

Doubtful customers

he items selected will now appear in green.

And confirmation of the posting done.

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1. Objective and Scope

This OP describes how to manage all requests concerning doubtful customers. All the stages of a doubtful customer process have special procedures and specific postings are described in this procedure. Depending on the situation of each invoice, different actions are to be taken in the SAP system.

This operating procedure (OP) applies to the Receivables of Solvay Companies Worldwide.

2. Definitions

- SBS: In the current document, "Solvay Business Services" will be replaced by its abbreviation "SBS".
- CCT AR: Customer Credit & Trade Accounts Receivable team
- CCT CM: Customer Credit & Trade Credit Management team
- OP: Operating procedure
- CAM: Country Account Manager
- PI1: Factoring ERP SAP system
- PF1: Local ERP SAP System
- WP1: Local ERP SAP System
- BA: Business area

3. Doubtful procedure

If, for some reason, there is a risk of not collecting the payment regarding a receivable, the contract must be converted into doubtful status. The decision of putting a contract in a doubtful status belongs to Credit Management team, who should send their request to AR mailbox to proceed as described in this OP.

Scope



ERP



References

- [Z3F_FA_Doubtful](#)
- [FB05](#)

Attachments

[REQUEST FORM \(Doubtful-Provision-Write Off\)](#)

[Point of Contact GBU Controller](#)



Warning

Mandatory Requirements:

AR team will need to assure that the all requests follow the next requirements:

- Template received
- Exchange with business attached on the email content
- Check if the customer is factored from more than one company (if yes, we need to assure that Credit Manager is considering the customer globally)

AR team is only authorized to perform any posting regarding doubtful procedure when Credit Manager sends the attached template with all the information filled in [REQUEST FORM \(Doubtful-Provision-Write Off\)](#)

Warnings

In PI1 system there are some Business Areas with no Cost Center associated. The usual format of the cost centers in PI1 is "XND + 3 initial digits of the Business Area" (e.g. BA 7360 = CO XND736).

If you receive an error message because it is not inserting the Cost center, try to use this rule. In case it doesn't work it might be that the Cost Center does not exist. Please request the creation to RtR-DMR_Data_Management@solvay.com.

Enter Doubtful cust provis: Add G/L account item

More data Acct model Fast Data Entry Taxes

G/L Account 6330000000 Trade receivables-write downs
Company Code 0231 SOLVAY SA - TREASURY DPT

Item 1 / Credit entry / 50
Amount 916,73 EUR

Coding Block

Business Area 7360 Trdg Part.BA
Cost Center
Profit Center

PSCKY 09 ACCOUNT 0000003646 SGL INU New CO.CODE

Error

Account 6330000000 requires an assignment to a CO object

Enter Doubtful cust provis: Add G/L account item

More data Acct model Fast Data Entry Taxes

G/L Account 6330000000 Trade receivables-write downs
Company Code 0231 SOLVAY SA - TREASURY DPT

Item 1 / Credit entry / 50
Amount 916,73 EUR

Coding Block

Business Area 7360 Trdg Part.BA
Cost Center xnd736
Profit Center

PSCKY 09 ACCOUNT 0000003646 SGL INU New CO.CODE


In case of Business Area 3400 division which was Sold (Benvic) use Cost Center "XND5ZS" and Business Area "5ZS0"

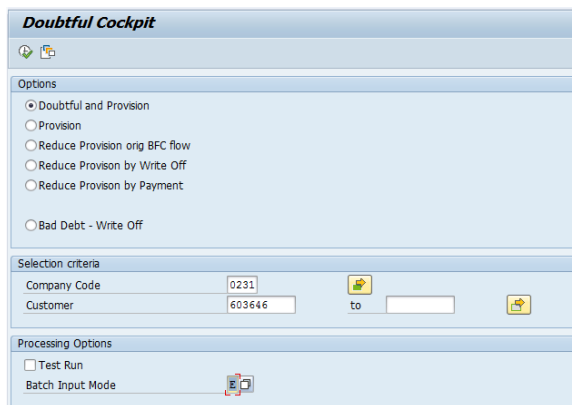
3.1 Customers assigned to Factoring

3.1.1 Convert an invoice into doubtful status and post provision

In order to convert a receivable to doubtful for a customer to Factoring, we should use transaction **Z3F_FA_Doubtful** in P11 and follow the steps below:

Select the **option "Doubtful and Provision"**, add the **customer**


account and execute .



Select the items to be converted to Doubtful and in case the items should be provisioned as well add the amount in column "Provision Amount".

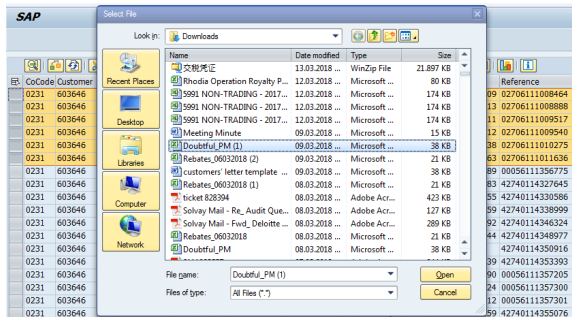
In case there is no Provision to be booked leave the amount blank, or in case the provision is not for 100% add the amount to be provisioned provided by Credit Team.

CoCode	Customer	Type	DocumentNo	Year	SGL	Doc. Date	Posting Date	D/C	Amount	Ccy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	Bank
0231	603646	F4	5000219886	2017	1	28.07.2017	28.07.2017	S	168,00	EUR	027000480219	0270611008868	200077430	200077430	168,00	0231	0270
0231	603646	F4	5000229349	2017	1	31.07.2017	01.08.2017	H	916,73	EUR	027000480483	0270611008888	200073603	200073603	916,73	0231	0270
0231	603646	F4	5000247330	2017	1	25.08.2017	25.08.2017	S	1.107,20	EUR	027000480481	0270611009517	200082674	200082674	1.107,20	0231	0270
0231	603646	F4	5000248279	2017	1	28.08.2017	28.08.2017	S	1.643,56	EUR	027000480482	0270611009564	200082608	200082608	1.643,56	0231	0270
0231	603646	F4	5000267209	2017	1	11.09.2017	11.09.2017	S	65.999,53	EUR	027000480228	0270611010275	200087979	200087979	65.999,53	0231	0270
0231	603646	F4	5000303626	2017	1	16.10.2017	16.10.2017	S	19.080,00	EUR	027000480503	0270611010276	200087984	200087984	19.080,00	0231	0270

Then press save .

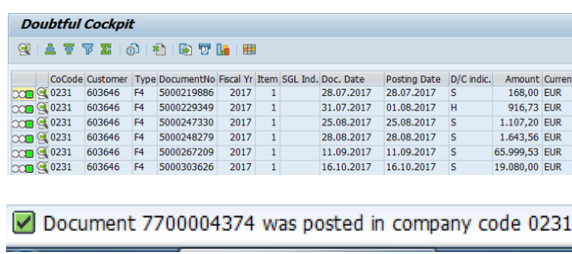
It will ask you to attach the excel file with the **instructions provided by Credit Management - it only accepts Excel format.**

This will attach the justifications to all postings done.



The items selected will now appear in green.

And confirmation of the posting done.



On customer account there are now the Doubtful items (DO documents with special GL indicator D) and respective provisions created (E1 documents with special GL indicator E).

Post with Clearing Select open items

Process open items

Open item selection

Company Code: 0231

Account: 0000301037

Account Type: D

Special G/L ind: d [Normal OI]

Pmnt advice no.:

Select the item in Doubtful to be cleared and the partial payment

Post with Clearing Process open items

Distribute Difference Charge off diff. Editing Options Cash Disc. Due Create Dispute Case

Standard Partial Pmt Res.Items WH Tax

Account: Items 301037 NOVADAN APS

Assignment	Reference	Reference K...	D.	Net due d...	Curr...	Disco...	D P	EUR Gross
00050004694014	00056111341570		DO	12.04.2017	EUR	0	0,000	4.476,80
			DZ	17.04.2017	EUR	0	0,000	1.000,00-

Use the Residual items tab to add the residual amount and reason code AR

Post with Clearing Create residual items

Distribute Difference Charge off diff. Editing Options Create Dispute Case

Standard Partial Pmt Res.Items WH Tax

Account: Items 301037 NOVADAN APS

Assignment	Reference	Reference K...	D.	Net due d...	Curr...	Disco...	D P	Net Amount	Residual Items	RCD
00050004694014	00056111341570		DO	12.04.2017	EUR	0	0,000	5.476,80	4.476,80	AR
			DZ	17.04.2017	EUR	0	0,000	1.000,00-		

Simulate.

There will be 3 lines, for the payment, for the item cleared and for the residual Doubtful which will have the same data as the original Doubtful.

Post with Clearing Display Overview

Display Currency Taxes

Document Date: 17.04.2017 Type: DO Company Code: 0231

Posting Date: 17.04.2017 Period: 4 Currency: EUR

Document Number: INTERNAL Fiscal Year: 2017 Translatn Date: 17.04.2017

Reference: 00056111341570 Cross-CC no.:

Doc.Header Text: Ticket 432101 Trading Part.BA:

Items in document currency

PK	BusA	Acct	EUR	Amount	Tax amnt
001	09D	7250 0000301037 NOVADAN APS		4.476,80	
002	08	7250 0000301037 NOVADAN APS		1.000,00	
003	19D	7250 0000301037 NOVADAN APS		5.476,80-	

Save.

On the account there will be the new line for the residual.

Customer: 301037
Company Code: 0231
Name: NOVADAN APS
City: MOLDING

St	BusA	Reference	Assignment	DocumentNo	Typ	Doc. Date	Net due dt	S	DD	Amount in DC	Curr.
	7250	00056111341570	00050004694014	6111000339	DO	17.04.2017	12.04.2017	0		4.476,80	EUR
*										4.476,80	EUR
**										4.476,80	EUR

In some situations it might be required to **apply a partial** (so that the payment is also visible on customer account) Using also **FB05**, the same selections and fields as explained for residual.

Post with Clearing: Header Data

Choose open items Acct model

Document Date 13.03.2018 Type Do Company Code 0231
 Posting Date 13.03.2018 Period 3 Currency/Rate EUR
 Document Number Reference 02706111011636 Translatn Date
 Doc.Header Text Ticket 1234567 Cross-CC no.
 Clearing text

Post with Clearing Select open items

Process open items

Open item selection

Company Code 0231
 Account 603646
 Account Type D
 Special G/L ind DO Normal OI
 Pmnt advice no.

Select the two items (payment was already open on customer account)

And use the "Partial Pmt" tab to associate the payment to the respective invoice.

Post with Clearing Enter partial payments

Distribute Difference Charge off diff. Editing Options Create Dispute Case

Standard Partial Pmt Res.Items WH Tax

Account: Items 603646 PROCTER & GAMBLE INTL OPERATIONS SA

Assignment	Reference	Reference K...	D.	Net due d...	Curr...	Disco...	D P Net Amount	Payment Amount	RCI
21081CLUSI8024	21081CLUSI8024		DZ	14.03.2018	EUR	0,000	10.000,00-	10.000,00-	
02700004855663	02706111011636	2001007044	DO	14.03.2018	EUR	0,000	19.080,00	10.000,00	

Save 

Here the partial payment (with special GL indicator D) associated to the invoice.

Customer: 603646
 Company Code: 0231
 Name: PROCTER & GAMBLE INTL OPERATIONS SA
 City: PETIT LANCY

St	Rusa	Reference	Assignment	Ref. Key 1	M	DocumentNo	Typ	Doc. Date	Net due dt	D	DD	Amount in DC	Curr.
		7250 02706111011636	02700004855663	2001007044		611000811	DO	14.03.2018	14.03.2018			19.080,00	EUR
		7250 02706111011636	02700004855663	2001007044		611000813	DO	13.03.2018	14.03.2018			10.000,00	EUR
**												9.080,00	EUR


3.1.3 Create a provision

 **Warning**

- The instructions to create and cancel a provision should be received by the responsible Credit Manager
- We should perform one provision for each document
- The instructions with the request should be attached to the posting (automatically done by the transaction Excel, word, PDF accepted).

Transaction **Z3F_FA_DOUBTFUL**.

There is the possibility to create the Provision in case it was not immediately created in step "Doubtful and Provision" or to increase the provision amount if not fully provisioned.

To do so select the option "Provision", add the customer account and process .

Doubtful Cockpit


Options

Doubtful and Provision
 Provision
 Reduce Provision orig BFC flow
 Reduce Provision by Write Off
 Reduce Provision by Payment
 Bad Debt - Write Off

Selection criteria

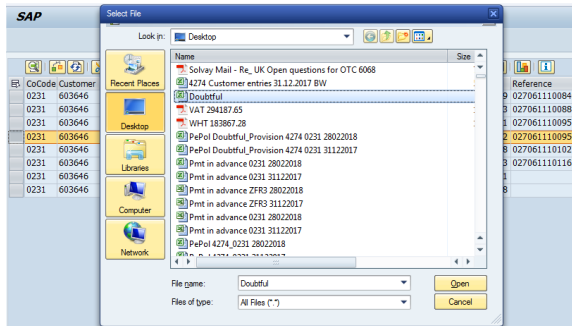
Company Code 0231
 Customer 603646 to

This will show only the items that are already in Doubtful.

Select the item you want to provision and press save .

CoCode	Customer	Type	DocumentNo	Year	Sm	SG	Doc. Date	Posting Date	D/C	Amount	Ccy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	CoCode	Bank
0231	603646	DO	6111000509	2018	1	D	14.03.2018	14.03.2018	S	186,00	EUR	0270004804379	02706111008846	200073003	200073003	286,00	0231	0270	7300
0231	603646	DO	6111000507	2018	1	D	14.03.2018	14.03.2018	H	916,73	EUR	0270004804379	02706111008888	200073003	200073003	916,73	0231	0270	7300
0231	603646	DO	6111000508	2018	1	D	14.03.2018	14.03.2018	S	1.107,20	EUR	0270004804379	02706111009517	2000818074	2000818074	1.107,20	0231	0270	7300
0231	603646	DO	6111000509	2018	1	D	14.03.2018	14.03.2018	S	1.643,56	EUR	0270004804379	02706111009540	2000820008	2000820008	1.643,56	0231	0270	7300
0231	603646	DO	6111000519	2018	1	D	14.03.2018	14.03.2018	S	65.999,53	EUR	0270004804379	02706111010275	2000878979	2000878979	65.999,53	0231	0270	7300
0231	603646	DO	6111000511	2018	1	D	14.03.2018	14.03.2018	S	19.060,00	EUR	0270004804379	02706111011636	2001007044	2001007044	19.060,00	0231	0270	7300

Add the attachment.




The document was posted.

CoCode	Customer	Type	DocumentNo	Facial	Yr	Item	SGL	Ind.	Doc. Date	Posting Date	D/C	indic.	Amount	Currency	Assignment	Reference
0231	603646	DO	6111000509	2018	1	D			14.03.2018	14.03.2018	S		1.643,56	EUR	0270004804379	02706111009540

Remark: In case you select a document that is fully provisioned (or the amount you insert exceeds the total amount of the Doubtful) there will be a warning message which will not allow to proceed.

3.1.4 Cancel a provision

 **Warning**

- The instructions to create and cancel a provision should be sent by the responsible Credit Manager.
- We should perform one cancellation of provision for each document
- The instructions with the request should be attached to the posting (automatically done by the transaction Excel, word, PDF accepted).

Transaction **Z3F_FA_DOUBTFUL**.

There are 3 options to cancel or reduce a provision, depending on the scenario.

- **Reduce Provision orig BFC flow** - To be used when it is necessary a correction, usually in the same period or in case the other 2 options are not applicable (transaction flow F25);
- **Reduce Provision by Write Off** - when the debt is considered unrecoverable and

the account should be closed (Transaction flow F35), the full amount of provision must be cancelled:

- **Reduce Provision by Payment** - When customer pays the full amount or partially (Transaction flow F36), reduction should be equal to what was paid.

In any of the cases processing mode is the same.

Select the option according to the scenario, add the customer account

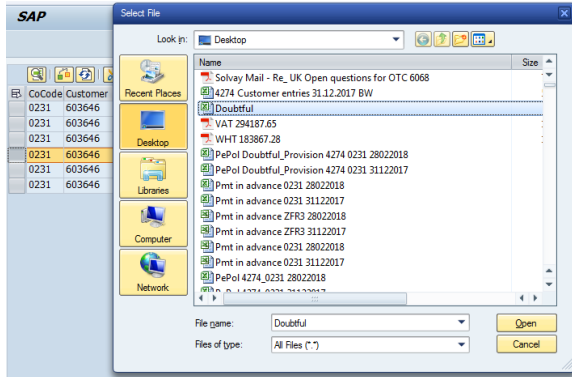
and process

Select the provision that should be cancelled or reduced (check if the amount is correct and) and press save



Add the attachment.

Doc	Bus	Reference	Posting Date	DIC	Amount	Currency	Assignment	Reference	Ref. Key 1	Cont. no.	PreAmount	CoCode	CoCode Bus	
0231	603646	7700004375	2018	2	E	14.03.2018	H	1,643,56	EUR	02700004894812	2000822658	02700004894812	0270	7360



The document was posted.



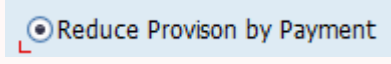
Here the the Original provision and Cancellation on account (Special GL ind. "E").

SO	Bus	Reference	Assignments	Ref. Key 1	PN	DocumentNo	Type	Doc. Date	Bus due dt	SO	Amount In	DC	Curr.
✓	7360	02700004894812	02700004894812	2000822658	02	02700004375	02	14.03.2018	14.03.2018	0	1,643,56	EUR	
✓	7360	02700004894812	02700004894812	2000822658	02	7700004375	02	14.03.2018	14.03.2018	0	1,643,56	EUR	
✓	7360	02700004894812	02700004894812	2000822658	02	7700004375	02	14.03.2018	14.03.2018	0	1,643,56	EUR	
**											1,643,56	EUR	

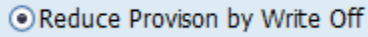
To complete the action use F-32 to clear both items.

Warning

- In case there is a request to apply a Payment and write off the remaining amount, the provision reduction must be done in two steps.


- First reduce the provision by Payment selecting the option  and adjusting the reduction to the amount that was paid.

- Then cancel the remaining Provision for the amount still provisioned by using the option



, attention to select the original provision line and cancel only the remaining amount:

SAP



CoCode	Customer	Type	DocumentNo	Year	Itm	SG	Doc. Date	Posting Date	D/C	Amount	Crcy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	CoCo
0231	603646	E1	7700004369	2018	2	E	14.03.2018	14.03.2018	H	168,00	EUR	02700004730109	02706111008464	2000717450	2000717450	168,00	0231	0270
0231	603646	E1	7700004370	2018	2	E	14.03.2018	14.03.2018	S	916,73	EUR	02700004804813	02706111008888	2000736083	2000736083	916,73	0231	0270
0231	603646	E1	7700004371	2018	2	E	14.03.2018	14.03.2018	H	1.107,20	EUR	02700004804811	02706111009517	2000818674	2000818674	1.107,20	0231	0270
0231	603646	E1	7700004373	2018	2	E	14.03.2018	14.03.2018	H	65.999,53	EUR	02700004832238	02706111010275	2000878979	2000878979	64.999,53	0231	0270
0231	603646	E1	7700004374	2018	2	E	14.03.2018	14.03.2018	H	19.080,00	EUR	02700004855663	02706111011636	2001007044	2001007044	19.080,00	0231	0270
0231	603646	E1	7700004376	2018	2	E	14.03.2018	14.03.2018	S	500,00	EUR	02700004804811	02706111009517	2000818674	2000818674	500,00	0231	0270
0231	603646	E1	7700004377	2018	2	E	14.03.2018	14.03.2018	S	1.000,00	EUR	02700004832238	02706111010275	2000878979	2000878979	1.000,00	0231	0270

In the end the Provisions should match to zero and cleared in F-32:

Clear Customer Process open items

Distribute Difference Charge off diff. Editing Options Cash Disc. Due Create Dispute Case

Standard Partial Pmt Res.Items WH Tax

Account items 603646 PROCTER & GAMBLE INTL OPERATIONS SA

Assignment	Reference	Reference K...	D..	Net due d...	Curr...	D...	Disco...	D P	EUR Gross
02700004832238	02706111010275	2000878979	E1	14.03.2018	EUR	0	0,000		65.999,53-
02700004832238	02706111010275	2000878979	E1	14.03.2018	EUR	0	0,000		1.000,00
02700004832238	02706111010275	2000878979	E1	14.03.2018	EUR	0	0,000		64.999,53

3.1.5 Write-off

Warning

- The posting of write-off can only be done after instructions from the Credit Manager concerned
- The instructions with the request should be attached to the posting (automatically done by the transaction Excel, word, PDF accepted).
- The **write off should be done contract by contract**, do not select lines which are not related with the same contract. **After processing one contract go back and process the next one.** Here the example of Doubtful "O" and compensation "I" of same contract selected.

Bad Debt WO

Write Off Display map log

CoCode	Document	Fiscal Yr	Item	Aff. CoCo	Curren...	Customer Name	Country	Reference	AmountSign	SGL In...
0231	5000000189	2017	1		EUR	23651 GYMCOL, S.A.	ES	5006093558/2014	8.799,37	O
0231	7700000235	2017	1		EUR	23651 GYMCOL, S.A.	ES	7700032686/2013	6.959,47-	I

- If exceptionally it is necessary to select several contracts and there is more than one Business Area on customer Account, run the transaction **Z3F_FA DOUBTFUL per Business Area**, do not Mix two Different BA in the same posting. Here below only 7250 BA is selected.

Bad Debt WO

Write Off Display map log

CoCode	DocumentNo	Fiscal Yr	Item	Aff. CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Contr. no.	B
0231	6111000506	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111008464	168,00	D	2000717450	
0231	6111000507	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111008888	916,73-	D	2000736083	
0231	6111000508	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111009517	1.107,20	D	2000818674	
0231	6111000509	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111009540	1.643,56	D	2000822658	
0231	6111000510	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111010275	65.999,53	D	2000878979	
0231	6111000511	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111011636	19.080,00	D	2001007044	

Transaction **Z3F_FA DOUBTFUL** in PI1 is customized to work only with a debit balance, however there might be the need to apply the doubtful procedure in a credit balance, therefore these two situations are described below:

Only for Debit balance

Use **Z3F_FA DOUBTFUL** transaction and select the option "**Bad Debt - Write Off**".

Press  to continue.

You can search by customer number or document or run the transaction with no info in the fields and it will show all open doubtful contracts.

Special GL Ind: D (or O for some older cases)

Doubtful Cockpit

Options

Doubtful and Provision

Provision

Reduce Provision orig BFC flow

Reduce Provision by Write Off

Reduce Provision by Payment

Bad Debt - Write Off

You can search by customer number or document or run the transaction with no info in the fields and it will show all open doubtful contracts.

Special GL Ind: D (or O for some older cases)

Bad Debt WO

Selection options

Company Code: 0231

Customer: 301037

Document Number: []

Fiscal Year: []

Test Run

Special G/L ind. []

Processing Options

Processing mode: []

Example without selection options:

In this case all customers having doubtful contracts will be open and it is possible to select the items by selecting the line. However two validations are defined in the transaction:

- All the documents selected must belong to same customer;
- All the documents selected must have same currency;

CoCode	DocumentNo	Fiscal Yr	Item Aff	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Proc. St.
0231	6111000335	2017	1	0005	EUR	1909 RIBAS FITOSANTARIS, S.L.	ES	00098610191960	7.718,75	D	
0231	6111000336	2017	1	0005	EUR	1909 RIBAS FITOSANTARIS, S.L.	ES	00098610192066	7.718,75	D	
0231	6111000337	2017	1	0005	EUR	1909 RIBAS FITOSANTARIS, S.L.	ES	00098610192066	7.718,75	D	
0231	6111000247	2017	1	0005	EUR	22071 VIDIBERIA Y CRISTALERIA	ES	00098610193998	118.993,40	D	
0231	6111000248	2017	1	0005	EUR	22071 VIDIBERIA Y CRISTALERIA	ES	00098610194700	56.917,98	D	
0231	6111000252	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312544	54.613,85	D	
0231	6111000249	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312332	88.267,19	D	
0231	6111000250	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314813	12.258,76	D	
0231	6111000251	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312410	61.936,34	D	
0231	6111000253	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312602	12.715,97	D	
0231	6111000254	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312715	59.723,77	D	
0231	6111000255	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312794	48.088,04	D	
0231	6111000256	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114312826	14.413,49	D	
0231	6111000257	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114313761	29.526,00	D	
0231	6111000258	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114313847	57.318,08	D	
0231	6111000259	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114313933	98.745,01	D	
0231	6111000260	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314110	207.903,50	D	
0231	6111000261	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314188	53.463,64	D	
0231	6111000262	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314275	56.618,82	D	
0231	6111000263	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314343	56.023,04	D	
0231	6111000264	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314526	196.538,05	D	
0231	6111000265	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314599	53.905,18	D	

Example with limit by customer number:

In this case, transaction will give us all the documents related with the customer selected. Thus, the user should select the ones which are to be posted as loss.

CoCode	DocumentNo	Fiscal Yr	Item Aff	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Proc. St.
0231	6111000340	2017	1	0005	EUR	301037 NOVDAN APS	DK		2.076,38	D	
0231	6111000339	2017	1		EUR	301037 NOVDAN APS	DK	00056111341570	4.476,80	D	

Example with limit by document number:

In this case, only that document number will be displayed.

CoCode	DocumentNo	Fiscal Yr	Item Aff	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Proc. St.
0231	6111000339	2017	1		EUR	301037 NOVDAN APS	DK	00056111341570	4.476,80	D	

After selecting the lines concerned,

choose

Document 6111000341 was posted in company code 0231

Debit / Credit balance using FB05:

Enter in **FB05** in PI1 system transaction.

Fill the fields as below:

Document Date and Posting date:
Request date

Document Type: DO

Insert customer number and Special G/L ind. /L ind. "D" or "O".

Choose open items Acct model

Document Date: 18.04.2017 Type: DO Company Code: 0231
 Posting Date: 18.04.2017 Period: 4 Currency/Rate: EUR
 Document Number: Translatn Date:
 Reference: Cross-CC no.:
 Doc.Header Text:
 Clearing text:

Process open items

Open item selection

Company Code: 0231
 Account: 301037
 Account Type: D
 Special G/L ind: d Normal OI
 Pmnt advice no.:

Select the item in Doubtful / Invoice or CN


Post with Clearing Process open items

Distribute Difference Charge off dff. Editing Options Cash Disc. Due Create Dispute Case

Standard Partial Pmt Res.Items WH Tax

Account Items 301037 NOVADAN APS

Assignment	Reference	Reference K...	D.	Net due d...	Curr...	D...	Disco...	D/P	EUR Gross
00050004697967	00056111342320	2000211245	F4	05.05.2017	EUR	60	0,000	A	3.490,99
00050004706010	00056111342483	2000224354	F4	09.04.2017	EUR	30	0,000	A	5.542,00
00050004706013	00056111342482	2000224353	F4	09.04.2017	EUR	30	0,000	A	1.661,10
00050004694014	00056111341570		DO	12.04.2017	EUR	0	0,000		4.476,80

Go back 

Use Posting Key 40 for Debit Balance and account 6420000000

Or

Use Posting Key 50 for Credit Balance and Account 7420000000

Enter.

Fill the amount, Business area and Cost Center fields and Save the posting.

Other line item

PstKy 40 Account 6420000000 L Ind TType New co.code

Other line item

PstKy 50 Account 7420000000 L Ind TType New co.code

Post with Clearing Add G/L account item

Choose open items Process open items More data Acct model

G/L Account 6420000000 Trade receivables-loss
Company Code 0231 SOLVAY SA - TREASURY DPT

Item 1 / Debit entry / 40

Amount 4.476,80 EUR Calculate tax

Business Area 7250 Trdg Part.BA

Cost Center XIN4725

Profit Center


Assignment

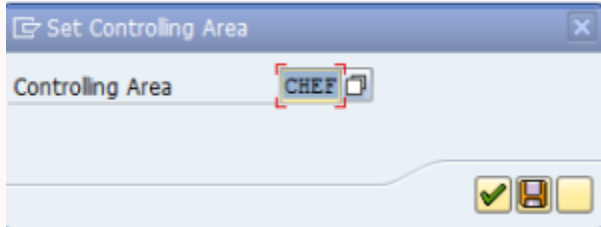
Text


3.2 Customers not assigned to Factoring

Warnings

The cost centers should always be provided by CM in accordance to the GBU controller. However in here follows some guidance in order to find cost centers for PF1 and WP1.

For the **cost center** in **PF1**, we should check transaction [KS03 - Display cost center](#) or press directly the search button .



Choose "CHEF" and  Cost Center: *d*850 (3 first digits of the business area); Cost Center category: "R" ; and the respective company code.

N: Cost center	S: Cost center name	1: Cost
Cost Center	*d*850*	
Controlling Area	CHEF	
Company Code	0005	
Cost Center Category	R	
Person Responsible		
User Responsible		
Cost ctr short text		
Language Key	EN	

Cost Ctr	COAr	CoCd	CCTC	Person Responsible	User Resp.	Short text	Language	Valid From	to
BPD850	CHEF	0005	R	X		DIV 50	EN	01.04.2003	31.12.9999

In case it doesn't work it might be that the Cost Center does not exist. Please request the creation to RtR-DMR_Data_Management@solvay.com.

For the **cost center field** for **WP1**, we can use the following file:

<https://drive.google.com/file/d/16RzNz-8c59O4iE6wyOu6qVuHz9iV9tIVpvCkPcatFPs/view>

In case of doubts or if you cannot find the cost center, please send an email to the IHB Accounting team in Lisbon (For example Adrienn Torok, Sonia Xavier, Sandra Barradas, Jose Carlos Nunes)

3.2.1 Convert an invoice into doubtful status

Display Document: Line Item 001

Customer: 603646 PROCTER & GAMBLE INTL OPERATIONS G/L Acc: 2270000000
 Company Code: 0005 ROUTE DE ST GEORGES 47
 SOLVAY CHEM INT PETIT LANCY Doc. no.: 5010029870

Line Item 1 / Doubtful / 09 D Amount: 446,50

Additional Data: Bus. Area: 7250 Due on: 07.05.2018 Prnt Block: Assignment: 009355243

Service: Attachment list

Icon	Title	Creator Name	Created On
	Doubtful Attachment	Tiago RODRIGUES	07.05.2018

3.2.2 Receive a payment for a doubtful document



Warning

If a payment is received for a document with doubtful status, the customer account must be checked to confirm if there is a provision created (document with Special GL indicator E). If there is a provision it should be cancelled – follow the instruction in chapter 3.2.4. [Cancel a provision.](#)

Select the payment in F-32 transaction with the company code inserted and select the invoice to be cleared. In case of APAC companies the Doubtful posting must be reversed first using FBRA and afterwards the payment is applied with the original invoice as normal practice.



Warning

A doubtful document does not appear on the reconciliation screen in FEBA or in F-32 transactions. Therefore, the special G/L indicator should be inserted with "d" in order to select the invoice (s).

See example below:

Clear Customer: Header Data

Process open items

Account: 409100 Clearing Date: 18.04.2016 Period: 4
 Company Code: 0005 Currency: EUR

Open Item Selection

Special G/L Ind: Normal OI

Additional Selections

None

Select the invoice as below:

Save

Clear Customer Process open items

Distribute Difference Charge off diff. Editing Options

Standard Partial Pmt Res.Items WH Tax

Account items 409100 SAFETY HI-TECH SRL					
Assignment	Document...	D.. P..	Posting ...	Docum...	EUR Gross
	5010010350	S1 19	31.12.2...	31.12.2...	2.920,00

3.2.3 Create a provision




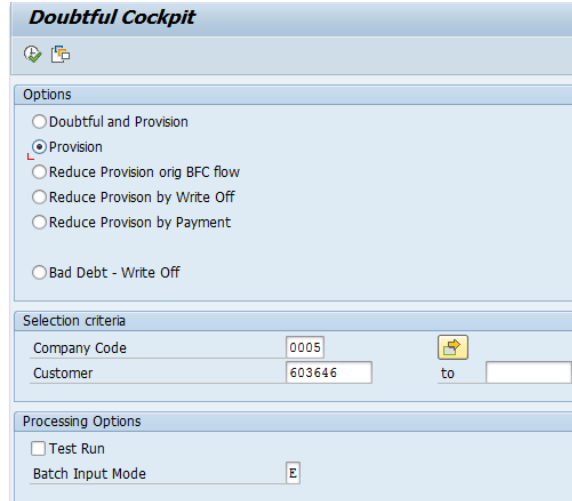
Warning

- The instructions to create and cancel a provision should be sent by the responsible Credit Manager.
- We should perform one provision for each document
- The instructions with the request should be attached to the posting
- The business area should be provided by the Credit Manager or the cost center by the GBU controller. If you do not have the cost center, you can find the point of contact by GBU [here](#) to get the information.

Transaction Z1F_DOUBTFUL.

There is the possibility to create the Provision in case it was not immediately created in step "Doubtful and Provision" or to increase the provision amount if not fully provisioned.

To do so select the option "Provision", add the customer account, the company code and process .



Doubtful Cockpit

Options

Doubtful and Provision

Provision

Reduce Provision orig BFC flow

Reduce Provision by Write Off

Reduce Provision by Payment

Bad Debt - Write Off

Selection criteria

Company Code: 0005

Customer: 603646 to


Processing Options

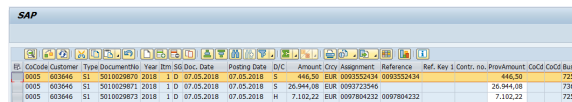
Test Run

Batch Input Mode: E

This will show only the items that are already in Doubtful.

Select the item you want to provision

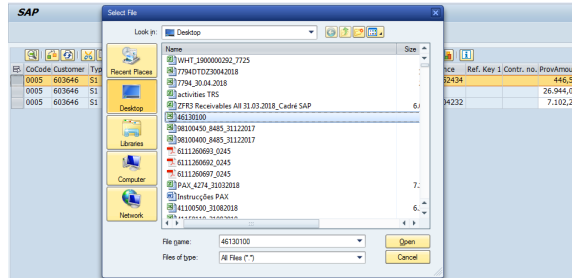
and press save .



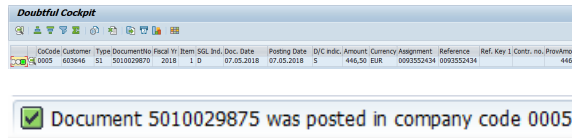
CoCode	Customer	Type	DocumentNo	Year	Bm	SO	Doc	Date	Posting Date	D/C	Amount	Cury	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoGS	CoGS Busk
0005	603646	S1	5010029875	2018	1	D		07.05.2018	07.05.2018	S	446,50	EUR	009352434	009352434			446,50		7250
0005	603646	S1	5010029871	2018	1	D		07.05.2018	07.05.2018	S	26.944,08	EUR	009372546				26.944,08		7360
0005	603646	S1	5010029873	2018	1	D		07.05.2018	07.05.2018	H	7.102,22	EUR	0097804232	0097804232			7.102,22		7250

Remark: be careful with the amounts posted as provision to avoid having more amount provision than Doubtful.

Add the attachment.



The posting was done.



3.2.4 Cancel a provision

Warnings

- The instructions to create and cancel a provision should be sent by the Credit Manager responsible.
- We should perform one cancellation of provision for each document
- The instructions with the request should be attached to the posting
- The business area should be provided by the Credit Manager or the cost center by the GBU controller. If you do not have the cost center, you can find the point of contact by GBU [here](#) to get the information.


Transaction Z1F_DOUBTFUL.

There are 3 options to cancel or reduce a provision, depending on the scenario.

- **Reduce Provision orig BFC flow** - To be used when it is necessary a correction, usually in the same period or in case the other 2 options are not applicable (transaction flow F25);
- **Reduce Provision by Write Off** - when the debt is considered unrecoverable and the account should be closed (Transaction flow F35), the full amount of provision must be cancelled:
- **Reduce Provision by Payment** - When customer pays the full amount or partially (Transaction flow F36), reduction should be equal to what was paid.

In any of the cases processing mode is the same.

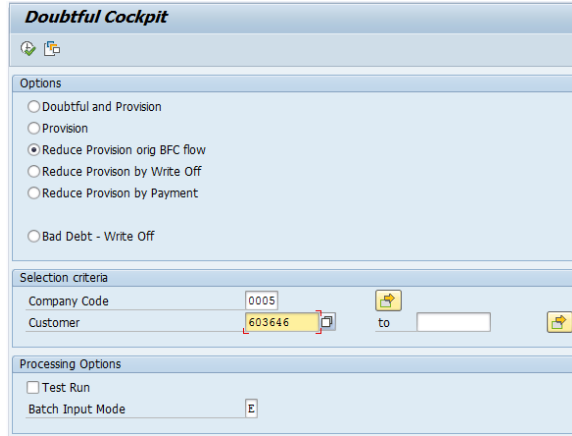
Select the option according to the scenario, add the customer account

and process .

Select the provision that should be cancelled or reduced (check if the amount is correct and) and press save



Add the attachment.



Doubtful Cockpit

Options

- Doubtful and Provision
- Provision
- Reduce Provision orig BFC flow
- Reduce Provision by Write Off
- Reduce Provision by Payment

Bad Debt - Write Off

Selection criteria

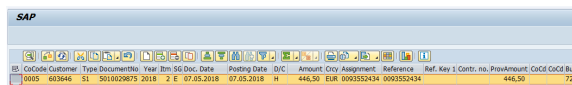
Company Code: 0005

Customer: 603646 to

Processing Options

Test Run

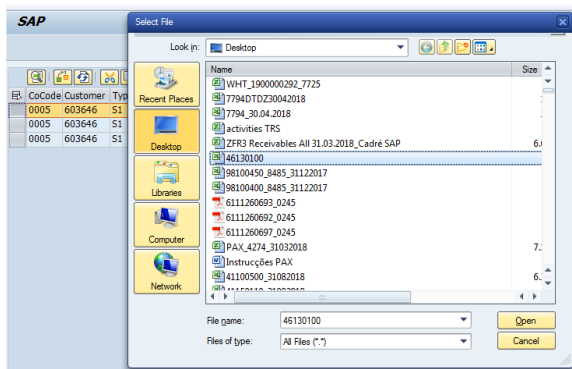
Batch Input Mode: E



SAP

CoCode Customer Type DocumentNo Year Item Scl Doc. Date Posting Date DIC Amt. Amount Currency Assignment Reference Ref. Key 1 Contr. no. ProvAmount CoCd CoCd Bank

0005 603646 S1 5010029876 2018 2 E 07.05.2018 07.05.2018 H 446,50 EUR 000502434 000502434 446,50 7250



SAP

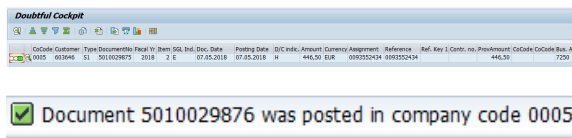
Select File

Look in: Desktop

File name: 46130100

Files of type: All Files (*.*)


The document was posted.



Doubtful Cockpit

CoCode Customer Type DocumentNo Fiscal Yr Item Scl Doc. Date Posting Date DIC Amt. Amount Currency Assignment Reference Ref. Key 1 Contr. no. PrevAmount CoCode CoCd Bank Area

0005 603646 S1 5010029876 2018 2 E 07.05.2018 07.05.2018 H 446,50 EUR 000502434 000502434 446,50 7250

 Document 5010029876 was posted in company code 0005


Here the the Original provision and Cancellation on account (Special GL ind. "E").

Customer: 603646
Company Code: 0005
Name: PROCTER & GAMBLE INTL OPERATIONS
City: PETIT LANCY

It	BuA	Assignment	DocumentNo	PR	Conte. no.	PR	Typ	Doc. Date	Ret due ds	S	Amount in DC	Curr.	DD	Cling doc.
<input type="checkbox"/>		7250 0093552434	5010029870				S1	07.05.2018	07.05.2018	D	446,50	EUR		
<input checked="" type="checkbox"/>		7250 0093552434	5010029875				S1	07.05.2018	07.05.2018	E	446,50	EUR		
<input checked="" type="checkbox"/>		7250 0093552434	5010029876				S1	07.05.2018	07.05.2018	E	446,50	EUR		

To complete the action use **F-32** to clear both items.

Special GL indicator "E" must be selected.

Select both items and save 

In case of **Partial reduction by Payment** the amount of provision must be adjusted.

Select the Provision related with the item that was paid and adjust the amount.

Select the documents and Save.

On customer account you can see the Partial Payments previously recorded (see chapter 3.2.2 Receive a payment for a doubtful document) and the reduction of the Provision. There will be always two lines, one for the Original Provision and another for the Reduction.

E.g

"D" 5010029871 - Original Doubtful;

"D" 5010029877 - Partial Payment;

Clear Customer: Header Data

Process open items

Account: 603646 Clearing Date: 07.05.2018 Period: 5
 Company Code: 0005 Currency: EUR

Open Item Selection
 Special G/L Ind: **e** Normal OI

Clear Customer Process open items

Distribute Difference Charge off diff. Editing Options

Standard Partial Pmt Res.Items WH Tax

Account items 603646 PROCTER & GAMBLE INTL OPERATIONS

Document...	D.	Docum...	P.	Bu...	Da...	EUR Gross	CashD
5010029875	S1	07.05.2...	19	7250	0	446,50	
5010029876	S1	07.05.2...	09	7250	0	446,50	

Doubtful Cockpit

Options

Doubtful and Provision
 Provision
 Reduce Provision orig BFC flow
 Reduce Provision by Write Off
 Reduce Provision by Payment
 Bad Debt - Write Off

Selection criteria
 Company Code: 0005 to
 Customer: 603646 to

Processing Options
 Test Run
 Batch Input Mode: E

SAP


EB: Cockpit Customer: Type Document No. Item: SGL Ind. Doc. Date Posting Date: D/C Ind. Amount: Curr. Assignment Reference Ref. Key 1: Contr. no. ProvAmount: CcCd CcCd Bus. Area

0005	603646	S1	5010029872	2018	2	E	07.05.2018	07.05.2018	H	26.944,08	EUR	0093723546		5.000,00	7360
------	--------	----	------------	------	---	---	------------	------------	---	-----------	-----	------------	--	----------	------

Doubtful Cockpit

CcCd Customer: Type Document No. Item: SGL Ind. Doc. Date Posting Date: D/C Ind. Amount: Curr. Assignment Reference Ref. Key 1: Contr. no. ProvAmount: CcCd CcCd Bus. Area

0005	603646	S1	5010029872	2018	2	E	07.05.2018	07.05.2018	H	26.944,08	EUR	0093723546		5.000,00	7360
------	--------	----	------------	------	---	---	------------	------------	---	-----------	-----	------------	--	----------	------

 Document 5010029878 was posted in company code 0005

Customer: 603646
 Company Code: 0005
 Name: PROCTER & GAMBLE INTL OPERATIONS
 City: FETIIL LANCY

Pl	BuA	Assignment	DocumentNo	PM	Contr. no.	RSK	Typ	Doc. Date	Set due dt	S	Amount in DC	Curr.	DD	Clng doc.
			5010029871				S1	07.05.2018	07.05.2018	0	26.944,08	EUR		
			5010029872				S1	07.05.2018	07.05.2018	0	26.944,08	EUR		
			5010029877				S1	07.05.2018	07.05.2018	0	5.000,00	EUR		
			5010029878				S1	07.05.2018	07.05.2018	0	5.000,00	EUR		
											0,00	EUR		
											0,00	EUR		

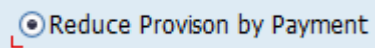
** Account 603646

"E" 5010029872 - Original Provision;

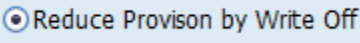
"E" 5010029878 - Provision Reduction;

Warning


- In case there is a request to apply a Payment and write off the remaining amount, the provision reduction must be done in two steps.

- First reduce the provision by Payment selecting the option  and adjusting the reduction to the amount that was paid.

- Then cancel the remaining Provision for the amount still provisioned by using the option

, attention to select the original provision line and cancel only the remaining amount:

SAP



CoCode	Customer	Type	DocumentNo	Year	Itm	SG	Doc. Date	Posting Date	D/C	Amount	CrCy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	CoCo
0231	603646	E1	7700004369	2018	2	E	14.03.2018	14.03.2018	H	168,00	EUR	02700004730109	02706111008464	2000717450	2000717450	168,00	0231	0270
0231	603646	E1	7700004370	2018	2	E	14.03.2018	14.03.2018	S	916,73	EUR	02700004804813	02706111008888	2000736083	2000736083	916,73	0231	0270
0231	603646	E1	7700004371	2018	2	E	14.03.2018	14.03.2018	H	1.107,20	EUR	02700004804811	02706111009517	2000818674	2000818674	1.107,20	0231	0270
0231	603646	E1	7700004373	2018	2	E	14.03.2018	14.03.2018	H	65.999,53	EUR	02700004832238	02706111010275	2000878979	2000878979	64.999,53	0231	0270
0231	603646	E1	7700004374	2018	2	E	14.03.2018	14.03.2018	H	19.080,00	EUR	02700004855663	02706111011636	2001007044	2001007044	19.080,00	0231	0270
0231	603646	E1	7700004376	2018	2	E	14.03.2018	14.03.2018	S	500,00	EUR	02700004804811	02706111009517	2000818674	2000818674	500,00	0231	0270
0231	603646	E1	7700004377	2018	2	E	14.03.2018	14.03.2018	S	1.000,00	EUR	02700004832238	02706111010275	2000878979	2000878979	1.000,00	0231	0270

In the end the Provisions should match to zero and cleared in F-32:

Clear Customer Process open items

Distribute Difference Charge off diff. Editing Options Cash Disc. Due Create Dispute Case

Standard Partial Pmt Res.Items WH Tax

Account items 603646 PROCTER & GAMBLE INTL OPERATIONS SA

Assignment	Reference	Reference K...	D..	Net due d...	Curr...	D...	Disco...	D P	EUR Gross
02700004832238	02706111010275	2000878979	E1	14.03.2018	EUR	0	0,000		65.999,53-
02700004832238	02706111010275	2000878979	E1	14.03.2018	EUR	0	0,000		1.000,00
02700004832238	02706111010275	2000878979	E1	14.03.2018	EUR	0	0,000		64.999,53

- For **Rhodia Operations Cc ZFR3** The cancellation of the provision (Flow F-35) should always be equal to the amount written off.
 - So if not fully provision it as to be provisioned and then cancelled;
 - If the provision is higher then the write off the cancellation has to be done in two steps, F-36 for the difference F-35 for the amount = write off;

3.2.5 Write-off

Warnings

- The posting of write-off can only be done after instructions from the Credit Manager concerned
- The instructions with the request should be attached to the posting
- The **write off should be done document by document (see the assignment)**, do not select lines which are not related with the same document. **After processing one document go back and process the next one.**
- If exceptionally it is necessary to select several documents and there is more than one Business Area/cost center, run the transaction **Z1F_DBOUBTFUL per Business Area**, do not Mix two Different BA/Cost centers in the same posting. Here below only 7250 BA is selected.

Bad Debt WO

Write Off Display map log

CoCode	DocumentNo	Fiscal Yr	Item Aff.	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Contr. no.	Bus. Area
0231	6111000506	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111008464	168,00	D	2000717450	7250
0231	6111000507	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111008888	916,73	D	2000736083	7360
0231	6111000508	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111009517	1.107,20	D	2000818674	7360
0231	6111000509	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111009540	1.643,56	D	2000822658	7360
0231	6111000510	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111010275	65.999,53	D	2000878979	7360
0231	6111000511	2018	1	0270	EUR	603646 PROCTER & GAMBLE INTL OPERATIONS SA	CH	02706111011636	19.080,00	D	2001007044	7250

Transaction **Z1F_DBOUBTFUL** in PF1 and WP1 is customized to work only with a debit balance, however there might be the need to apply the doubtful procedure in a credit balance, therefore these two situations are described below:

Only for Debit balance

Use **Z1F_DBOUBTFUL** transaction and select the option "**Bad Debt - Write Off**".

Press  to continue.

Special GL Ind: D

You can search by customer number or document or run the transaction with no info in the fields and it will show all open doubtful contracts.

Here in the example the selection is by customer.

Press  to continue.

Doubtful Cockpit

Options

- Doubtful and Provision
- Provision
- Reduce Provision orig BFC flow
- Reduce Provision by Write Off
- Reduce Provision by Payment

Bad Debt - Write Off

Bad Debt WO

Selection options

Company Code: 0005 to

Customer: 603646 to

Document Number: to

Fiscal Year: to

Test Run

Special G/L ind.: D to


Select the items to write off (see the assignment in FBL5N to see the lines related)

Bad Debt WO

Write Off Display map log

CoCode	DocumentNo	Fiscal Yr	Item Aff.	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Contr. no.	Bus. Area
0005	5010029870	2018	1	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH	0693552434	446,50	D		7250
0005	5010029871	2018	1	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH		26.944,08	D		7360
0005	5010029877	2018	2	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH		5.000,00	D		7360
0005	5010029873	2018	1	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH	0097804232	7.102,22	D		7250


After selecting the lines concerned,

choose  Write Off

Bad Debt WO

Write Off Display map log

CoCode	DocumentNo	Fiscal Yr	Item Aff.	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SGL Ind.	Contr. no.	Bus. Area
0005	5010029870	2018	1	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH	0093000434	446,50	D		7250
0005	5010029871	2018	1	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH		26.944,08	D		7360
0005	5010029877	2018	2	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH		5.000,00	D		7360
0005	5010029873	2018	1	EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH	0097804232	7.102,22	D		7250

 Document 5010029879 was posted in company code 0005

Manually for Debit balance or credit balance

Open **F-32** transaction in local system with special indicator **"D"**

Enter.

Select the invoice

Go back 

Clear Customer: Header Data

Process open items

Account Clearing Date Period
 Company Code Currency

Open Item Selection
 Special G/L Ind Normal OI

Account items 1897 COQUIBA S.L.

Assignment	Document...	D..	P..	Posting ...	Docum...	EUR Gross
47900006...	5010012912	S1	09	30.04.2...	30.04.2...	6.919,40

Insert Posting Key 40 for debit 50 for credit and the g/l account for the loss / profit according to the SAP system:

PF1 - 6420000000 / 7420000000

WP1 - 98300800 / 98300812

Then click on Enter.

Clear Customer Display Overview

Process open items Choose open items Display Currency Acct model Taxes

Document Date Type Company Code
 Posting Date Period Currency
 Document Number Fiscal Year Translatn Date
 Reference Cross-CC no.
 Doc.Header Text Trading Part.BA

Items in document currency

PK	BusA	Acct	EUR	Amount	Tax amnt
D	0,00	C	0,00	0,00	* 0 Line items

Other line item
 PstKy Account L Ind TType New co.code

Insert * in the Amount field, the business area related (for PF1) and the cost center.

Save 

Clear Customer Add G/L account item

Choose open items Process open items More data Acct model

G/L Account Trade receivables-loss
 Company Code SOLVAY CHEM INT

Item 1 / Debit entry / 40
 Amount EUR
 Tax code
 Business Area Calculate tax
 Cost Center Trdg Part.BA
 Sales Order Order
 WBS Element Asset
 Cost Object Network
 Purchasing Doc.

Value Date Quantity
 Assignment Asst retirement
 Text