

FC - What are the main sources of discrepancies?



What are the main sources of discrepancies between the BW fixed cost request and the P&L?

Allocation of a cost center to a GBU in a BW Fixed costs report

To ensure reliable fixed cost reporting, it is essential to include cost centers in the ZCBS hierarchy while adhering to the rules.

Key rules:

1. Production fixed costs:

- All production cost centers must be included in a ZCBS node that starts with **EPRD**.
- Cost centers allocated to both variable and fixed costs must be included in a node ending with **Y** (only in PF1).

2. SG&A CBS:

- All CBS cost centers must be included in a node starting with **ZCBS** (**SCBS** for Syensqo).

3. SG&A GBU:

- All GBU cost centers must:
 - Be allocated to an **EADM** node if they are administrative.
 - Be allocated to an **EMSV** node if they are commercial.

All other rules are detailed here: [Rules - Cost Center ZCBS hierarchy](#)

- [Allocation of a cost center to a plant in a BW Fixed costs report](#)
- [How can an error in the cost center's master data lead to an error in a BW fixed cost report?](#)
- [What must be done to correct an inconsistency ?](#)
- [What is the impact of the correction on historical data ?](#)

Allocation of a cost center to a plant in a BW Fixed costs report

- In BW, the determination of the cost center's plant is done with its [Profit Center](#)



The field "Department" of the profit center is a critical field that is used in BW to assign a cost center to a plant and then to a [site](#).

ex:

- The cost center 7512-1022 is assigned to the profit center 7512-10449
- The department of the profit center 7512-10449 is 7512

=> The cost center is assigned to the plant 7512

K503 - Cost center		K553 - Profit center																																																							
Cost Center	7512-1022 View	Profit Center	7512-10449																																																						
Controlling Area	2006 Solvay Europe	Controlling Area	2006 Solvay Europe																																																						
Valid From	01.04.2006 to 31.12.9999	Validity Period	01.01.2006 To 31.12.9999																																																						
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Depending on the type of profit center the department code can be:

- a plant code = a code maintained in table T001W in WP1 or PF1 (1)
- a generic plant code (only in WP1) created by GBU (2). This code doesn't exist in the table T001W.

KES3 - Profit center

General Data

Profit Center: 7512-02449
 Controlling Area: Z006 Solvay Europe
 Validity Period: 01.01.2006 To 31.12.9999

Basic Data

Profit Center: 7512-02449 Status: Active
 Analysis Period: 01.01.2006 to 31.12.9999
 Name: 7512 down New Euro
 Long Text: 7512 down New Europe - VZ001

Basic Data

User Responsible: A. Pascaon
 Person Respons.: A. Pascaon
 Department: 7512
 Profit Ctr Group: ZFR3-VZIN92 CGUZN092 Nov Non Allo function CGU

Table T001W - Plants/Branches

T001W: Display of Entries Found

Search in Table: 7512W Plants/Branches
 Number of hits: 5
 Runtime: 0 Maximum no. of hits: 999

Plant	Plant Name	Plant Type	Plant Status	Plant Group
7512	ZFR3 Germany 7512	70079	71660	LO RHOUSA OPERATIONS QUAS SA

General Data

Profit Center: ZFR3-I1149
 Controlling Area: Z006 Solvay Europe
 Validity Period: 01.01.2006 To 31.12.9999

Basic Data

Profit Center: ZFR3-I1149 Status: Active
 Analysis Period: 01.01.2006 to 31.12.9999
 Name: CS00 Nov Functions
 Long Text: CS00 Novecare Functions

Basic Data

User Responsible:
 Person Respons.: F.Guittot
 Department: CS00
 Profit Ctr Group: ZFR3-VZIN92 CGUZN092 Nov Non Allo function CGU

Rule by ERP + type of profit center

ERP	Type of profit center	Department	Example
PF1	Reporting profit center	= "blank"	<p>General Data</p> <p>Profit Center: F3FQRAAX91 Controlling Area: CHEF ERP SOLVAY Validity Period: 01.01.2016 To 31.12.9999</p> <p>Basic Data</p> <p>Profit Center: F3FQRAAX91 Status: Active Analysis Period: 01.01.2016 to 31.12.9999 Name: 73F QRAA 9997E Long Text: NA2S FLAKES - THIRD PARTIES - PACKED</p> <p>Basic Data</p> <p>User Responsible: Person Respons.: X Department: Profit Ctr Group: D73F0 CH3F - Blanc Fxe</p>

Organizational profit center

= plant code

By default the department code = profit center code without the letter C

However the rule is to have one department code by site even if for historical reasons there can be several profit centers in the same site.

ex: in Tavaux, all profit centers are assigned to the department TAU:

Profit center	Department
CTAH Slvfr-Fr /Tavaux (Spc)	TAU Tavaux
CTAU Slvfr-Fr /Tavaux (Pvdc)	

There is one exception when there are several management units / GBU in the site (only in GBU Soda Ash).

In the GBU Soda Ash, there should be one dedicated department for Soda Ash another one for Bicar.

ex: in Torrelavega

Profit center	Department
CTOS Slvq-Es /Torrelavega (Su)	TOSA (management unit Soda Ash)
CTOSA Slvq-Es /Torrelavega (Sod)	
CTOSB Slvq-Es /Torrelavega (Bir)	TOSB (management unit Bicar)

General Data

Profit Center	CRBAA	
Controlling Area	CHEF	ERP SOLVAY
Validity Period	01.01.1997	To 31.12.9999

Basic Data Indicators Company Codes Address Communication History

Descriptions

Profit Center	CRBAA	Status	Active
Analysis Period	01.01.1997	to	31.12.9999
Name	4056 SSD-DE/RB (SODA)		
Long Text	SSD-DE /RHEINBERG (SODA)		

Basic Data

User Responsible	
Person Respons	CONTABILIDAD
Department	RBAA
Profit Ctr Group	CHEF_CNTRL Non Cheops Profit centers

WP1

Profit center used in the master data of production cost centers (the codification of the cost center starts with the plant code ★)

= plant code

= first digits of the profit center code ★

ex: department of profit center 7512 -I0449 = 7512

General Data

Profit Center	7512-I0449	
Controlling Area	2006	Solvay Europe
Validity Period	01.01.2006	To 31.12.9999

Basic Data Indicators Company Codes Address Communication History

Descriptions

Profit Center	7512-I0449	Status	Active
Analysis Period	01.01.2006	to	31.12.9999
Name	7512 divers Nov Euro		
Long Text	7512 divers Nov Europe - VZN01		

Basic Data

User Responsible	
Person Respons	A Freycenon
Department	7512
Profit Ctr Group	ZFR3-VZN01 CGUZN001 MISC NOV EUROPE CGU

Profit center used in the master data of SG&A / CBS / Financial cost centers (the codification of the cost center starts with the company code ★)



These profit centers are used in cost center that could be shared between several plants /sites.

Ex: in Rhodia Operation, there can be people working in the same team located in Paris or Lyon. Then the cost center is allocated neither to the Paris site nor to the Lyon site but to a generic site.

By default this rule applies to all cost centers that are not used on production plants.

The only exception is the facilities cost centers in CBS.

= **generic GBU code**

= **BFC GBU code** + 00

ex: *Novecare* = CS00

Last update: 13 Oct 2021

Generic code	
CB00	CB Corporate Business Services
CH00	CH Special Chem
CM00	CM Composite Materials
CS00	CS Novecare
CT00	CT Coatis
GY00	GY Energy Services
NB00	NB New Business Development
OG00	OG Oil & Gas
PA00	PA Aroma
PE00	PE Peroxides
SD00	SD Soda Ash
SI00	SI Silica
SP00	SP Specialty Polymers
TS00	TS Technology Solution

General Data

Profit Center	ZFR3-I1149		
Controlling Area	Z006	Solvay Europe	
Validity Period	01.01.2006	To	31.12.9999

Basic Data Indicators Company Codes Address Communication History

Descriptions

Profit Center	ZFR3-I1149	Status	Active
Analysis Period	01.01.2006	to	31.12.9999
Name	CS00 Nov Functions		
Long Text	CS00 Novecare Functions		

Basic Data

User Responsible	
Person Respons.	F.Guittot
Department	CS00
Profit Ctr Group	ZFR3-V2N92 CGUZN092 Nov Non Allo function CGU

Exception: Facilities cost centers included in the group ZCBS-FFAC of the ZCBS hierarchy

= plant code

= first digits of the profit center code ★

ex: department of profit center 7925 -10569 = 7925

General Data			
Profit Center	7925-10569		
Controlling Area	2006	Solvay Europe	
Validity Period	01.01.2021	To	31.12.9999

Basic Data	Indicators	Company Codes	Address	Communication	History
Descriptions					
Profit Center	7925-10569	Status	Active		
Analysis Period	01.01.2021	to	31.12.9999		
Name	7925 Corp Busin Serv				
Long Text	7925 Corporate Business Services - VZR91				
Basic Data					
User Responsible					
Person Respons.	CBS				
Department	7925				
Profit Ctr Group	ZFR3-VZR91	CGUZR091 MISC RHODIA NA CGU			

★ For historical reasons, there may be exceptions to the codification

How can an error in the cost center's master data lead to an error in a BW fixed cost report?

The allocation of a cost center to the P&L is not handled in the same way in the P&L and the BW fixed cost report. Naturally, if the two methods are not consistent, this creates a discrepancy between the two reports.

As a reminder, the allocation of a cost center to the P&L is done through an assessment cycle. In contrast, in BW, the allocation is based solely on the cost center's master data.

Example:

In the fixed costs report, the cost center 4002-1100 is reported in the plant 4002 but in the P&L the same cost center is reported in a non allocated plant.

Last Update: 21/11/24 1:01 PM

ONE SOLVAY-End month - Cost center analysis

Cost Center	Plant	4 Sub-function	Actual - Destination (Local)
4002-1001	4002	6421 Cincinnati	EPRDOX \$ 248 493,03
4002-1002	4002	6421 Cincinnati	EPRDOX \$ 151 064,08
4002-1003	4002	6421 Cincinnati	EPRDOX \$ 233 805,75
4002-1004	4002	6421 Cincinnati	EPRDOX \$ 90 251,52
4002-1100	4002	6421 Cincinnati	EPRDOX \$ 7 081,01
			Result \$ 728 695,39

Last Update: 21/11/24 1:01 PM

P&L - LEGAL View

Cost Center	Plant	Struct.	Actual
4002-1001	4002	6421 Cincinnati	E01 FC Period \$ -248 493,03
4002-1002	4002	6421 Cincinnati	E01 FC Period \$ -151 064,08
4002-1003	4002	6421 Cincinnati	E01 FC Period \$ -233 805,75
4002-1004	4002	6421 Cincinnati	E01 FC Period \$ -90 251,52
4002-1100	#	WFI_400/Not assigned	E01 FC Period \$ -7 081,01
			Result \$ -728 695,39

1. The profit center of the cost center 4002-1100 is 4002-11210

How to display the cost center master data ?

[KE53 - Display Profit Center](#)

2. The department of the profit center 4002-11210 is 4002 so in the fixed costs report, the cost center is allocated to the plant 4002

What is the impact of the correction on historical data ?

Once the change is made, the historical data will be impacted in the following ways:

- In BW fixed costs query: when you update the master data of a cost center, historical data are reallocated to the new plant.
- In the P&L, if you update the assessment cycle of a cost center, it will only impact the future but historical data is not impacted. If there is a need to correct historical data, a manual correction in COPA should be done. It has to be requested in [Service One](#) .

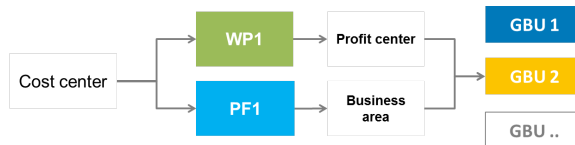
- [Allocation of a cost center to a GBU in a BW Fixed costs report](#)
- [The fixed costs report is available by GBU.](#)
- [How can an error in the cost center's master data lead to an error in a BW fixed cost report?](#)
- [What must be done to correct an inconsistency ?](#)
- [What is the impact of the correction on historical data ?](#)

Allocation of a cost center to a GBU in a BW Fixed costs report

The fixed costs report is available by GBU.

In the BW fixed costs query a cost center can only be allocated to one GBU.

- When it is a cost center in WP1, the determination of the GBU is done with its [Profit Center](#)
- When it is a cost center in PF1, the determination of the GBU is done with its [Business Area](#)



GBU determination in WP1

The determination of the GBU in WP1 is done with the [Profit Center Standard hierarchy](#)

Example

1. The profit center of the cost center 6062-6227 is 6062-I1184

i How to display the cost center master data ?

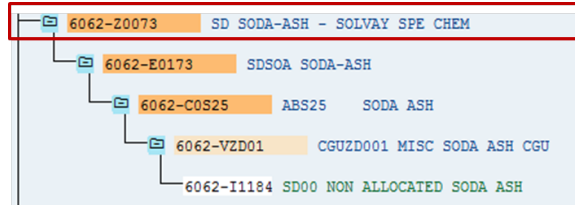
[KS03 - Display cost center](#)

Display Cost Center: Basic Screen		
Cost Center	6062-6227	Soda Ash
Controlling Area	Z026	Rhodia Asia Pacific
Valid From	01.08.2014	to 31.12.9999
Names		
Name	Soda Ash	
Description	Soda Ash	
Basic data		
User Responsible		
Person Responsible	50025703	
Department		
Cost Center Category	F	Production
Hierarchy area	6062-FA-SD	SD Administrative costs - Soda Ash
Company Code	6062	Solvay Specialty Chemical
Business Area		
Currency	SGD	
Profit Center	6062-I1184	SD00 NO ALLOC.SODA A

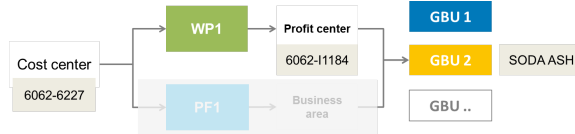
2. The profit center belongs to the GBU Soda Ash

How to display the profit centers hierarchy ?

[KCH3 - Display profit center hierarchy](#)



3. In the fixed costs report, the cost center 6062-6227 is allocated to the GBU Soda Ash



GBU determination in PF1

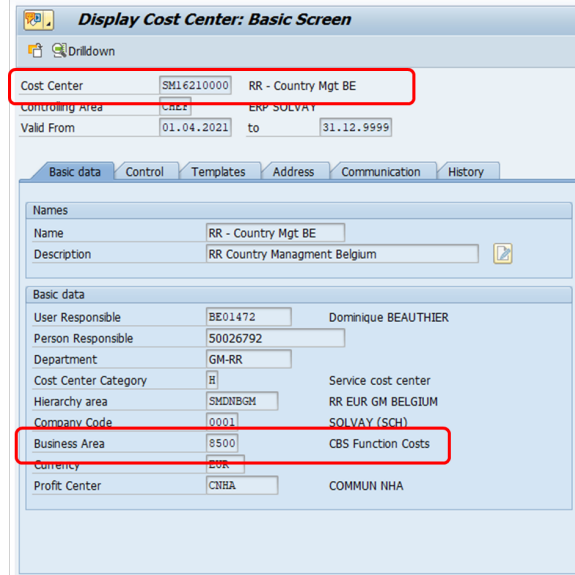
The determination of the GBU for PF1 cost centers is done with the [Business Area](#)

Example

1. The business area of the cost center SM16210000 is 8500

How to display the cost center master data ?

[KS03 - Display cost center](#)



2. The business area belongs to Corporate Business Services

How to allocate a business area to a GBU?

[Rules - PF2 - Business Area](#)

3. In the fixed costs report, the cost center SM16210000 is allocated to Corporate Business Services

How can an error in the cost center's master data lead to an error in a BW fixed cost report?

The allocation of a cost center to the P&L is not handled in the same way in the P&L and the BW fixed cost report. Naturally, if the two methods are not consistent, this creates a discrepancy between the two reports.

As a reminder, the allocation of a cost center to the P&L is done through an assessment cycle, allowing it to be allocated to multiple GBUs. In contrast, in BW, the allocation is based solely on the cost center's master data (profit center or business area) and is assigned to a single GBU.

Example:

In the fixed costs report, the cost center TK19300000 is reported in the GBU Peroxides but in the P&L the same cost center is reported in the GBU Special Chem ?

Last Update 19/11/24 3:01 PM			
ONE SOLVAY-End month - Cost center analysis			
Cost Center	REF Global Business Unit (Resp Cost Center)	Actual - Destination (Local)	
TK19300000	SHIP. INSUR. PE 36	PEROXIDES	702 875 JPY
Result			702 875 JPY

Last Update 19/11/24 1:02 PM			
P&L - LEGAL View			
Cost Center	Cost Center	Struct.	Actual
TK19300000	SHIP. INSUR. PE 36	SPECIAL CHEM	TOT-REBITDA - Recurring EBITDA
Result			-702 875,00
			-702 875,00

1. The business area of the cost center TK19300000 is 7360

i How to display the cost center master data ?

[KS03 - Display cost center](#)

2. The business area 7360 belongs to the GBU Peroxide so in the fixed costs report, the cost center is allocated to the GBU Peroxide

i How to allocate a business area to a GBU?

[Rules - PF2 - Business Area](#)

Cost Center	TK19300000	SHIP. INSUR. PE 36
Controlling Area	CHEF	ERP SOLVAY
Valid From	01.11.2020	to 31.12.9999

Names	Name	SHIP. INSUR. PE 36
	Description	SHIPPING INSURANCE PE 36

Basic data	User Responsible	
	Person Responsible	50017821
	Department	
	Cost Center Category	Administration
	Hierarchy area	TK_INSUR
	Company Code	0360
	Business Area	7360
	Currency	JPY
	Profit Center	CTKN

3. The cost center TK19300000 is included in the COPA cycle 0360P1

i How to display the cost center master data ?

[KS03 - Display cost center](#)

Cost Center	TK19300000	SHIP. INSUR. PE 36
Controlling Area	CHEF	ERP SOLVAY
Valid From	01.11.2020	to 31.12.9999

Names	Name	SHIP. INSUR. PE 36
	Description	SHIPPING INSURANCE PE 36

Basic data	User Responsible	
	Person Responsible	50017821
	Department	
	Cost Center Category	Administration
	Hierarchy area	TK_INSUR
	Company Code	0360

4. The cost center TK19300000 is allocated to the profit center D7630 which belongs to the GBU Special Chem

i How to allocate a profit center to a GBU in PF1?

[Rules - PF1 - Profit center](#)

Operating concern	F001	Slv ERP Operating concern
Cycle	0360P1	Final allocation to COPA
Segment Name	TK19300000	SHIPPING INSURANCE CHR

Segment Header	Senders/Receivers	Receiver Tracing Factor
----------------	-------------------	-------------------------

Receivers	CoCd Profit Ctr	Portion/percent
	0360 D7630	100,00

What must be done to correct an inconsistency ?

The cost center TK19300000 is allocated to Peroxide via its business area and to GBU Special Chem via its assessment cycle, the following steps can help address this inconsistency:

1. Analyze the Business Rules:

- Determine which GBU allocation via business area or via cycle is correct

2. Adjust Master Data or Cycle Configuration:

- If the business area is incorrect, request the update of the cost center's master data: [Request the creation / update of Master Data](#)
 - Alternatively, if the assessment cycle, request the update of the assessment cycle in [Service One](#).
-

What is the impact of the correction on historical data ?

Once the change is made, the historical data will be impacted in the following ways:

In BW fixed costs query: when you update the master data of a cost center, historical data are reallocated to the new GBU.

In the P&L, if you update the assessment cycle of a cost center, it will only impact the future but historical data is not impacted. If there is a need to correct historical data, a manual correction in COPA should be done. It has to be requested in [Service One](#) .