

Doubtful customers

he items selected will now appear in green.

And confirmation of the posting done.

Table of contents

- [Table of contents](#)
- [1. Objective and Scope](#)
- [2. Definitions](#)
- [3. Doubtful procedure](#)
 - [3.1 Customers assigned to Factoring](#)
 - [3.1.1 Convert an invoice into doubtful status and post provision](#)
 - [3.1.2 Receive a payment for a doubtful document](#)
 - [3.1.3 Create a provision](#)
 - [3.1.4 Cancel a provision](#)
 - [3.1.5 Write-off](#)
 - [3.2 Customers not assigned to Factoring](#)
 - [3.2.1 Convert an invoice into doubtful status](#)
 - [3.2.2 Receive a payment for a doubtful document](#)
 - [3.2.3 Create a provision](#)
 - [3.2.4 Cancel a provision](#)
 - [3.2.5 Write-off](#)

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 IND E 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 IND E New CO.Code

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

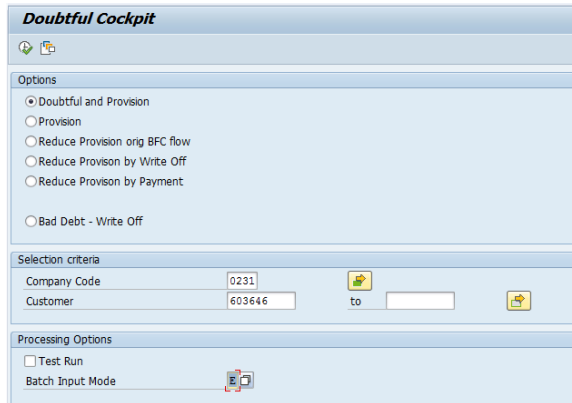
3.1 Customers assigned to Factoring

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:

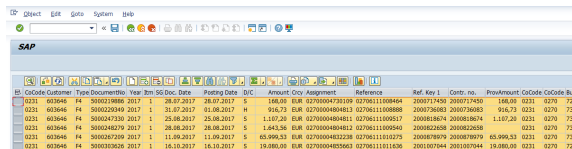
Select the **option "Doubtful and Provision"**, **add the customer**

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.

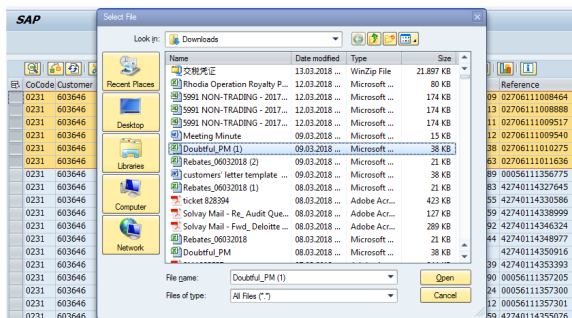


CoCode	Customer	Type	DocumentNo	Year	Item	SGL Ind.	Doc. Date	Posting Date	D/C	Amount	Ccy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	Bank
0231	603646	F4	5000219886	2017	1		28.07.2017	28.07.2017	S	168,00	EUR	02700044701019	02700111008464	2000771490	2000771490	168,00	0231	0270
0231	603646	F4	5000229349	2017	1	H	31.07.2017	01.08.2017	H	916,73	EUR	02700044040403	02700111008888	2000736083	2000736083	916,73	0231	0270
0231	603646	F4	5000247330	2017	1		25.08.2017	25.08.2017	S	1.107,20	EUR	02700044040403	02700111009517	2000818674	2000818674	1.107,20	0231	0270
0231	603646	F4	5000248279	2017	1		28.08.2017	28.08.2017	S	1.643,56	EUR	02700044040403	02700111009540	2000822608	2000822608		0231	0270
0231	603646	F4	5000267209	2017	1		11.09.2017	11.09.2017	S	65.999,53	EUR	02700044040403	02700111010275	2000878079	2000878079	65.999,53	0231	0270
0231	603646	F4	5000303626	2017	1		16.10.2017	16.10.2017	S	19.080,00	EUR	02700044040403	02700111011636	2001007044	2001007044	19.080,00	0231	0270

Then press save .

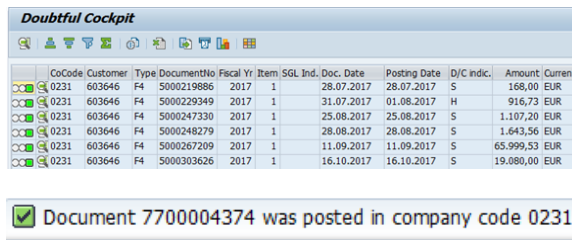
It will ask you to attach the excel file with the **instructions provided by Credit Management** - it only accepts Excel format.

This will attach the justifications to all postings done.



The items selected will now appear in green.

And confirmation of the posting done.



CoCode	Customer	Type	DocumentNo	Fiscal Yr	Item	SGL Ind.	Doc. Date	Posting Date	D/C indic.	Amount	Currency
0231	603646	F4	5000219886	2017	1		28.07.2017	28.07.2017	S	168,00	EUR
0231	603646	F4	5000229349	2017	1	H	31.07.2017	01.08.2017	H	916,73	EUR
0231	603646	F4	5000247330	2017	1		25.08.2017	25.08.2017	S	1.107,20	EUR
0231	603646	F4	5000248279	2017	1		28.08.2017	28.08.2017	S	1.643,56	EUR
0231	603646	F4	5000267209	2017	1		11.09.2017	11.09.2017	S	65.999,53	EUR
0231	603646	F4	5000303626	2017	1		16.10.2017	16.10.2017	S	19.080,00	EUR

 Document 7700004374 was posted in company code 0231

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).

Special GL indicator D = GL
account 2270000000

Special GL indicator E = GL
account 2271000000

Note that there was one document
(invoice 0270611109540) for which
there was no Provision created as the
amount was zero in the selection done.

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

St	Kush	Reference	Assignment	Ref. Key 1	BN	DocumentNo	Type	Doc. Date	Net due date	DD	Amount in DO	Curr.
		7250 0270611109444	02700004730109	2000717450		6111000504	DO	14.03.2018	14.03.2018		165,00	EUR
		7250 0270611109444	02700004730109	2000717450		7700004369	E1	14.03.2018	14.03.2018		165,00	EUR
		7360 0270611109888	02700004804813	2000717450		6111000507	DO	14.03.2018	14.03.2018		916,79	EUR
		7360 0270611109888	02700004804813	2000736083		7700004370	E1	14.03.2018	14.03.2018		916,79	EUR
		7360 02706111099517	02700004804811	2000736083		6111000508	DO	14.03.2018	14.03.2018		1.107,20	EUR
		7360 02706111099517	02700004804811	2000818874		7700004371	E1	14.03.2018	14.03.2018		1.107,20	EUR
		7360 02706111099540	02700004804812	2000822658		6111000509	DO	14.03.2018	14.03.2018		1.643,96	EUR
		7360 02706111010275	02700004832238	2000822658		6111000510	DO	14.03.2018	14.03.2018		1.643,96	EUR
		7360 02706111010275	02700004832238	2000878978		7700004373	E1	14.03.2018	14.03.2018		65.999,93	EUR
		7250 02706111011436	02700004855663	2000878978		6111000511	DO	14.03.2018	14.03.2018		0,00	EUR
		7250 02706111011436	02700004855663	2001007044		7700004374	E1	14.03.2018	14.03.2018		19.080,00	EUR
				2001007044							0,00	EUR
											1.643,96	EUR

You can also see the attachment in all
the postings.

Display Document: Line Item 002

Additional Data

Customer 603646 PROCTER & GAMBLE INTL OPERATIONS SA G/L Acc. 2271000000
Company Code 0231 ROUTE DE ST GEORGES 47
SOLVAY SA - TREASURY DPT PETIT LANCY Doc. no. 7700004369

Line Item 2 / Reserve for bad debt / 19 E

Amount 168,00 EUR

Service: Attachment list

AttachmentFor023177000043692018002

Icon	Title	Creator Name	Created On
	Doubtful Attachment	Tiago RODRIGUES	14.03.2018

3.1.2 Receive a payment for a doubtful document

Warnings

If a payment is received for a document which is settled with doubtful status, check the customer account to see if there is a provision created for it. If so the provision should be cancelled – follow the instruction in chapter 3.1.4. [Cancel a provision.](#)

Always confirm with CM if the payment can be applied, to which invoice(s) and attach the instructions.

Select the payment normally in **FEBA/ F-32** transactions and select the invoice to be cleared. In case the full amount is not paid use **FB05** to apply the partial or leave the Residual amount with document type DO and Special GL D.

Warning

A doubtful contract does not appear on the reconciliation screen in FEBA/F-32 and FB05 transactions. Therefore, the special G/L indicator should be inserted with "O" or "D" in order to select the invoice (s).

See example (payment already on account)

Since there will be a residual that should remain in Doubtful use **FB05** with **payment dates** (if not possible, use 1st day of the month)

Document type: DO **Cc:**0231
Currency: of invoice

Reference: Invoice Reference

Doc Header text: Ticket with the instructions of CM

Press Enter

Process open items with Special GL indicator D or Q (some older items might have O - Check the customer account to confirm)

Post with Clearing: Header Data

Choose open items Acct model

Document Date	17.04.2017	Type	DO	Company Code	0231
Posting Date	17.04.2017	Period	4	Currency/Rate	EUR
Document Number				Translatn Date	
Reference	00056111341570			Cross-CC no.	
Doc.Header Text	Ticket 432101				
Clearing text					

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

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...	D...	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...	D...	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.

Save.

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-	

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	DO	Amount in DO	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 Translatn Date
 Reference 02706111011636 Cross-CC no.
 Doc.Header Text Ticket 1234567
 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...	Cur...	Disco...	D/P Net Amount	Payment Amount	RCd
21081CLUS018024	21081CLUS018024		D2	14.03.2018	EUR	0	10.000,00	10.000,00	
02700004855663	02706111011636	2001007044	DO	14.03.2018	EUR	0	19.080,00	19.080,00	

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	BuA	Reference	Assignment	Ref. Key 1	WH	DocumentNo	Typ	Doc. Date	Net due dt	D	DO	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
**												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

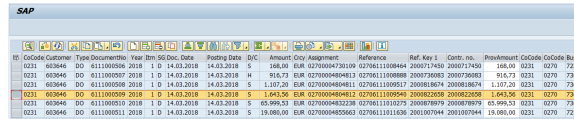
Selection criteria

Company Code 0231 to
 Customer 603646

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

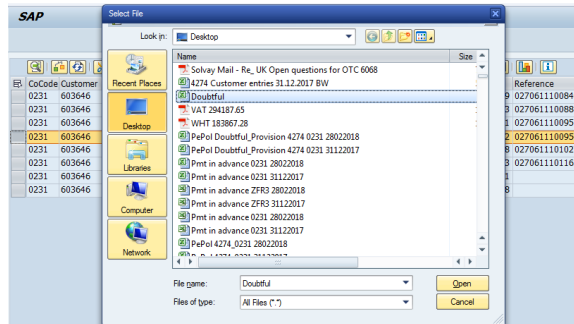
Select the item you want to provision

and press save .

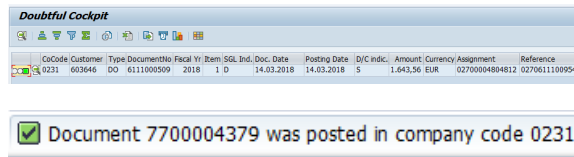


CoCode	Customer	Type	DocumentNo	Year	Sm	Sd	Doc. Date	Posting Date	D/C	Amount	Ccy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	CoCode	Buak
0231	603646	DO	6111000509	2018	1	D	14.03.2018	14.03.2018	S	188,00	EUR	02700004804812	02706111008888	2000730083	2000730083	226,00	0231	6270	7390
0231	603646	DO	6111000507	2018	1	D	14.03.2018	14.03.2018	H	916,73	EUR	02700004804813	02706111008888	2000730083	2000730083	916,73	0231	6270	7390
0231	603646	DO	6111000508	2018	1	D	14.03.2018	14.03.2018	S	1.107,20	EUR	02700004804811	02706111008888	2000730083	2000730083	1.107,20	0231	6270	7390
0231	603646	DO	6111000509	2018	1	D	14.03.2018	14.03.2018	S	1.643,56	EUR	02700004804812	02706111008888	2000730083	2000730083	1.643,56	0231	6270	7390
0231	603646	DO	6111000509	2018	1	D	14.03.2018	14.03.2018	S	65.999,53	EUR	02700004804812	02706111008888	2000730083	2000730083	65.999,53	0231	6270	7390
0231	603646	DO	6111000511	2018	1	D	14.03.2018	14.03.2018	S	19.080,00	EUR	02700004804812	02706111008888	2000730083	2000730083	19.080,00	0231	6270	7390

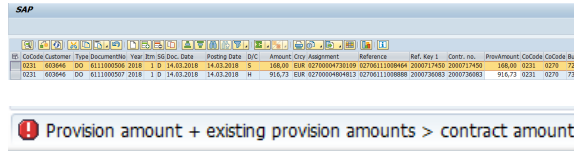
Add the attachment.



The document was posted.



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.

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

Processing Options

☐ Test Run

Batch Input Mode: E

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.

SAP

CoCode	Customer	Type	DocumentNo	Year	Item	Doc. Date	Posting Date	DOC	Amount	Currency	Assignment	Reference	Ref. Key 1	Cont. No.	ProvisionAmount	CoCode	CoCode Bus	Item
0231	603646	E1	7700004375	2018	2	E	14.03.2018	H	164,56	EUR	02700004804812	02706111009540	2000822658	2000822658	1.645,56	0231	0270	7360
0231	603646	E1	7700004375	2018	2	E	14.03.2018	H	916,73	EUR	02700004804812	02706111009540	2000822658	2000822658	1.645,56	0231	0270	7360
0231	603646	E1	7700004375	2018	2	E	14.03.2018	H	1.097,29	EUR	02700004804812	02706111009540	2000822658	2000822658	1.645,56	0231	0270	7360
0231	603646	E1	7700004375	2018	2	E	14.03.2018	H	1.645,56	EUR	02700004804812	02706111009540	2000822658	2000822658	1.645,56	0231	0270	7360
0231	603646	E1	7700004375	2018	2	E	14.03.2018	H	65.995,53	EUR	02700004804812	02706111009540	2000822658	2000822658	65.995,53	0231	0270	7360
0231	603646	E1	7700004375	2018	2	E	14.03.2018	H	19.986,00	EUR	02700004804812	02706111009540	2000822658	2000822658	19.986,00	0231	0270	7360

SAP

Select File

Look in: Desktop

Recent Places

Desktop

Libraries

Computer

Network

Name

Solvay Mail - Re_ UK Open questions for OTC 6068

4274 Customer entries 31.12.2017 BW

Doubtful

VAT 294187.65

WHT 183667.28

PePol Doubtful_Provision 4274 0231 28022018

PePol Doubtful_Provision 4274 0231 31122017

Pmt in advance 0231 28022018

Pmt in advance 0231 31122017

Pmt in advance ZFR3 28022018

Pmt in advance ZFR3 31122017

Pmt in advance 0231 28022018

Pmt in advance 0231 31122017

PePol 4274 0231 28022018

File name: Doubtful

Files of type: All Files (*.*)

Open

Cancel

The document was posted.

Doubtful Cockpit

CoCode Customer Type DocumentNo Fiscal Year Item Doc. Date Posting Date DOC Amount Currency Assignment Reference Ref. Key 1 Cont. No. ProvisionAmount CoCode CoCode Bus Item

0231 603646 E1 7700004375 2018 2 E 14.03.2018 14.03.2018 H 1.645,56 EUR 02700004804812 02706111009540 2000822658 2000822658 1.645,56 0231 0270 7360

Document 7700004375 was posted in company code 0231

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

Customer: 603646

Company Code: 0231

Name: PROCTER & GAMBLE INTL OPERATIONS SA

City: PETIT LANCY

SD	Busk	Reference	Assignment	Ref. Key 1	PM	DocumentNo	Type	Doc. Date	Net due dt	SD	Amount in Bt	Curr.
☒	7360	02706111009540	02700004804812	2000822658		4111000009	DO	14.03.2018	14.03.2018		1.645,56	EUR
☒	7360	02706111009540	02700004804812	2000822658		7700004375	E1	14.03.2018	14.03.2018		1.645,56	EUR
☒	7360	02706111009540	02700004804812	2000822658		7700004375	E1	14.03.2018	14.03.2018		1.645,56	EUR
**											1.645,56	EUR

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

Special GL indicator "E" must be selected.

Clear Customer: Header Data

Process open items

Account Clearing Date Period

Company Code Currency

Open Item Selection

Special G/L Ind ☐ ☒ Normal OI

Select both items and save



Document Edit Goto Settings Environment System Help

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
02700004804812	02706111009540	2000822658	E1	14.03.2018	EUR	0	0,000		1.643,56
02700004804812	02706111009540	2000822658	E1	14.03.2018	EUR	0	0,000		1.643,56

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

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

Customer to

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

SAP

Sl	CoCode	Customer	Type	DocumentNo	Year	Bin	SS	Doc. Date	Posting Date	D/C	Amount	Ctry	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCode	CoCode	Bank
0231	603646	E1	7700004369	2018	2	E		14.03.2018	14.03.2018	H	168,00	EUR	02700004720109	02706111009540	2000717430	2000717430	168,00	0231	0270	7220
0231	603646	E1	7700004370	2018	2	E		14.03.2018	14.03.2018	S	919,73	EUR	02700004804812	02706111009540	2000756082	2000756082	919,73	0231	0270	7360
0231	603646	E1	7700004371	2018	2	E		14.03.2018	14.03.2018	H	1.107,20	EUR	02700004804812	02706111009540	2000818674	2000818674	500,00	0231	0270	7560
0231	603646	E1	7700004372	2018	2	E		14.03.2018	14.03.2018	H	65.999,53	EUR	02700004804812	02706111009540	2000818674	2000818674	1.000,00	0231	0270	7560
0231	603646	E1	7700004374	2018	2	E		14.03.2018	14.03.2018	H	19.680,00	EUR	02700004804812	02706111009540	2001007044	2001007044	19.680,00	0231	0270	7220

For the example, consider the customer paid 500,00 EUR for invoice 02706111009517 and 1.000,00 EUR for invoice 02706111010275.

Hit Save



On customer account you can see the Partial Payments previously recorded (see chapter 3.1.2 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

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

Sl	Busk	Reference	Assignment	Ref. Key 1	WH	From/land	For	DocumentNo	Type	Doc. Date	Det due dt	S	SD	Amount	in	Ctr.	C
✓	1760	02706111009517	02700004804811	2000818674				6111000508	DO	14.03.2018	14.03.2018	D		1.107,20	EUR		
✓	1760	02706111009517	02700004804811	2000818674				6111000512	DO	14.03.2018	14.03.2018	D		500,00	EUR		
✓	1760	02706111009517	02700004804811	2000818674				77000004371	E1	14.03.2018	14.03.2018	E		1.107,20	EUR		
✓	1760	02706111009517	02700004804811	2000818674				77000004374	E1	14.03.2018	14.03.2018	E		500,00	EUR		
✓	1760	02706111010275	02700004804811	2000818674				6111000510	DO	14.03.2018	14.03.2018	D		65.999,53	EUR		
✓	1760	02706111010275	02700004804811	2000818674				6111000512	DO	14.03.2018	14.03.2018	D		1.000,00	EUR		
✓	1760	02706111010275	02700004804811	2000818674				77000004371	E1	14.03.2018	14.03.2018	E		65.999,53	EUR		
✓	1760	02706111010275	02700004804811	2000818674				77000004374	E1	14.03.2018	14.03.2018	E		1.000,00	EUR		
**														0,00	EUR		

DO 6111000508 - Original Doubtful;

DO 6111000512 - Partial Payment;

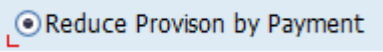
E1 77000004371 - Original Provision;

E1 77000004374 - Provision Reduction;

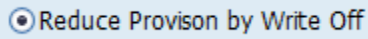


Warning

- 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

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											
CoCode	DocumentNo	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													
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

to

to

to

☐ Test Run

Special G/L ind.

Processing Options

Processing mode

1

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;

Bad Debt WO											
Write Off Display map log											
CoCode	DocumentNo	Fiscal Yr	Item Aff.	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SQL Ind.	Proc. St.
0231	6111000335	2017	1	0005	EUR	1909 RIBAS FITOSANTARIS, S.L.	ES	00058610191960	7.718,75	D	
0231	6111000336	2017	1	0005	EUR	1909 RIBAS FITOSANTARIS, S.L.	ES	00058610192066	7.718,75	D	
0231	6111000337	2017	1	0005	EUR	1909 RIBAS FITOSANTARIS, S.L.	ES	00058610193040	7.718,75	D	
0231	6111000247	2017	1	0005	EUR	22071 VIDRERIA Y CRISTALERIA	ES	00058610193998	118.993,40	D	
0231	6111000248	2017	1	0005	EUR	22071 VIDRERIA Y CRISTALERIA	ES	00058610194700	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	42740114312002	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	207.593,50	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	56.618,62	D	
0231	6111000263	2017	1	4274	EUR	22665 NYLSTAR SA	ES	42740114314343	56.623,04	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.

Bad Debt WO

Write Off

Display map log

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

Example with limit by document number:

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

Bad Debt WO

Write Off

Display map log

<

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	SQL Ind.	Proc. St.
0231	6111000340	2017	1	0005	EUR	301037 NOVADAN APS	DK	2.076,38	D		Posting 6111000341 and clearing with succe

 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

Choose open items

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

Post with Clearing: Header Data															
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															

Post with Clearing Select open items										
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 XINd725

Profit Center

Assignment

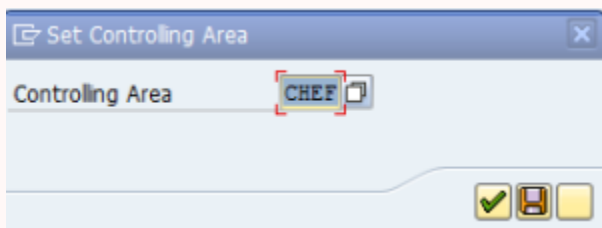
Text

3.2 Customers not assigned to Factoring

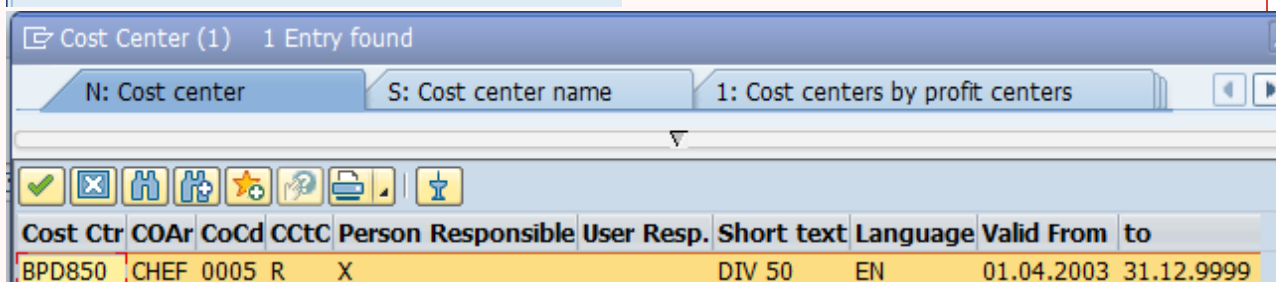
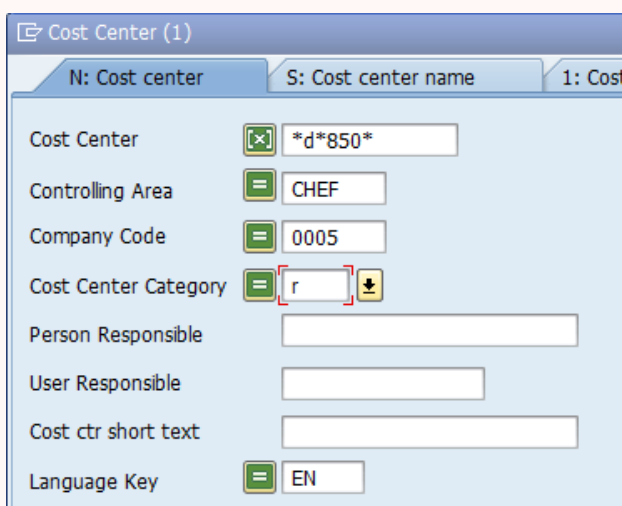
Warnings

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.



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>

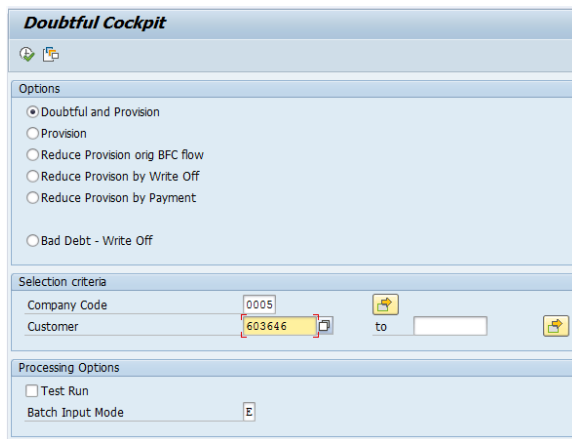
In case of doubts or if you cannot find the cost center, please send an email to the IHB Accounting team in Lisbon (For example Adrienn Torok, Sonia Xavier, Sandra Barradas, Jose Carlos Nunes)

3.2.1 Convert an invoice into doubtful status

In order to convert a receivable to doubtful for a customer no assigned to Factoring, we should use transaction **Z1 F_DOUTBFUL** in PF1 or WP1 and follow the steps below:

Select the **option "Doubtful and Provision"** , **add the Customer account, the Company Code** and

execute .



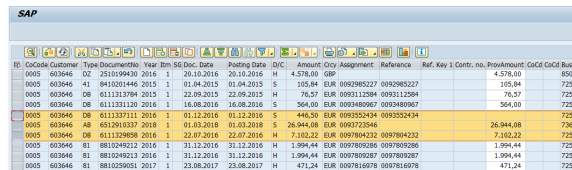
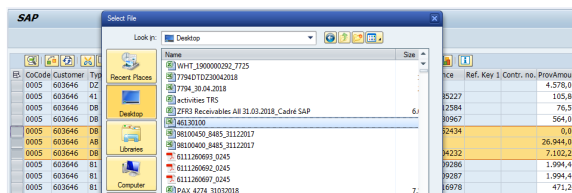
Select the items to be converted to Doubtful and in case the items should be provisioned as well add the amount in column "Provision Amount".

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.

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.

 **Document 5010029874 was posted in company code 0005**

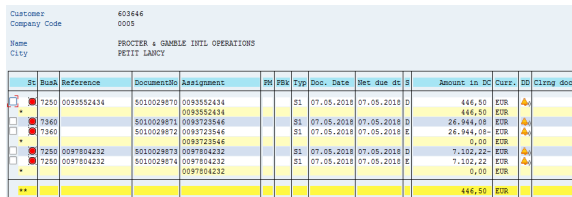
On customer account there are now the Doubtful items (documents with special GL indicator D) and respective provisions created (documents with special GL indicator E).

Special GL indicator D = GL account 2270000000 PF1 /41100300 WP1

Special GL indicator E = GL account 2271000000 PF1 / 49100400 WP1

Note that there was one document (93552434) for which there was no Provision created as the amount was zero in the selection done.

You can also see the attachment in all the postings.



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
 Prmt Block: ☐
 Assignment: 009355243
 Text:

Service: Attachment list

Icon	Title	Creator Name	Created On
	Doubtful Attachment	Tiego 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



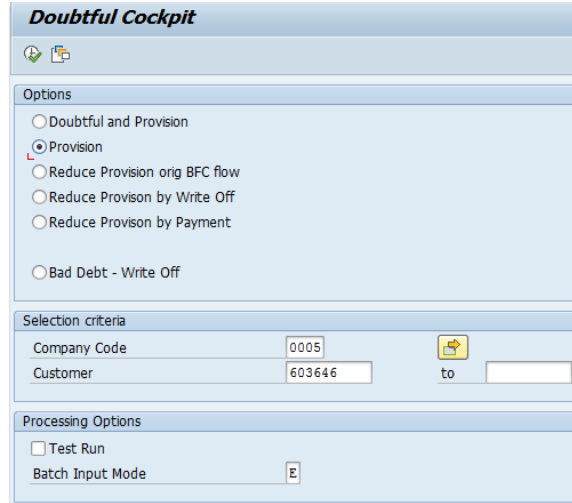
Warning

- 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 .

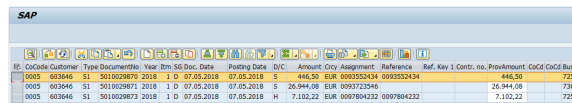


The screenshot shows the 'Doubtful Cockpit' interface. Under the 'Options' section, the 'Provision' radio button is selected. Other options include 'Doubtful and Provision', 'Reduce Provision orig BFC flow', 'Reduce Provision by Write Off', 'Reduce Provision by Payment', and 'Bad Debt - Write Off'. The 'Selection criteria' section shows 'Company Code' as 0005 and 'Customer' as 603646. The 'Processing Options' section has 'Test Run' unchecked and 'Batch Input Mode' set to E.

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

Select the item you want to provision

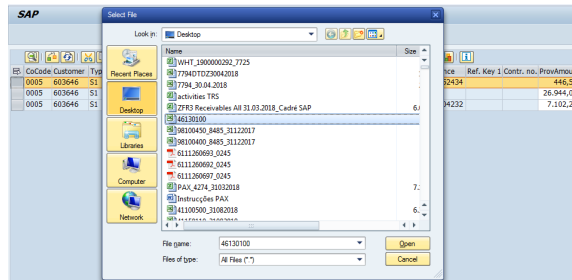
and press save .



CoCode	Customer	Type	DocumentNo	Year	Item	Doc. Date	Posting Date	D/C	Amount	Cncy	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCd	CoCd	Busk
0005	603646	SI	5010029875	2018	1	D	07.05.2018	07.05.2018	5	446,50	EUR	009352434	009352434			446,50		7250
0005	603646	SI	5010029875	2018	1	D	07.05.2018	07.05.2018	5	26.944,08	EUR	009372546				26.944,08		7260
0005	603646	SI	5010029875	2018	1	D	07.05.2018	07.05.2018	H	7.102,22	EUR	0097804232	0097804232			7.102,22		7280

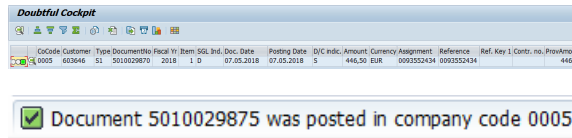
Remark: be careful with the amounts posted as provision to avoid having more amount provision than Doubtful.

Add the attachment.



The screenshot shows the 'Select File' dialog box in SAP. The 'Look in' dropdown is set to 'Desktop'. The file list shows several files, including '46130100'. The 'File name' field is empty, and the 'Files of type' dropdown is set to 'All Files (*.*)'. The 'Open' button is highlighted.

The posting was done.



The screenshot shows the 'Doubtful Cockpit' interface with a green checkmark icon and the message: 'Document 5010029875 was posted in company code 0005'.

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

IS	CoCode	Customer	Type	DocumentNo	Year	Item	Doc. Date	Posting Date	D/C	Amount	Crry	Assignment	Reference	Ref. Key 1	Contr. no.	ProvAmount	CoCd	CoCd	Bank
0005	603646	SI	5010029876	2018	2	E	07.05.2018	07.05.2018	H	446,50	EUR	000352434	000352434			446,50			7250

Add the attachment.

SAP

Select File

Look in: Desktop

File name: 46130100

Files of type: All Files (*.*)

Open Cancel

The document was posted.

Doubtful Cockpit

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 LAUNY

IS	BuA	Assignment	DocumentNo	PR	Contr. no.	PRN	Typ	Doc. Date	Ret due ds	S	Amount in DC	Curr.	DO	Cling doc.
☐	7280	009352434	5010029870				SI	07.05.2018	07.05.2018	D	446,50	EUR		
☒	7280	009352434	5010029876				SI	07.05.2018	07.05.2018	E	446,50	EUR		
☒	7250	009352434	5010029874				SI	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	46,50	
5010029876	S1	07.05.2...	09	7250	0	46,50	

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
Customer 603646 to

Processing Options

☐ Test Run
Batch Input Mode E

SAP

SE Cockpit Customer: Type Document No. Item SGL Ind. Doc. Date Posting Date D/C Ind. Amount Currency Assignment Reference Ref. Key 1 Contr. no. ProvAmount CoCd CoCd 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

SE Cockpit Customer: Type Document No. Item SGL Ind. Doc. Date Posting Date D/C Ind. Amount Currency Assignment Reference Ref. Key 1 Contr. no. ProvAmount CoCd CoCd 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: PETIT LANCY

PS	BuA	Assignment	DocumentNo	PS	Contr. no.	PSK	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		
			5010029876				S1	07.05.2018	07.05.2018	0	5.000,00	EUR		
											0,00	EUR		
											0,00	EUR		

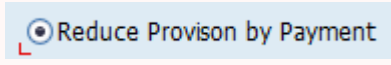
** Account: 603646

"E" 5010029872 - Original Provision;

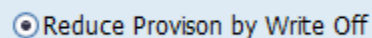
"E" 5010029878 - Provision Reduction;

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 ZER3** 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 DOUBTFUL 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	Item Aff.	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SQL 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 DOUBTFUL** 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 DOUBTFUL** 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

Customer: 603646

Document Number:

Fiscal Year:

Test Run: ☐

Special G/L Ind.: D

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	Item Aff.	CoCo	Currency	Customer Name	Country	Reference	AmountSign	SQL Ind.	Contr. no.	Bus. Area
0005	5010029870	2018	1		EUR	603646	PROCTER & GAMBLE INTL OPERATIONS	CH	0093552434	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 .

Bad Debt WO

Write Off Display map log

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



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.

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

Save



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

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

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 ☐ Calculate tax
Tax code
Business Area Trdg Part.BA
Cost Center Order
Sales Order Asset
WBS Element Network
Cost Object More
Purchasing Doc.

Value Date Quantity
Assignment Asst retirement ☐
Text Long Texts