

Inventory

General description

This is a macro KPI coming from the finance (BFC), as a consequence, results are available after completion of Month M-1 (no data for the current month until it is completed)

The objective is to bring the information shared among the leadership team: in value and in DOS.

Concerning quantities, we take them from BW in order to give a macro visibility between: Finish Good, Raw Mat, Spare parts, Packaging...

If more information is needed, please go to the link to the Inventory Visibility Tool.

KPI:

Inventory Values (BFC)

DOS - Days of Stock (BFC)

Inventory Volumes (BW) - Only the products that can be converted in KG.

Granularity:

BFC = BFC Account

BW = BFC Account & WC Acct Subtype

Comments:

- [BW versus BFC Inventory Values:](#)

BW Inventory values are different from those coming from BFC.

The 2 main reasons are : the organization perimeter (only SAP companies in BW and all companies even non SAP in Finance) and the CONSO adjustments.

BW Inventory Values are not shown in this dashboard.

- [Conversion rules:](#) conversion from a local currency to EUR is based on the exchange rate managed by Finance. For each inventory value, the rate considered is the one of the inventory month.

USD inaccuracy

For USD, we don't have all the exchange rates because it's not the official currency at Solvay (EUR).

So for the following countries: Argentina, Bulgaria, Egypt, Mexico, New Zealand and Switzerland, when selecting USD, the unit will not be USD but the local currency.



Perimeter

Only the external sales of the GBU (We don't consider the 'Intra GBU' flows)

DOS (Days of Sales): number of days of inventory in comparison to the executed sales. (inventory of month M, sales of month M)

Calculation:

2. Working Capital Ratios

Sales and costs annualization should be computed as following:

- On January month → Sales annualized (Sales A) = Sales on Jan. x 12 (*)
- On February month → Sales A = (Sales Jan. + Sales Feb) x 6 (*)
- On month M dated from March → Sales A = Σ (Sales on M month+ M-1 month + M-2 month) x 4 (**)

(*) Due to structure effects, we don't use the monthly Y-1 Sales.

(**) From March, we used the last 3 months of sales = compatibility with overdues.

For these ratios, advances (paid and received) and transferred receivables (related to securitization) are not deducted.

2.1. Inventories

Inventories in days of VC + NVC = $365 * \text{Inventories} / (\text{VC} + \text{NVC Annualized})$ like sales calculations.

ST-CP-PM	VC = Product Market VC
R15400	+ Proportional costs of sales - Standard
R15410	+ Actual Standard variance - Proportional costs of sales

ST-CNP-PM	NVC = Product Market NVC
R25490	+ Non-proportional costs of production excluding depreciation
R25460	+ Period non-proportional costs linked to production
R25470	+ Absorption of non-proportional costs linked to production
R25410	+ Actual Standard variance - Non-proportional costs of production excl depreciation
STOT-R258	+ Production depreciation - actual

Technical Documentation

Source:

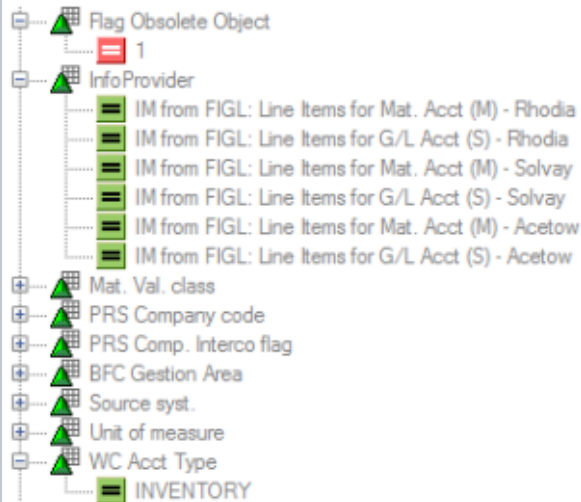
BFC Extraction

Working Capital - QVWCAP_BW_QRY_MVFIWC01_0014

Update:

Daily

Query filters applied:



Dimensions:

[Global Overview of Dimensions](#)

			Inventory Value	Inventory Volumes - Net Weight
Global Filters	Period	Month Year	Periodname	Data shown in column by Month Year
	Organization	GBU	entrp_name	1 - BFC GBU [C_SUBACT2__CPFCTR1_2]
		Group of Activity	N/A	2 - BFC Group of activ. [C_SUBACT2__CPFCTR2_2]
		Sub-Activity	N/A	Sub-activity [C_MATPNT2__0G_CWWE01] Attribute/ BFC Activity 1 [C_MAGNUTU]
		Company	N/A	[C_COMPCDE] Company_code
	Plant	Zone	zonename	[C_PLANT] Plant\Attributes[C_GZONE] Geographie/Zone
		Country	countryname	[C_PLANT] Plant\Attributes[0COUNTRY] Country key
		Plant	N/A	[C_PLANT] Plant
	Ship Destination	Zone	N/A	Ship Dest Geo Zone [C_PNTDS3__C_ZONE]
		Country	N/A	Ship Dest Country [C_PNTDS3__0COUNTRY]
		Corporate Group	N/A	Delivery [MVS DTR017 / Del Ship to Party [C_SHIPTID] / Corporate Group [C_CORPGR]
		Ship Destination	N/A	Ship Destination Point [C_PNTDS3]
	Product	Product Hierarchy	N/A	Material Hierarchy C_MATNR2__0PROD_HIER]
		Product	N/A	Commercial Product / Material Group [C_MATNR2__C_PROD]
		Bulk/Packed	N/A	C_MATNR2__C_BULKPAC] Material bulk pack
		Transport Mode	N/A	[C_SHIPNU2__C_TR_MODE] Ship Transportation Mode
Specific Filters	BFC Account	BFC Account	QV Mapping based on BFC Account [0GL_ACCOUNT__C_MGN_ACC]* see tranco table	
	WC Acct Suptype	N/A	GL Acct Subtype [0GL_ACCOUNT__C_GL_STYP]	

Transcodition BFC Account	
Inventory: finished gds	Finished Goods
Inventory: raw materials - Gross Value	Raw Materials
Inventory: work-in-progress	Work in Progress
Inventory : prov work-in-progress	Work in Progress
Inventory: prov. raw materials	Raw Materials
Inventory: prov finished/semi-finished goods	Finished Goods