南京冠华贸易有限公司	66268	10300052 26157014	29.05.2015	29.11.2015	201511	6	农行苏州姑苏支行营	300,000.00	DISCOUNT	8/6/2015	Jun-15	8/6/2015	5.7	1410000186	1600000073
郎溪李仕化学产品有限	2012710	10200052 23383857	23.04.2015	23.10.2015	201510	6	工行扬州分行营业	490,000.00	DISCOUNT	15/6/2015	Jun-15	15/6/2015	4.27	1410000199	1600000073
滨州弘瑞医药科技有限	2009000	10400052 27090311	09.06.2015	09.12.2015	201512	6	中行东阳支行营业	300,000.00	DISCOUNT	15/6/2015	Jun-15	15/6/2015	5.8	1410000202	1600000073
浙江省化工进出口有限	2030084	10200052 23523462	11.06.2015	08.12.2015	201512	5.9	工行浙江省分行营业	218,000.00	DISCOUNT	15/6/2015	Jun-15	15/6/2015	5.77	1410000200	1600000073
浙江华海药业股份有限	70957	10200052 23622112	23.06.2015	23.12.2015	201512	6	工行台州临海支行营	400,000.00	DISCOUNT	26/6/2015	Jun-15	26/6/2015	5.9	1410000219	1600000073
山西榆社化工股份有限	2037905	10400052 25294610	23.06.2015	23.12.2015	201512	6	中行上海市海宁支行	500,000.00	DISCOUNT	29/6/2015	Jun-15	29/6/2015	5.8	1410000222	1600000073

3. Record incoming payment, interest charges and clear Notes Receivable in SAP by using t-code F-30.

Post with Clearing: Header Data

Choose open items		Account Model	
Document Date	31.08.2021	Type	DA
Posting Date	31.08.2021	Period	8
Document Number		Company Code	7811
Reference	BD DISCOUNTING	Currency/Rate	CNY
Doc.Header Text	BD DISCOUNTING	Translation dte	
Clearing text	BD DISCOUNTING	Cross-CCode No.	

Transaction to be processed

- ☐ Outgoing payment
- ☐ Incoming payment
- ☐ Credit memo
- ☒ Transfer posting with clearing

First line item

PstKy	40	Account	50050423	SGL Ind	TType	
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Document Date/ Posting Date: The date of receiving payment
Type: "DA" (WP1) or "DZ" (PF1) representing Customer document
Company code: 4 Digits representing the company
Currency: "CNY"
Reference/ Doc.Header Text/ Clearing text: "BD DISCOUNTING"
Transaction to be processed: "Transfer posting with clearing" is default selected.

In the "First Line item Data", insert information in the required fields as below:

PstKy: "40" representing Debit entry G/L
Account: G/L account of the bank account that receive payment

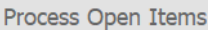
Press "Enter" to go to the next screen.

Post with Clearing Add G/L account item			
			
Choose open items		Process Open Items	More data
Account Model			
G/L Account	50050423	BOC-CNY Incoming Bank Transfer	
Company Code	7811	SOLVAY (ZHENJIANG) CHEM	
Item 1 / Debit entry / 40			
Amount	1,000,000.00	CNY	☐ Calculate tax
Profit Ctrs			
Value date	31.03.2021	 More	
Assignment			
Text	BD DISCOUNTING	 Long Texts	

Amount: The amount of incoming payment
 Value Date: The date of receiving payment
 Text: "BD DISCOUNTING"

Click "Choose open item" to go to the next screen.

In the "Open item selection", enter account information that Bank Draft is recorded on,
 Company code: 4 Digits representing the company
 Account: Customer code
 Account Type: "D"
 Special G/L Ind.: "8" or "9"

Bill of Exchange Payment Select open items	
	
Open item selection	Additional selections
Company Code	7811
Account	2034906
Account type	D
Special G/L ind	89 ☒ Normal OI
Pmnt advice no.	
☐ Other accounts ☐ Distribute by age ☐ Automatic search	
☐ None ☐ Amount ☐ Document Number ☐ Posting Date ☐ Dunning Area ☐ Reference ☐ Text ☐ Fiscal Year ☐ Baseline Payment Dte ☐ Line item	

Then click "Process open items" to select open item. (Clear discounted bank draft)

Generally bank would charge company discounting interest, AR needs to book the interest charged amount into the defined G/L account.

Other line item					
PstKy	40	Account	98536240	SGL Ind	
TType		New co.code			

In the "Other Line item Data", insert information in the required fields as below:

PstKy: "40" representing Debit entry G/L

Account: Enter 98536240 (WP1) or 6599000000 (PF1) which is G/L account for other financial expenses

Press "Enter" to go to the next screen.

Bill of Exchange Payment Add G/L account item

Choose open itemsProcess Open ItemsMore dataAccount Model

G/L Account98536240External&reverse factoring/Supply chain financing

Company Code7811SOLVAY (ZHENJIANG) CHEM

Item 2 / Debit entry / 40

Amount800CNY

☐ Calculate tax

☐ W/o Cash Dscnt

Cost Center7811-8301

Order

WBS element

Real estate obj

Asset

Sales Order

Purchasing Doc.

Quantity

Assignment

Asst retirement

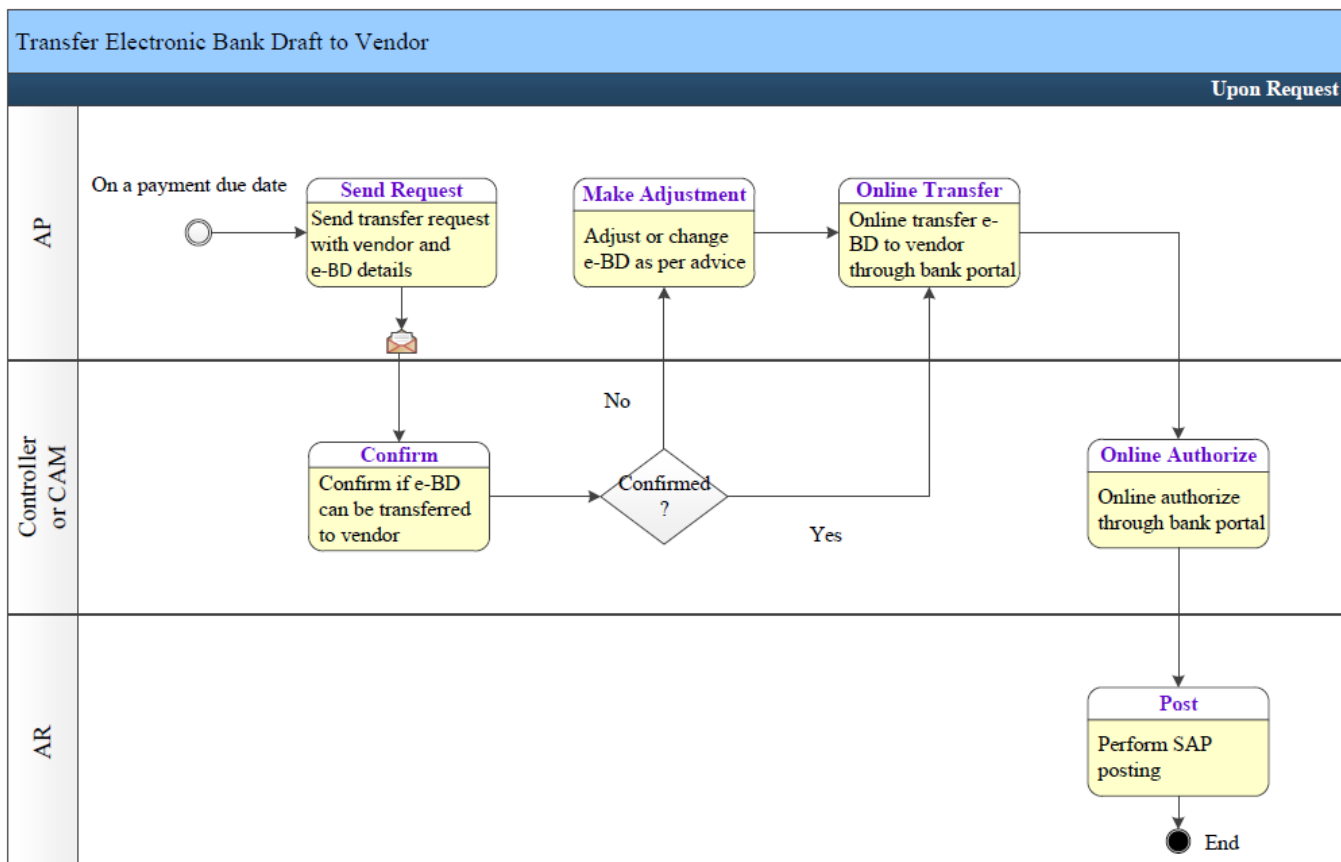
TextBD DISCOUNT-"Customer name"

Long Texts

Amount: The amount of charged interest
Cost center: The defined digits representing CBNR Cost Center
Text: "BD DISCOUNTING"

Click "Post"  and get the document number.

4. Posting for Bank Draft Transferred to Vendor



Transferring Bank Draft to Vendor is requested when AP and Site Controller agreed to use Bank Draft as a payment to vendor on a regular basis. After received a request, AR clear Notes Receivable recorded earlier in SAP and clear or post on Account Payable.

Step:

1. When Site Controller and AP agree to make payment to vendor by using Bank Draft, AP is accountable to prepare and send all information to AR. Then AR review and record Bank Draft list in the inventory file.

Customer Name	RCS Code	Draft No	Issue data	Maturity Date	Matu-ty Month	M O	BD Drawer	BD Amount	Comment	Received Data	Period	Posting Date	Voucher No	Clearing N
上海生泰绿生物科技有限公司	2025976	10400052 24595519	02.07.2015	02.01.2016	201601	6	中行温岭支行营业部	100,000.00	Transfer to vendor	15/7/2015	Jul-15	15/7/2015	6 1410000245	1410000267
上海生泰绿生物科技有限公司	2025976	10400052 27595518	02.07.2015	02.01.2016	201601	6	中行温岭支行营业部	100,000.00	Transfer to vendor	15/7/2015	Jul-15	15/7/2015	6 1410000245	1410000267

2. Record and clear Notes Receivable in SAP by using t-code F-36.

Bill of Exchange Payment: Header Data

Choose open items Account Model

Document Date	31.08.2021	Type	DW	Company Code	7811
Posting Date	31.08.2021	Period	8	Currency/Rate	CNY
Document Number				Translation dte	
Reference	TRF. BD TO AP			Cross-CCode No.	
Doc.Header Text	Transfer to Vendor "Name"				
Clearing text	Transfer to Vendor "Name"				
	Pages				

Transaction to be processed

- ☐ Outgoing payment
☒ Incoming payment
☐ Credit memo
☐ Transfer posting with clearing

First line item

PstKy	29	Account	136568	SGL Ind	A	TType	
-------	----	---------	--------	---------	---	-------	--

Document Date/Posting Date: The date of receiving request to transfer bank draft
Type: "DW" representing Customer Bill Exchange
Company code: 4 Digits representing the company
Currency: "CNY"
Reference: "TRF. BD to AP"
Doc. Header Text/ Clearing text: "Transfer to Vendor" + Vendor Name
Transaction to be processed: "Incoming Payment" is default selected.

In the "First Line item Data", insert information in the required fields as below:

PstKy: "29" representing Special G/L debit for Vendor account
Account: Vendor code
Special G/L Ind.: The special G/L indicator "A"

Press "Enter" to go to the next screen.

Bill of Exchange Payment Add Vendor item			
			Account Model
Vendor	9901016202	AIRPLUS PAYMENT MANAGEMENT CO LTD	G/L Acc 40100400
Company Code	7811	RM2005-2010, NO.535 CAOYANG RD	
SOLVAY (ZHENJIANG) CHEM		SHANGHAI	
Item 1 / Down payment made / 29 A			
Amount	1,000,000.00	CNY	
Tax Amount			
Tax Code	JP	☐ Calculate tax	
Disc.perc.		Disc. Amount	
Purch.Doc.		Invest.ID	☐
Contract		Real estate	☐
Assignment	TRF. BD to AP	Profit Ctr	
Text	Transfer to Vendor "Vendor Name"	Flow Type	
		Long Texts	

Amount: The total amount of transferred bank draft
Tax Code: "JP"
Assignment: "TRF. BD to AP"
Text: "Transfer to Vendor" + Vendor Name

Click **"Choose open item"** to go to the next screen.

In the "Open item selection", enter account information that Bank Draft is recorded on,

Company code: 4 Digits representing the company
Account: Customer code
Account Type: "D"
Special G/L Ind.: "8" or "9"

Bill of Exchange Payment Select open items	
Process Open Items	
Open item selection	Additional selections
Company Code 7811	☒ None
Account 2034906	☐ Amount
Account type D	☐ Document Number
Special G/L ind 89 ☒ Normal OI	☐ Posting Date
Pmnt advice no.	☐ Dunning Area
☐ Other accounts	☐ Reference
☐ Distribute by age	☐ Text
☐ Automatic search	☐ Fiscal Year
	☐ Baseline Payment Dte
	☐ Line item

Click **"Process open item"** to go to the next screen. And select open item to clear. (Clear transferred bank draft)

Click **"Post"** and get the document number.

3. If vendor reject or return bank draft back to our company, there are 2 options to post the document

Option 1 : AR reverse the document that posted for transferring bank draft earlier by t-code FB08.

Document Edit Goto System Help

Reverse Document: Header Data

Display Before Reversal Document List Mass Reversal

Document Details	
Document Number	1410001644
Company Code	6526
Fiscal Year	2021

Specifications for Reverse Posting	
Reversal Reason	01
Posting Date	31.08.2021
Posting period	08
Tax Reporting Date	

Insert information in "Document Details" and "Specifications for Reverse Posting", then click "Post"  and get document number.

Option 2 : AR repost Note Receivables (refer to Posting for Bank Draft Receiving) and create debit entry on vendor account by using t-code F-36.

After repost Notes Receivable, insert information in the required fields of "Next Line Item" as below:

PstKy: "31" representing Debit entry on Vendor account
Account: Vendor code

Next Line Item				
PstKy	31	Account	4010135	SGL Ind
				New co.code

Press "Enter" go to the next screen.

Bill of Exchange Payment Add Vendor item

Choose open items Process Open Items More data Account Model

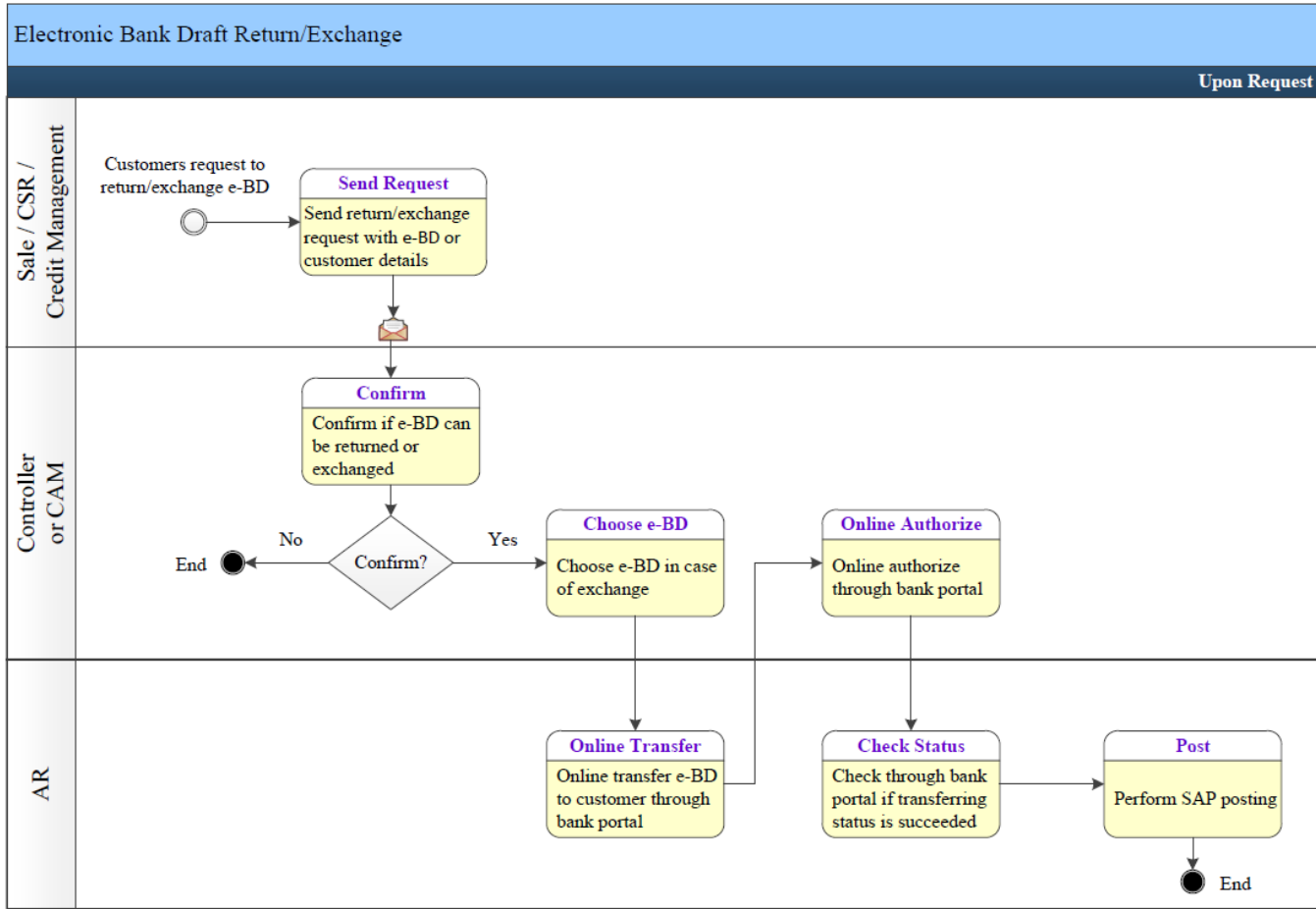
Vendor	4010135	SHANGHAI MILKYWAY CHEMICAL	G/L Acc	40100100
Company Code	7811	1088 TONGFA ROAD		
SOLVAY (ZHENJIANG) CHEM		SHANGHAI		
Item 3 / Invoice / 31 / AP TP TD REC ACCNT				
Amount	100,000.00	CNY		
Payt Terms		Tax Code	JP	
Blne Date	31.08.2021	Days/percent	90	
Disc. base		Fixed		
Pmnt Block		Disc. Amount		
Payment cur.		Invoice ref.		
Payment Ref.		Pmt Method		Pmt meth.supl. CY
Assignment	BD Return			Invest.ID
Text	BD Returned from Vendor "Vendor Name"			Long Texts

Amount: The total amount of returned Bank Draft
Payt Terms: Please remove it
Assignment: "BD Return"
Text: "BD Returned from Vendor" + Vendor Name

Click "Post"  and get the document number.

Remark: WP1 document requires to update "Profit Center" via t-code "ZWFA111".

5. Posting for Bank Draft Returned/Exchanged to Customer



Bank Draft is mostly returned when it is used as "Mortgage Bank Draft" and be requested to return back to customer. And sometimes when we receive huge amount of Bank Draft, customer would request us to give the change in smaller amount of Bank Draft, it is usually called "Exchange Bank Draft" or transfer Bank Draft to customer.

Step:

After received request and approval, AR or Cashier transfer Bank draft through bank portal, then AR follow below procedures to perform the posting.

1. Open t-code FBL5N to check bank draft and AR balance;

Customer2085802
Company Code7776

NameZHANGJIAGANG FREE TRADE ZONE
CityZHANGJIAGANG

St	S	G/L	Assignment	DocumentNo	Typ	Doc..Date	Net due dt	Amount in DC	Curr.
		854000200 A41100600	20210223861940498 REC. BD	1410000002 1410000002	DW DW	24.02.2021 24.02.2021	23.08.2021 24.02.2021	500,000.00 500,000.00-	CNY CNY
								0.00	CNY

For "Mortgage Bank Draft", both debit entry (Notes Receivable) and credit entry (Accounts Receivable) should have the same amount and be posted in the same document.

2. Clear bank draft and Account Receivable in SAP;

2.1. Use t-code F-32 for clearing returned bank draft.

Clear Customer: Header Data

Process Open Items

Account	2085802	Clearing Date	10.03.2021	Period	3
Company Code	7776	Currency	CNY		

Open Item Selection

Special G/L Ind	8A	☐ Normal OI
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Additional Selections

☒ None
☐ Amount
☐ Document Number

Account/ Company Code: Customer code and Company code that the Bank Draft is recorded on
Clearing date/ Period: The date of returning bank draft
Currency: "CNY"
Special G/L Ind: "A" and "8" or "9"

Click **"Process open items"** to go to the next screen.

Clear Customer Process open items

Distribute Difference Charge Off Difference Editing Options Cash Disc. Due Create Dispute C

Standard Partial Pmt Res.Items WH Tax

Account items 2085802 ZHANGJIAGANG FREE TRADE ZONE

Assignment	Document N...	D.. P..	Posting D...	Documen...	CNY Gross	CashDiscount	CDPer.
20210223861940498	1410000002	DW 09	24.02.2...	24.02.2...	500,000.00		
REC. BD	1410000002	DW 19	24.02.2...	24.02.2...	500,000.00-		

Amount Gross<>Net Currency Items Items Disc. Disc.

Processing Status

Number of items	2	Amount entered	0.00
Display from item	1	Assigned	0.00
Reason code		Difference postings	
Display in clearing currency		Not assigned	0.00

Select open item to be cleared by clicking on the item amount.

Click **"Post"** and get the document number.

2.2. Use t-code f-36 for clearing exchanged bank draft.

Bill of Exchange Payment: Header Data

Choose open items Account Model

Document Date	31.08.2021	Type	DW	Company Code	7811
Posting Date	31.08.2021	Period	8	Currency/Rate	CNY
Document Number				Translation dte	
Reference	TRF.BD TO CUST.			Cross-CCode No.	
Doc.Header Text	Transfer to Customer "Nam"				
Clearing text	Transfer to Customer "Name"				
Pages					

Transaction to be processed

- ☐ Outgoing payment
- ☒ Incoming payment
- ☐ Credit memo
- ☐ Transfer posting with clearing

Document Date/Posting Date: The date of transferring bank draft
Type: "DW" representing Customer Bill Exchange
Company code: 4 Digits representing the company
Currency: "CNY"
Reference: "TRF. BD to CUST."
Doc. Header Text/ Clearing text: "Transfer to Customer" + Customer Name
Transaction to be processed: "Incoming Payment" is default selected

Click **"Choose open item"** to go to the next screen.

In the "Open item selection", insert account information that Bank Draft is recorded on,
Company code: 4 Digits representing the company
Account: Customer code
Account Type: "D"
Special G/L Ind.: "8" or "9" and "A" or any credit entry on Account Receivable

Bill of Exchange Payment Select open items

Process Open Items

Open item selection	Additional selections
Company Code	7811
Account	2034906
Account type	D
Special G/L ind	89 ☒ Normal OI
Pmnt advice no.	
☐ Other accounts ☐ Distribute by age ☐ Automatic search	
☒ None ☐ Amount ☐ Document Number ☐ Posting Date ☐ Dunning Area ☐ Reference ☐ Text ☐ Fiscal Year ☐ Baseline Payment Dte ☐ Line item	

Click **"Process open item"** to go to the next screen. And select open item to clear. (Clear transferred bank draft and Account Receivable)

Click **"Post"**  and get the document number.

