Selecting the transfer/distribution method

MITSUI KINZOKU YOURSOFT Inc.

1. Processing method

1. Transfer in the Financial accounting (FI) document

2. Process using the Controlling (CO) cycle

1) Periodic reposting

Allocate the amount incurred to the sender using the same cost element as the incurred cost element.
The negative amount (debit amount) is posted to the sender, whereas the debit is posted to the receiver

2) Transfer

Allocate the amount incurred to the sender using the same cost element as the incurred cost element.
The credit is posted to the sender, whereas the debit is posted to the receiver

3) Distribution

Allocate the amount incurred to the sender using a secondary cost element.

1. Transfer in the Financial accounting (FI) document

Check the actual value in the cost center report to determine the amount incurred.
Register the amount in the Financial accounting (FI) document with the cost center specified to create a transfer document.
Although this is the most simple and transparent way of transfer/distribution, it may not be desirable in terms of efficient paperwork and workload.

2. Process using the Controlling (CO) cycle

If all conditions listed below are met, execute the process using method 2.

1. Both the sender and receiver have the same company code and the same business area
2. The actual values are transferred/distributed
3. Either the amount to be distributed to the receiver is fixed or it is registered using a statistical value (statistical key figure) every time the process is executed
4. Only the amount is transferred to the receiver

3. The difference among each Cycle in Controlling (CO)

- **Example of allocating the Labor costs 5,000 yen and Electrical costs 3,000 yen incurred in cost center A to cost center X**

1) Periodic reposting

Distribute the generated amount upon sender using the same Cost element as the original Cost element
Sender's debit amount is deducted, and debit posting is made for Receiver side

Cost Center A	**Sender**
Labor cost	+5,000
Electric power cost	+3,000
[Debit]	**+8,000**
	0
[Credit]	**0**
Total balance	**+8,000**

Cost Center A	**Sender**
	0
[Debit]	**0**
	0
[Credit]	**0**
Total balance	**0**

Cost Center X	**Receiver**
Labor cost	+5,000
Electric power cost	+3,000
[Debit]	**+8,000**
	0
[Credit]	**0**
Total balance	**+8,000**

2) Transfer

Distribute the generated amount upon sender using the same Cost element as the original Cost element
Credit posting is made for Sender side, Debit posting is made for Receiver side

Cost Center A	**Sender**
Labor cost	+5,000
Electric power cost	+3,000
[Debit]	**+8,000**
	0
[Credit]	**0**
Total balance	**+8,000**

Cost Center A	**Sender**
Labor cost	+5,000
Electric power cost	+3,000
[Debit]	**+8,000**
Labor cost	-5,000
Electric power cost	-3,000
[Credit]	**-8,000**
Total balance	**0**

Cost Center X	**Receiver**
Labor cost	+5,000
Electric power cost	+3,000
[Debit]	**+8,000**
	0
[Credit]	**0**
Total balance	**+8,000**

3) Distribution

Distribute the amount generated from Sender side using secondary cost element
("Direct cost" mentioned in the chart is meant for secondary cost element)

Cost Center A	Sender
Labor cost	+5,000
Electric power cost	+3,000
[Debit]	**+8,000**
	0
[Credit]	**0**
Total balance	**+8,000**

→

Cost Center A	Sender
	+5,000
	+3,000
[Debit]	**+8,000**
Direct cost	-8,000
[Credit]	**-8,000**
Total balance	**0**

Cost Center X	Receiver
Direct cost	+8,000
[Debit]	**+8,000**
	0
[Credit]	**0**
Total balance	**+8,000**

Copyright

- Migration, duplication, and transfer of this presentation document without prior consent of YOURSOFT Inc. are prohibited. The information described in this presentation document may be changed without prior notice.

- REALMODEL and others are registered trademarks or trademarks of Mitsui Mining & Smelting Co., Ltd.

- All of SAP and SAP logo, and SAP product/service names described in this document are trademarks or registered trademarks of SAP AG in Germany and other countries.

- Other product names are trademarks or registered trademarks of the company.

- Microsoft, WINDOWS, NT, EXCEL, Word, and SQL-Server are registered trademarks of Microsoft Corporation.

- HTML, DHTM, XML, and XHTML are trademarks or registered trademarks of W3CR, World Web Consortium, Laboratory for Computer Science NE43-358, Massachusetts Institute of Technology, 545 Technology Square, Cambridge, and MA 02139.