# Functional Documentation - GBU fixed costs

## 1.0 Overview

GBU Fixed Costs Menu

### Business Context and Application Overview

The GBU Fixed Costs applciation is part of Finance domain and we use mainly the SAP data from CO (Controlling) module to get data for the fixed costs and GBU level.

The application GBU Fixed Costs is used to follow Solvay's fixed costs mainly:

- STOT-R330 – Administrative & Commercial expenses
- R25460 – Non proportional costs of sales
- R27900 – Mis production.
- R25510 – Logistics costs.

### Application User Profile

For this Application the access is provided based on the BW menu "FC - GBU Fixed Costs" and it's done via Service one.

Fill the form
https://solvay-dwp.onbmc.com/dwp/app/#/itemprofile/622

In SAP system select the "WBP - BW Business Warehouse"

In WBP - BW Business Warehouse : Select the Business Role select the "FC - GBU Fixed Costs"

**Target Users:**

GBU and Site Controllers and Plant Management

| VERSION | DATE | MODIFIED BY | DESCRIPTION |
|---|---|---|---|
| 0.01 | 29.09.2023 | Inês Vilares | Initial draft |
| | | | |
| | | | |

### Application Type

| | |
|---|---|
| Data Product Type | ☐ Dashboard<br>☑ Report<br>☐ Advanced analytics<br>☐ AI<br>☐ Others <specify which one> |
| Technologies | ☑ BW<br>☐ Tableau<br>☐ Qliksense<br>☐ Talend<br>☐ Dataiku<br>☐ Others <specify which one> |
| Data Sources<br><br>*Note: list of all applications and various environment* | ☑ SAP PF1 (Production environment)<br>☑ SAP WP1<br>☐ SAP PI1<br>☐ BW (versions)<br>☐ iCare CRM<br>☐ CORE CRM<br>☑ Budget flat files<br>☐ Others <specify the name of the source> |

## 2.0 Business Process

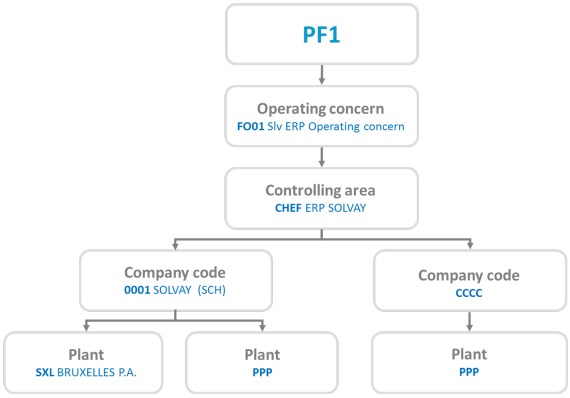
To understand the business process it's important to know the basic concept for the SAP CO module and how it's applicable in Solvay organization.

The SAP CO module in the SAP ERP (Enterprise Resource Planning) system focus on financial controlling and management accounting functions within an organization. SAP CO is designed to provide tools and capabilities to effectively manage and control costs, perform internal and external accounting, and support decision-making processes related to financial aspects of the business. SAP CO is tightly integrated with other SAP modules, such as SAP FI (Financial Accounting) and SAP MM (Materials Management), providing a cohesive and comprehensive solution for managing financial data, controlling costs, and supporting financial decision-making throughout the organization.

**CO Structure in Solvay:**

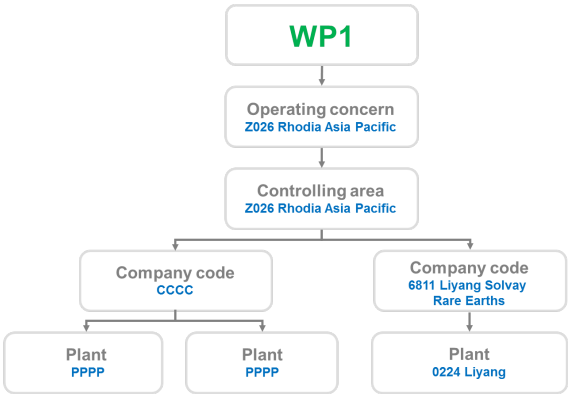
**PF1 Structure**

| | Code | Description |
|---|---|---|
| Operating concern | **FO01** | Slv ERP Operating concer |
| Controlling area | **CHEF** | ERP SOLVAY |



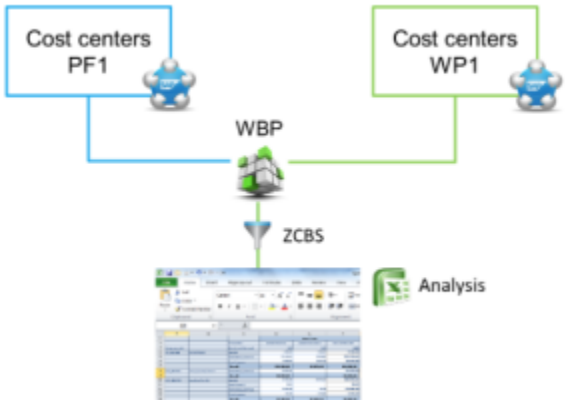

**WP1 Structure**

| | Code | Description |
|---|---|---|
| Operating concern | Z001 | Solvay Engin. Plasti.Polan |
| | Z006 | Rhodia Europe |
| | Z013 | Rhodia Europe |
| | Z025 | Rhodia Latin America |
| | Z026 | Rhodia Asia Pacific |
| | Z028 | Solvay North America |
| Controlling area | = Operating concern | |




**Scope for GBU Fixed Costs**

- PF1 & WP1 **cost centers** are included as long as there are included in the **hierarchy ZCBS**.




- For the **cost elements** in both systems they are included in the **new hierarchy ZSOLV** (old ZRCS-FC hierarchy)**.** See more information about the change of the group in the Process Detail section for the hierarchy.

In the systems we can see the hierarchy using the SAP transaction **KSH3 - Display cost center hierarchy** to see the hierarchy respective to the cost center organization.

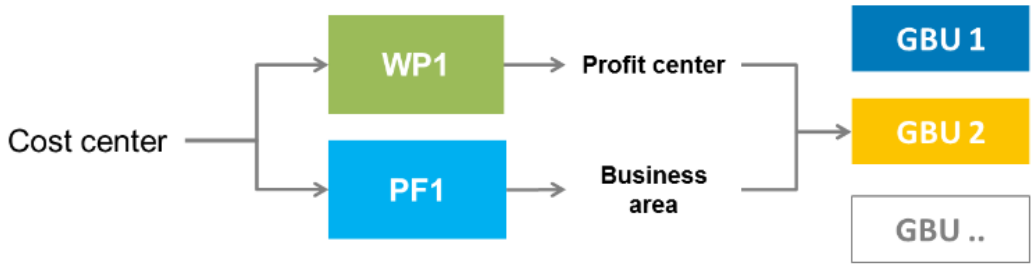
In the systems we can see the hierarchy using the SAP transaction **KAH3 - Display cost element group** to see the hierarchy respective to the cost element organization.

In the Process detail section we show in more detail the hierarchy and restrictions for this scope.

**Determination of the GBU**

The fixed costs report is available by GBU.

In WP1, the GBU comes from the Profit Center of the cost center while in PF1 it comes from the Business Area of the cost center

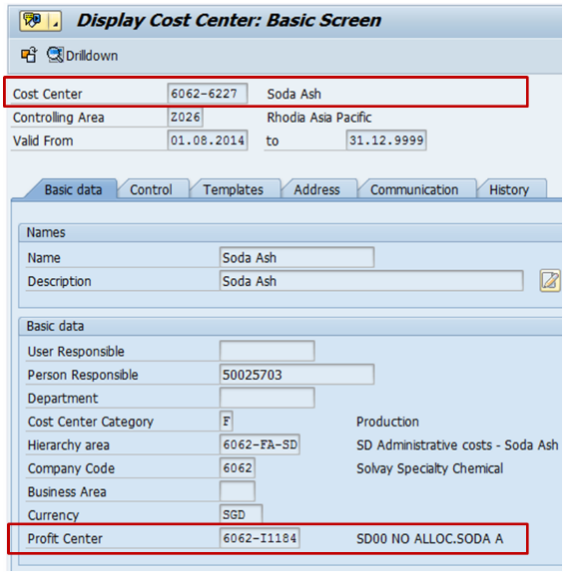



GBU determination in WP1

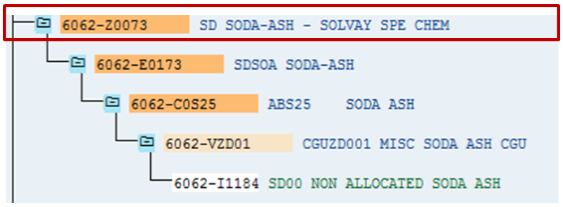
The determination of the GBU in WP1 is done with the Profit Center Standard hierarchy

Example

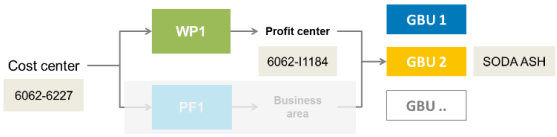
1. The profit center of the cost center 6062-6227 is 6062-I1184




2. The profit center belongs to the GBU Soda Ash




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




GBU determination in PF1

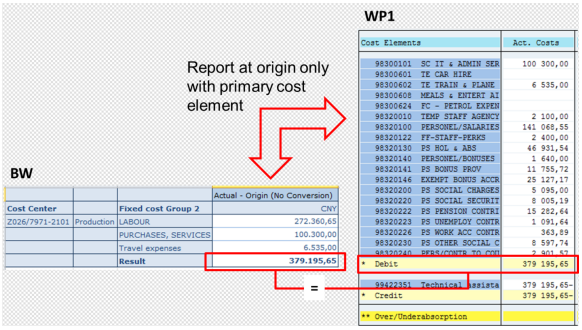
The determination of the GBU for PF1 cost centers is done with the Business Area

**Determination of the plant**

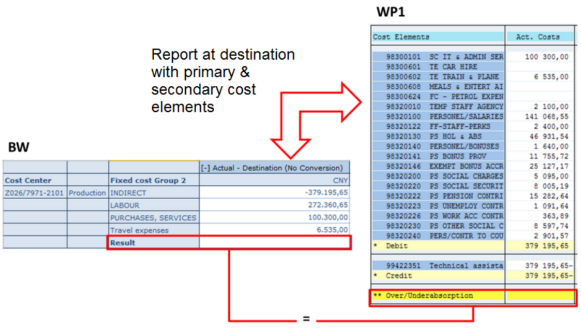
The report is available by production site or headquarter. It comes from the Profit Center department

**Origin & Destination**

Report at origin - indirect production cost center

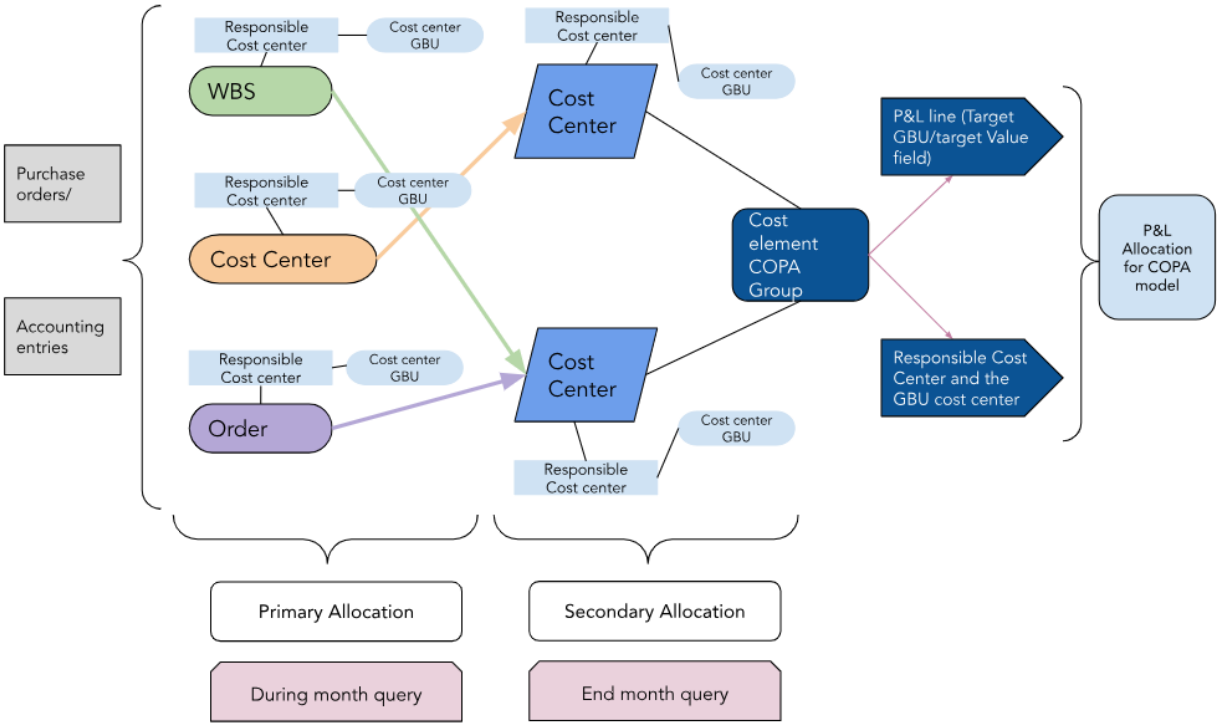



Report at destination - indirect production cost center




For the GBU fixed costs we use the SAP information from the controlling part to analyze the fixed costs at GBU level. For this it's important to understand the structure behind and how the business see the costs and be able to analyze the information to perform their activities during and end of month.

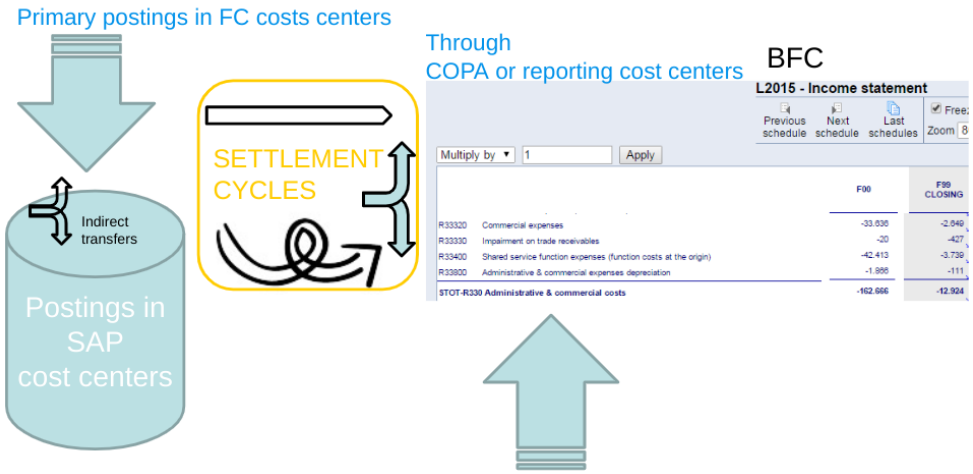
**Model behind for PF1 and WP1:**




Curently we have the WBS, cost centers and orders objects with values coming from the purchase orders and accounting entries. Each object is linked to a cost center which we call it "Responsible Cost Center" and this cost center is linked to a GBU.

We have the primary postings and during the closing process we have the settlements cycles (which will allocate the costs to a final cost center) and the final cost centers has the correspondent cost element for COPA line items to be present in the P&L report for PF1 and WP1 using the respective value field.

**Reporting fixed costs challenges : reconciliation SAP/BFC:**




In the controlling side we have primary posting in the CO objects for the fixed costs and during the closing we have the settlement cycles to transfer /allocate the costs to a final CO object and to be in the respective lines in P&L.

# 3.0 Application Feature Overview

For this application find below all the workbooks available:

| Reports | Definition | Prompts | BW Workbook Query | Query Technical Name |
|---|---|---|---|---|
| **FC - Cost center master data (Core Query)** | This report is used to display the master data of all cost centers in WP1 & PF1 including the ZCBS hierarchy, the GBU and the plant code. | Mandatory:<br><br>N.A<br><br>Optional:<br>• CCtr Category;<br>• Change date;<br>• CO area;<br>• Company Code;<br>• Cost center;<br>• Created by;<br>• Creation date;<br>• Author. scope of Comp. Code;<br>• Source System. | BW_WBK_FC_0003 | BW_QRY_C_COSTCTR_0001 |

| | | | | |
|---|---|---|---|---|
| **FC - End month - P&L reconciliation COPA (Core Query)** | In this report the users can check the costs in the cost center and the respective cost element and the same amount allocated in P&L destination (COPA).<br><br>The ZSOLV Group 4 as the default values - different from:<br><br>• ZSO-IND31<br>• ZSO-IND51<br>• ZSO-29999A<br><br>The field Function has default options - different from:<br><br>• ECP;<br>• EACAR;<br>• EPSRO;<br>• ECPVSE;<br>• EDICS;<br>• ESERV.<br><br>The field Variable Cost has the default option to be excluded: X | Mandatory:<br><br>• Fiscal Year /Period;<br>• BFC GBU - Resp Cost Center;<br>• Exchange Rate type.<br><br>Optional:<br><br>• Auth Scope on Resp Cost Center;<br>• BFC Geo /Zone;<br>• Company Code;<br>• Fixed Group 1,<br>• Function;<br>• Responsible Cost center;<br>• User responsible;<br>• Source System;<br>• Target Curr. for conversion;<br>• Version;<br>• Variable Cost. | BW_WBK_FC_0001 | BW_QRY_MPR_FC003_0003 |

| | | | | |
|---|---|---|---|---|
| **FC - End month - P&L select - Monthly P&L Impact (Core Query)** | This report shows the amounts allocated to the fixed costs in P&L but it's recommended to be used when the users wants to analyze the amounts allocated to different GBU's or Group of Activities. You can see more details in the section "Process Detail  Workbook Details" .<br><br>The field BFC Account has default options selected:<br>• R33210;<br>• R33310;<br>• R33320.<br><br>The ZSOLV Group 4 as the default values - different from:<br>• ZSO-IND31<br>• ZSO-IND51<br>• ZSO-29999A<br><br>The field Function has default options - different from:<br>• ECP;<br>• EACAR;<br>• EPSRO;<br>• ECPVSE;<br>• EDICS;<br>• ESERV.<br><br>The field Variable Cost has the default option to be excluded: X | Mandatory:<br>• Calendar Year;<br>• Conso View;<br>• Exchange Rate type (default "C").<br><br>Optional:<br>• Auth Scope on Resp Cost Center;<br>• Currency Conversion Year;<br>• P&L GBU;<br>• P&L BFC Group of Activities 1;<br>• P&L BFC Group of Activities 2;<br>• P&L BFC Group of Activities 3;<br>• P&L BFC Group of Activities 4;<br>• P&L BFC Group of Activities 5;<br>• BFC Account;<br>• BFC Geo /Zone;<br>• Company Code;<br>• Responsible Plant;<br>• Fixed Group 1;<br>• Function;<br>• Source System;<br>• Target Currency;<br>• Version Budget;<br>• Variable Cost. | BW_WBK_FC_0007 | BW_QRY_MPR_FC003_0009 |

| | | | | |
|---|---|---|---|---|
| **FC - End month - P&L select - P&L Impact (Core Query)** | This report shows the amounts allocated to the responsible cost center for fixed costs in P&L regarding the actual destination and the GBU's involved. You can see more details and examples in the section "Process Detail  Workbook Details" .<br><br>The field BFC Account has default options selected:<br>• R33210;<br>• R33310;<br>• R33320.<br><br>The ZSOLV Group 4 as the default values - different from:<br>• ZSO-IND31<br>• ZSO-IND51<br>• ZSO-29999A<br><br>The field Function has default options - different from:<br>• ECP;<br>• EACAR;<br>• EPSRO;<br>• ECPVSE;<br>• EDICS;<br>• ESERV.<br><br>The field Variable Cost has the default option to be excluded: X | Mandatory:<br>• Conso View;<br>• Exchange Rate type (default "C").<br><br>Optional:<br>• Auth Scope on Resp Cost Center;<br>• Fiscal Year;<br>• P&L GBU;<br>• P&L BFC Group of Activities 1;<br>• P&L BFC Group of Activities 2;<br>• P&L BFC Group of Activities 3;<br>• P&L BFC Group of Activities 4;<br>• P&L BFC Group of Activities 5;<br>• BFC Account;<br>• BFC Geo /Zone;<br>• Company Code;<br>• Responsible Plant;<br>• Fixed Group 1;<br>• Function;<br>• User Responsible;<br>• Source System;<br>• Target Curr. for conversion;<br>• Version Budget;<br>• Variable Cost. | BW_WBK_FC_0006 | BW_QRY_MPR_FC003_0008 |

| | | | | |
|---|---|---|---|---|
| **FC - CO Orders master data (Core Query)** | This report shows the master data for CO orders with settlement details. | Mandatory:<br>• Authorization Scope<br>• GBU<br><br>Optional:<br>• Source System<br>• Company Code<br>• Controlling Area<br>• Order<br>• Order Type<br>• Creation Date | BW_FC_WBK_0008 | BW_QRY_CPCOCC01_0001 |

# 4.0 Functional Specification

## 4.1 General Data/Calculations

For these reports, it's important to understand some general concepts which are transversal to all the reports which allows the users to work with the reports in the same way as the SAP system and BFC tool.

| | |
|---|---|
| **GBU** | Refer to the Global Business Unit and it's a concept used in our officil reporting tool. To know how we get the GBU for PF1 and WP1 systems this is detail in the Process Definition section. |
| **Cost Center** | A cost center is a specific organizational unit within a company that is responsible for incurring costs. It represents a location, department, or function where expenses are generated. Cost centers are used for tracking and controlling costs, allocating expenses, and monitoring budget compliance. |
| **Responsible Cost Center** | A responsible cost center is a subcategory of a cost center that is responsible for specific cost incurrences within the main cost center. It allows for more detailed tracking and allocation of costs within a broader cost center. Responsible cost centers help organizations drill down into expenses for greater accuracy in cost analysis and control.<br><br>Responsible Cost center is :<br>- the cost center linked to the Order and WBS of the line item (CO-OM, PS)<br>- the cost center of the line item for CO-CCA |
| **Cost element** | It's a categorization used to track and classify expenses incurred by an organization. It represents a specific type of cost, such as wages, materials, rent, or utilities, and serves as a fundamental building block for cost accounting and reporting. Cost elements are essential for allocating and analyzing costs within the SAP CO module. It's the P&L account used to post the amounts in SAP CO document. |
| **Plant** | Refers to a specific physical location or facility within a company's organizational structure. |
| **Cost Center Hierarchy** | Refers to a structured arrangement or organization of cost centers within a company. It establishes a hierarchical relationship among cost centers, typically based on their functions, responsibilities, or reporting structures. This hierarchy helps in organizing and managing cost centers efficiently for accounting, budgeting, and reporting purposes, allowing for better control and analysis of costs across the organization. |

## 4.2 Process Detail

### 4.2.1. Report/Process Definition

| | |
|---|---|
| **Domain** | Finance |
| **Application** | BW reports under FC - GBU Fixed Costs folder |
| **Provider** | MPR_FC003 |

In this section we will approach:

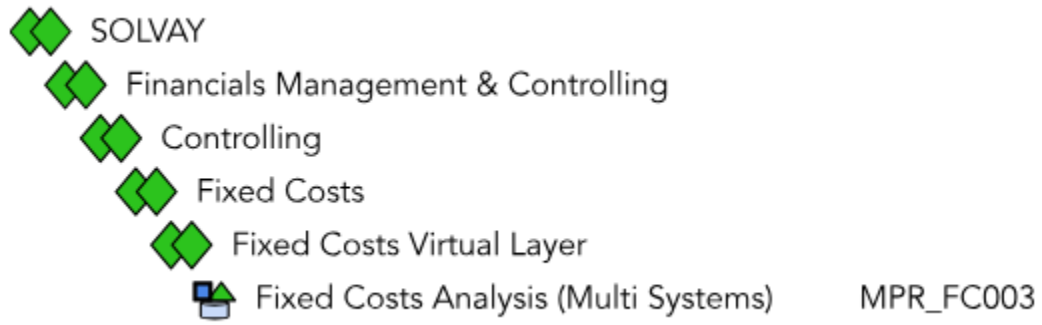
- SAP BW High Level View
- Hierarchy
- Restrictions
- Special Case: mixed cost center
- Plant vs Responsible Plant
- Workbook Details

The GBU Fixed Costs it's based in an existent model, since many years ago exist a controlling model to be more accurate for the GBU needs. We take the model already developed and it was enhanced to follow the fixed costs specially in the cost center at GBU level.

We have the PF1 and WP1 systems and we are using the main CO objects cost centers, WBS and orders and with this information extracted the data is splitted in two BW tools one side the GBU fixed costs and the other solution is CBS for the functions (This scope is explained in the "Corporate Business Services application"). For both applications we use the same data base and the same cubes but the multiproviders are different also because of the authorization part. The GBU Fixed Cost application are using COPA data's for reconciliation purpose

## SAP BW High Level View

To see the data from the source systems see below how the information is organized in the BW perspective:

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## Hierarchy

All cost centers for this scope are stored in a unique **hierarchy ZCBS**.

- The **cost centers** for the GBU fixed costs are identified by an unique sub-folder in ZCBS hierarchy : **ENTRP** (some others filters are done and they are identified in the section below Restrictions). See more details for the structure for cost centers hierarchy ZCBS in the GBU cost center section.
- The **cost elements** for the fixed costs are identified by specific folder (ZSOLV) and sub folder. Refer to ZSOLV Cost Element Group ZSOLV

⚠ In the Cost Element Hierarchy from 01 Jan 2022 the Cost Element Group ZRCS-FC it was replaced by the Cost Element Group ZSOLV. In the reports we have information for the ZSOLV group and the reports working for the filters and key figures with the new group (ZSOLV).

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## Restrictions

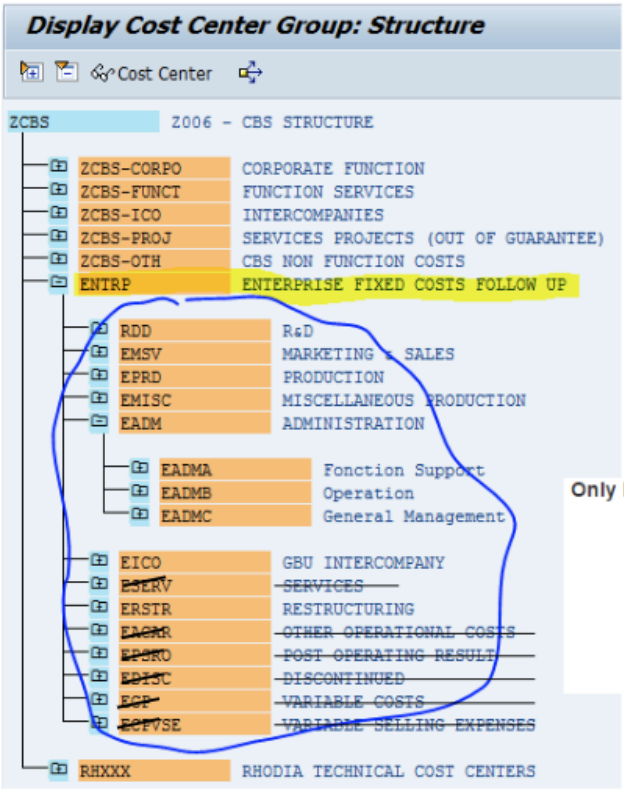
To determine GBU Fixed Costs perimeters, there is restrictions on:

- Cost center
- Cost element
- Miscellaneous filters

#### Restriction on cost center

As already mentioned for GBU Fixed Cost we only analyse ENTRP (1 Organisation attribute = ENTRP of the Responsible Cost center ). By default we must excluded some “2 Function”  attributes values in the reports. The users can delete these default filters.

**Cost center hierarchy ZCBS : restrictions**




# In WP1 and PF1

Managed centrally by DMR (data management) **with GBU input**

**Only Fixed Costs Cost Centers are included** (Filtered via the 2 – Function group)

- ECP – Variable Costs are excluded.
- EACAR – Other Operating Expenses are excluded.
- EPSRO – Post Operating Result are excluded.
- ECPVSE – Variable Sales Expenses are excluded.
- EDISC – Discontinued are excluded.
- ESERV – Services are excluded.

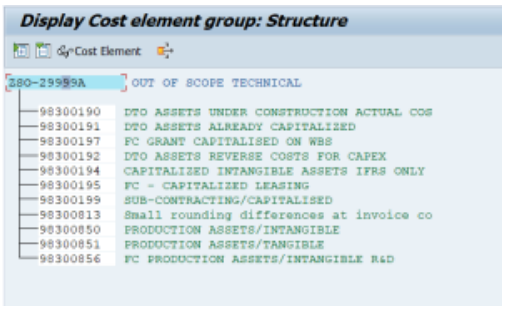
**Restriction on cost element:**

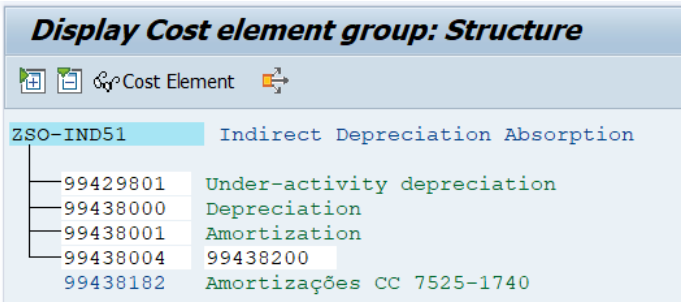
In the cost element BW object the cost element hierarchy was denormalized (levels of the hierarchy are translated as attributes of cost element).

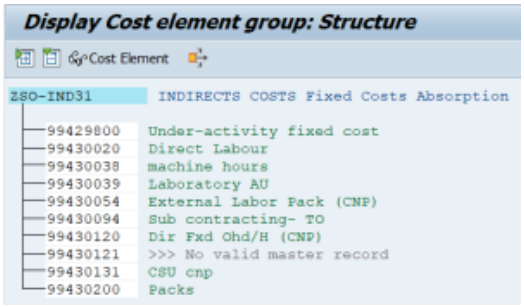
| Controll... | Cost Element | V | Change ... | Source S... | Planning Ite... | Cost Element w/... | ZOLV Group 1 | ZOLV Group 2 | ZOLV Group 3 | ZOLV Group 4 | Cost Element Gr... | Fixed cost Grou... | Fixed cost Grou... | Fixed cost Grou... | Fixed cost Grou |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Z006 | 0098300813 | A | | WP1_400 | | 0098300813 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_OTH | ZRCS-AC | ZRCS-30 | ZRCS-3040 | ZRCS-3041 |
| Z006 | 0098300850 | A | | WP1_400 | | 0098300850 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_AA | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z006 | 0098300851 | A | | WP1_400 | | 0098300851 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_AA | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z006 | 0098300856 | A | | WP1_400 | | 0098300856 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_OTH | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z006 | 0099430020 | A | | WP1_400 | | 0099430020 | ZSOLV-IND | ZSO-IND1 | ZSO-IND3 | ZSO-IND31 | FUNCT0_43 | ZRCS-ABCNP | ZRCS-ABCN1 | ZRCS-ABCN2 | ZRCS-ABCN3 |
| Z025 | 0098300194 | A | | WP1_400 | | 0098300194 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_OTH | ZRCS-9999 | ZRCS-UN | ZRCS-UNL | ZRCS-UNLX |
| Z025 | 0098300195 | A | | WP1_400 | | 0098300195 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_OTH | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z025 | 0098300813 | A | | WP1_400 | | 0098300813 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_OTH | ZRCS-AC | ZRCS-30 | ZRCS-3040 | ZRCS-3041 |
| Z025 | 0098300850 | A | | WP1_400 | | 0098300850 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_AA | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z025 | 0098300851 | A | | WP1_400 | | 0098300851 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_AA | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z025 | 0098300856 | A | | WP1_400 | | 0098300856 | ZSOLV-OUT | ZSO-P09999 | ZSO-P19999 | ZSO-29999A | FUNCT0_OTH | ZRCS-9999 | ZRCS-WB | ZRCS-WBS | ZRCS-WBSX |
| Z025 | 0099429800 | A | | WP1_400 | | 0099429800 | ZSOLV-IND | ZSO-IND1 | ZSO-IND3 | ZSO-IND31 | FUNCT0_42 | ZRCS-ABCNP | ZRCS-ABCN1 | ZRCS-ABCN2 | ZRCS-ABCN3 |
| Z025 | 0099429801 | A | | WP1_400 | | 0099429801 | ZSOLV-IND | ZSO-IND1 | ZSO-IND5 | ZSO-IND51 | FUNCT0_42 | ZRCS-ABAMO | ZRCS-AB | ZRCS-ABAM | ZRCS-ABAMX |

By default we must excluded some “ZSOLV Group 4 “  attributes values in the reports. The users can delete these default filters.

**Cost element hierarchy ZSOLV Group 4 : restrictions:  The below Groups are excluded from the report by default**




**Miscellaneous filters:**

Order Type : we exluded (investment) :

- ZPM4
- ZPM6

Project Type we exluded (investment) :

- II
- FD

Value type

- 10- Real
- 20-plan

Currency type

- 10 company code currency

---

## Special Case: mixed cost center

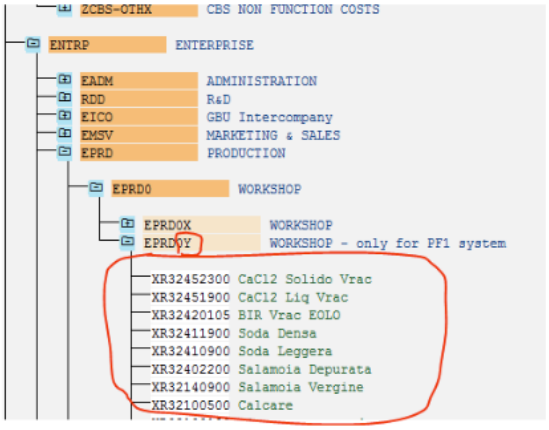
Because some cost centers are not 100% fixed (or variable), we identify them by an attribute **mixed cost center = X**

For this  cost center we must check if the cost element is variable or not using XCS-ALL hierarchy (to exclude them)

We need a characteristic to identificate these cost element (with an X as attribute )

How to identificate “Mixed Cost center “?

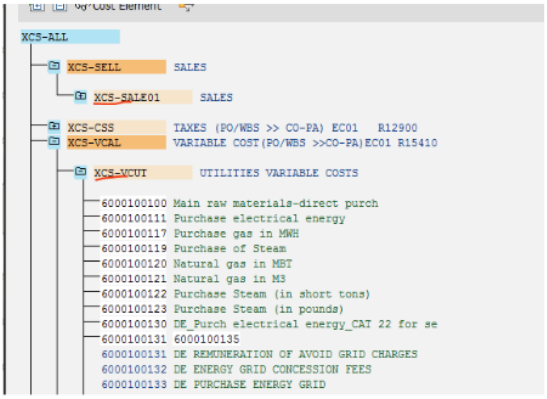
**All cost center ENTRP with level 4 node finishing by Y in ZCBS Hierarchy**




How to identificate “variable cost” element?

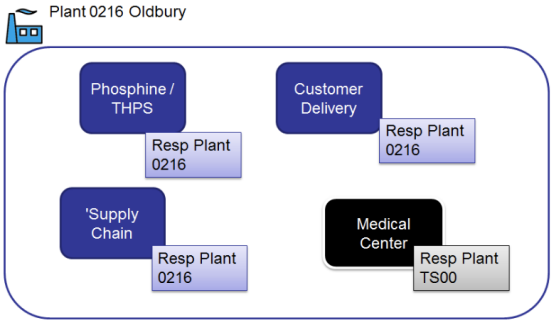
**use XCS-ALL hierarchy**

The variable cost elements are all cost element attached to a  node starting with **"XCS-V"  ou "XCS-S"** (or attached to sub node under XCS-VCAL et XCS- SELL).

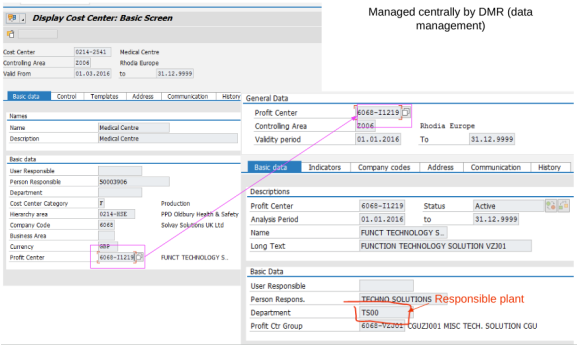



## Plant vs Responsible Plant

- Plant is the physical plant
- Responsible plant is financially responsible of the cost center
- Responsible plant is an authorization object
- In SAP (WP1/PF1)  responsible plant is in the field department of the profit center of the cost center




Managed centrally by DMR (data management)




The report is available by production site or headquarter. It comes from the  Profit Center department.

## Workbook Details

See below more details for each workbook available for analysis:

- FC - Cost center master data (Core Query)
- FC - End month - P&L reconciliation COPA (Core Query)
- FC - End month - P&L select - Monthly P&L Impact (Core Query)
- FC - End month - P&L select - P&L Impact (Core Query)

This application is built around the following queries:

Queries built on Cost center accounting:

- **FC-End month - P&L reconciliation COPA (Core Query)** is RCS model oriented. This query give you fixed Cost on Cost center and the allocation to COPA (and also the COPA GBU/COPA BFC account ...)
- **FC-End month - P&L reconciliation PF1 (Core Query)** is PF1 model oriented (before SPS project). This query give you fixed Cost on Cost center and the allocation to reporting cost center (use Partner Coster center characteristic)
- **FC-During month -details (core query)** provide fixed cost on original controlling objects (orders, cost centers , WBS elements) before end month allocations. responsible cost center is the way to regroup costs.There is no P&L information

1 Query built on P&L model (and you must have P&L authorizations)

- **P&L - Fixed Cost analysis** : This query is only for COPA models (RCS and after SPS project)

## FC - Cost center master data (Core Query)

The workbook **BW_WBK_FC_0003 FC - Cost center master data** is used to display the master data of all cost centers in WP1 & PF1 including the ZCBS hierarchy, the GBU and the plant code.

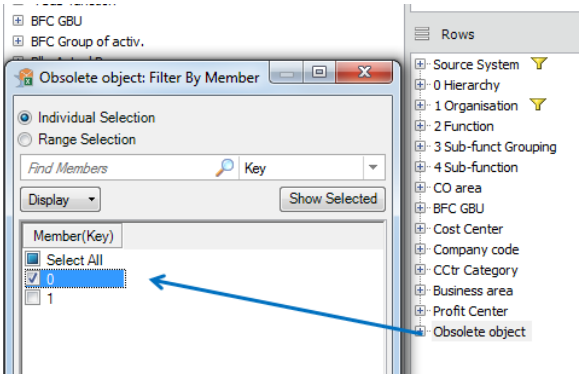
It is used to control the consistency of the cost centers master data and ensure the FC - Create a fixed costs report is working well.

When you open the workbook for the 1st time, the following columns are displayed:

- Source System
- 0 Hierarchy
- 1 Organisation
- 2 Function
- 3 Sub-funct Grouping
- 4 Sub-function
- CO area
- BFC GBU
- Cost Center
- Company code
- CCtr Category
- Business area
- Profit Center
- Obsolete object

By default the report is filtered on the ZCBS group = ENTRP but the filter can be removed to display all cost centers.

It is recommended to filter on active cost centers with "Obsolete object" = 0




For each cost center there is:

1. the cost center master data coming from KS03 - Display cost center:
    - Code & description
    - Company code
    - Profit center
    - Business area (only in PF1)
    - Person responsible and its position (from SRM7 financial matrix)

- Obsolete object = 0 when the cost center is active or 1 when it is closed and can not be used

2. the 5 levels of the ZCBS hierarchy
3. Other information:
    - BFC GBU is coming from the profit center for cost centers created in WP1 and from the business area for cost centers in PF1
    - Person Resp. is the name of the person responsible assigned to the Position (in SRM7)
    - Plant is the department of the profit center

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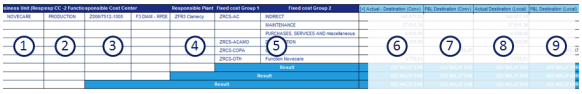
## FC - End month - P&L reconciliation COPA (Core Query)

### Overview of the fixed costs workbook




When you open the workbook for the 1st time, you have the following columns displayed:

1. GBU
2. Function determined with the ZCBS hierarchy
3. Cost centers
4. Plant
5. Cost elements Group ZRCS-FC
6. Actual - Destination (Conv) = primary & secondary cost elements. (you can click [+] to see the detail). => conversion is done with the currency entered in the prompt
7. P&L Destination (Conv). Costs in COPA after cost centers settlement in the corresponding value field. (based on ZCBS hierarchy correspondance)
8. Actual Destination (Local) = same as (6) in local currency
9. P&L Destination (Local) = same as (7) in local currency

---

## FC - End month - P&L select - P&L Impact (Core Query) and FC - End month - P&L select - Monthly P&L Impact (Core Query)

The workbook that is recommended to use when working on fixed costs analysis is FC-End month - P&L reconciliation COPA (Core Query). However when working with cost centers shared with other GBUs, the workbook "FC-End month - P&L select - P&L Impact" can be more relevant.

In this page, you will see based on an example the difference between the standard workbook FC-End month - P&L reconciliation COPA (Core Query) and the workbook "FC-End month - P&L select - P&L Impact" and in which cases it is recommended to use the workbook "FC-End month - P&L select - P&L Impact".

Then there is the procedure to access the workbook "FC-End month - P&L select - P&L Impact" with a description of the prompt and main measures available in the workbook.

### What is the difference between the standard workbook "Reconciliation COPA" and the workbook "P&L Impact"

Let's take an example to explain the difference between both workbooks:

**Example**

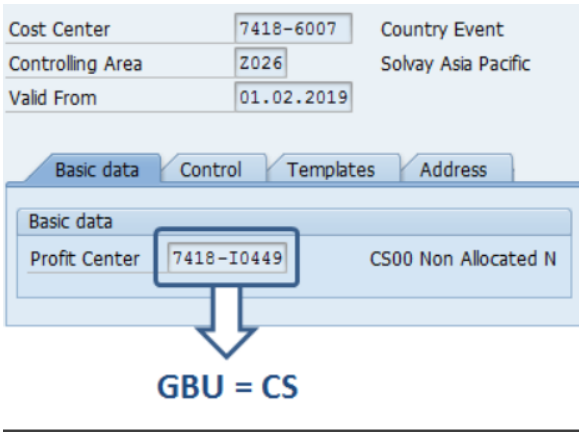
The cost center 7418-6007 is used to record the administrative costs of the legal entity 7418.

In January 100 kUSD were posted on the cost center 7418-6007 with the detail below:

| | |
|---|---|
| **Labour** | 60 kUSD |
| **T&E** | 10 kUSD |
| **Other** | 30 kUSD |

**Standard case: One cost center = One GBU**

The owner of cost center **7418-6007** is the GBU **CS** - Novecare as its profit center 7418-I0449 belongs to the GBU CS - Novecare (see: Profit center )



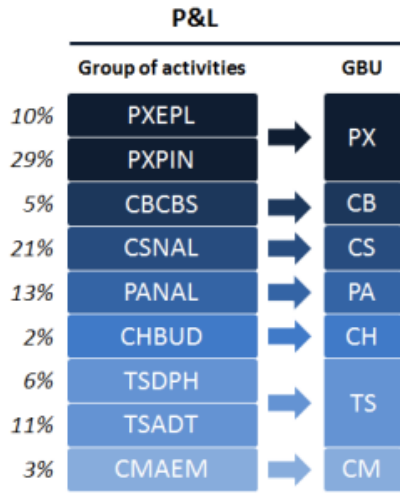

In the standard BW fixed costs report (FC-End month - P&L reconciliation COPA (Core Query)) , all costs posted on the cost center 7418-6007 are reported in the GBU Novecare. It corresponds to what is expected if the cost center is fully allocated to the GBU Novecare.

| | | BFC Global Business Unit | NOVECARE |
|---|---|---|---|
| Responsible Cost Center | | Fixed cost Group 2 | [+] Actual (Conv) |
| 7418-6007 | Country Event | LABOUR | 60,00 |
| | | PURCHASES, SERVICES | 30,00 |
| | | Travel expenses | 10,00 |
| Result | | | 100 kUSD |

When cost centers are fully allocated to a single GBU which is the most common case, it is recommended to use the workbook FC-End month - P&L reconciliation COPA (Core Query).

**Special case: One cost center = More than one GBU**

However in some cases a cost center can be shared with other GBUs. For instance the cost center 7418-6007 can be shared with other GBUs and allocated to the P&L to several GBUs as detailed in the diagram :




The GBU CS - Novecare doesn't want to report 100 % of costs posted in the cost center 7418-6007 but only 21 % of the costs allocated to the GBU with the same level of details (Labour / Purchases / T&E). In this case, the workbook FC-End month - P&L select - P&L Impact can be used.

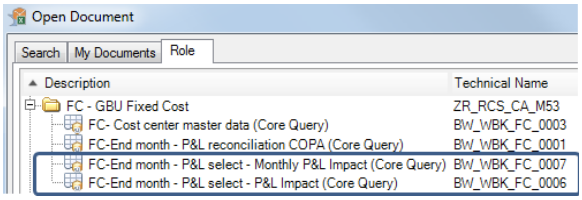
| | | BFC Global Business Unit | NOVECARE | OTHER GBUS |
|---|---|---|---|---|
| Responsible Cost Center | | Fixed cost Group 2 | | |
| 7418-6007 | Country Event | LABOUR | 12,60 | 47,40 |
| | | PURCHASES, SERVICES | 6,30 | 23,70 |
| | | Travel expenses | 2,10 | 7,90 |
| Result | | | 21 kUSD | 79 kUSD |

When cost centers are shared with other GBUs, it is possible to use the workbook BW_WBK_FC_0006 FC-End month - P&L select - P&L Impact (Core Query) or BW_WBK_FC_0007 FC-End month - P&L select - Monthly P&L Impact (Core Query) to report the part of the cost center allocated to each GBU.

**Access the workbook: FC-End month - P&L select - P&L Impact**

Select the workbook you want to use:

- BW_WBK_FC_0006 FC-End month - P&L select - P&L Impact (Core Query)
- or BW_WBK_FC_0007 FC-End month - P&L select - **Monthly** P&L Impact (Core Query)

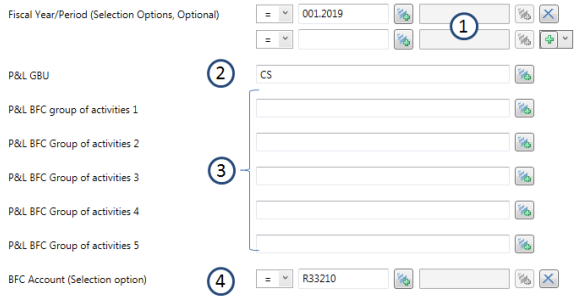



**What is the difference between the 2 workbooks ?**

The difference is the exchange rate used, the rest is the same.

When there is "Monthly" in the description of the workbook it means the exchange rate conversion is done as it is done in BFC. (see: P&L - Exchange rates)

1. Enter the Fiscal Year/Period: *in the example 001.2019*
2. Enter the BFC GBU code: *in the example CS for Novecare*
3. It is possible to enter 5 group of activities (detailed in the section Allocation by group of activities )
4. By default there is the list of BFC accounts used for SG&A

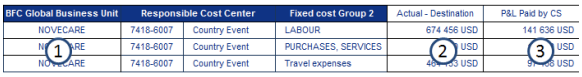



**Can we remove the filter on BFC accounts without risk ?**

The allocation of costs by GBU can only work when a cost center is directly allocated to the P&L. It can not work when the cost center is allocated to another cost center (ex: indirect production cost centers that are always allocated first to a direct production cost center).

The aim of the filter by default is to exclude cost centers not directly allocated to the P&L. It can be removed but with a risk of seeing dummy results.

The report is displayed with:



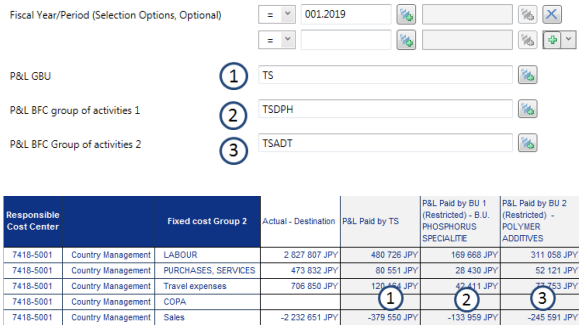

1. BFC Global Business Unit: GBU coming from the master data of the cost center
2. Actual - Destination: Total costs posted in the cost center
3. P&L Paid by CS: The part of the cost center allocated to the GBU selected in the prompt

### Allocation by group of activities

In some cases the allocation of cost center is done at the group of activities level. In this case it is possible to select the group of activities you want to detail in the prompt.

For instance 6% of the cost center 7418-6007 is allocated to the group of activities TSDPH and 11% to the group of activities TSADT.

1. Enter the P&L GBU: TS for Technology Solutions
2. Enter the group of activities 1: TSDPH
3. Enter the group of activities 2: TSADT

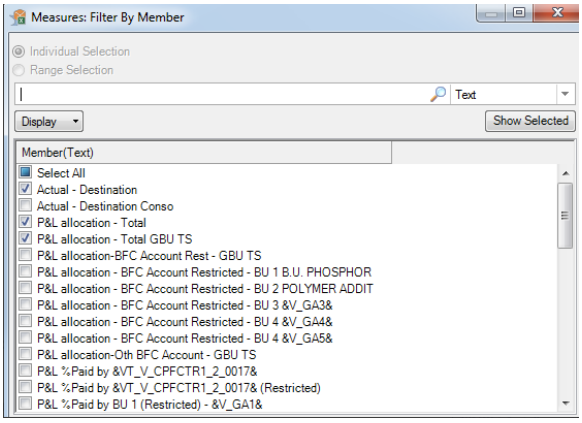



The report is displayed with:

1. P&L Paid by TS: The part of the cost center allocated to the GBU selected in the prompt (=TS)
2. P&L Paid by BU 1: The part of the cost center allocated the group of activities 1 (=TSDPH)
3. P&L Paid by BU 2: The part of the cost center allocated the group of activities 2 (=TSADT)

### Other Measures

In the workbook, a long list of Measures are available. However most of them are useless for the reporting but they can be used to understand the detail of the calculation done by BW.




For instance, you can display the measure "P&L allocation - Total" to control the calculation done by BW.

In the example:

- The measure "P&L allocation - Total" (2) is the total of costs posted on the cost center reported on each raw.
- The measure "P&L allocation - Total GBU TS" (3) is the part of the cost center that was allocated to the P&L. It comes from the P&L in COPA.
- The part allocated the the GBU (3) divided by the total of the cost center (2) gives a ratio (5) that is used to calculate the measure "P&L Paid by TS (4)

Obviously it is not necessary to display the measure (3) & (4) in the final reporting but can be used to understand how the allocation to a GBU is done.

| Responsible Cost Center | | Fixed cost Group 2 | Actual - Destination | P&L allocation - Total | P&L allocation - Total GBU TS | P&L Paid by TS |
|---|---|---|---|---|---|---|
| 7418-5001 | Country Management | LABOUR | 2 827 807 JPY | 1 775 838,00 JPY | 301 892,00 JPY | 480 726 JPY |
| 7418-5001 | Country Management | PURCHASES, SERVICES | 473 832 JPY | 1 775 838,00 JPY | 301 892,00 JPY | 80 551 JPY |
| 7418-5001 | Country Management | Travel expenses | 706 850 JPY | 1 775 838,00 JPY | 301 892,00 JPY | 120 164 JPY |
| 7418-5001 | Country Management | COPA | | 1 775 838,00 JPY | 301 892,00 JPY | |
| 7418-5001 | Country Management | Sales | -2 2[illegible] JPY | 1 775 838,00 JPY | 301 892,00 JPY | -3[illegible] JPY |

(1) (2) (3) (4)

(5) = (3) / (2) = 17 %

## FC - CO Orders master data (Core Query)

The query **BW_QRY_CPCOCC01_0001 FC - CO Orders master data (Core Query)** is used to display the master data of all CO orders in WP1 & PF1.

The query combines the orders master data with the Settlement details, to maintain the clean-up of the Finance Master data (CO Orders).

In order to maintain the regular clean-up of the CO Orders by Authorization Scope, we have created this query to ease the quarterly clean-up procedure.

**Restrictions for the query output (Applied in the backend):**

**CO AREA:**

PF1 = CHEF

WP1 = Z006 , Z013 , Z025, Z026 and Z028

**ORDER TYPE:**

PF1 = Y* (Y000 to YZZZ)

WP1 = ZORD , Y991 , Y998 and Y999

**STATUS:**

Orders with Status "CLSD" (Closed) , "LKD"(Locked) or "DLT" (Marked for Deletion) will be excluded in the report output.

For more detailed information, you can check the functional specification documentation.

# 5.0 Non-functional Descriptions

## 5.1 Usability

as per standard.

## 5.2 Regulatory Compliance

as per standard.

## 5.3 Security

as per standard.

## 5.4 Performance

as per standard.

## 5.5 Reliability

as per standard.

## 5.6 Scalability

as per standard.

## 5.7 Compatibility

as per standard.

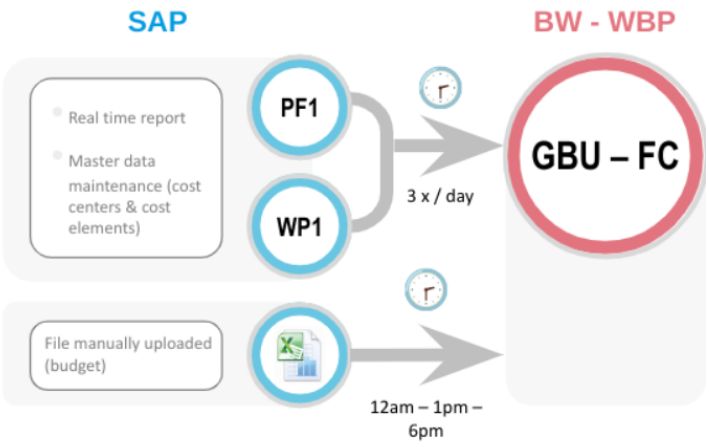
## 5.8 Availability

as per standard.

## 5.9 Refresh of the Data

The loads for the GBU Fixed Costs application is the following:

**Closing Time:**




**Outside of Closing:** it's one time on a daily basis.