

Period Close Transactions

Traditional approach

1. Selection of objects

2. Selection of costs, status, configuration,... sequentially per object

3. Update results per object

Transactions: Settlement (CO88, VA88, KO8G, CJ8G), WIP at actual costs (KKAO), results analysis on sales orders (KKAK), variances with full settlement (KKS1), cost center variances (KSS1)

HANA-optimized approach

1. Selection of objects, costs, status, and configuration directly from database

2. Update results per object

New Transactions: Settlement (CO88H, VA88H, KO8GH, CJ8GH), WIP at actual costs (KKAOH), results analysis on sales orders (KKAKH), production variances (KKS1H), cost center variances (KSS1H)

Results in performance Improvements between 10% and 60% (depending on volumes & configuration)

New Period Close Transactions in SAP Simple Finance

- **Results Analysis** KKAK → KKAKH
- **WIP Calculation at Actual Costs** KKA0 → KKA0H
- **Variance Calculation (Production)** KKS1 → KKS1H
- **Variance Calculation (Cost Centers)** KSS1 → KSS1H
- **Settlement (plant selection)** CO88 → CO88H
- **Settlement (make-to-order sales orders)** VA88 → VA88H
- **Settlement (internal orders)** KO8G → KO8GH
- **Settlement (projects)** CJ8G → CJ8GH
- **Generate settlement rules (projects)** CJB1 → CJB1H

Results Analysis for Sales Orders (Transaction: KKAKH)

As a cost accountant dealing with the need to account for long-term contracts in the balance sheet, you need to run results analysis to prepare the appropriate postings for each accounting period. Depending on local legislation and sometimes corporate guidelines, the degree of progress towards completion is measured based either on the revenue or the incurred costs.

Severe performance issues can occur due to the volume of sales order items to be handled in each period.

- In the first release, KKAKH supports two commonly used methods 01 **revenue-based RA** and 03 **cost-based RA** (out of 17 methods).

Not supported:

- Some expert methods
- Customer enhancements;
- Other 15 methods (Besides 01 and 03 methods);
- Multiple result analysis versions
- See SAP Note **1939621** for further details

WIP Calculation (Transaction: KKAOH)

At period-end close, the production controller calculates the value of the work in process for the unfinished products. The number of production orders to be processed can result in long-running jobs.

- KKAOH values production orders only, at actual cost for the selected plant with defined legal valuation for a single result analysis version.


Not yet supported:

- Customer enhancements;
- WIP calculation for product cost collectors;
- WIP calculation for process orders;
- Multiple result analysis versions
- See SAP Note **1939621** for further details

WIP Calculation: UI Differences between KKAO and KKAOH

- The buttons “With Product Cost Collectors” “With Process Orders” and “All RA Versions” are suppressed.
- Collective Processing is only valuated at actual cost with Production Order for selected plant by single version.
- You can only choose “With Production Orders” and a single version in the screen.

Calculate Work in Process: Collective Processing



Plant All Plants

☒ With Production Orders

☐ With Product Cost Collectors

☐ With Process Orders

Parameters

WIP to Period

Fiscal Year

☐ All RA Versions

☒ RA Version

Processing Options

☐ Background Processing

☒ Test Run

☐ Log Information Messages

Output Options

☒ Output Object List

☐ Display Orders with Errors

☐ Hide Orders for Which WIP = 0

Displayed Currency ☒ Comp. Code Cur. ☐ CO Area Curr.

Layout

Business Scope: Variance Calculation for Production Orders (Transaction: KKS1H)

Cumulative variance calculation compares the **target costs** with the cumulative **control costs**.

- The target costs are calculated by adjusting the standard costs for the actual quantity delivered.
- The control costs are calculated by subtracting the work in process and the scrap variances from the actual costs.

Currently product cost collectors, production orders and process orders are supported but only target version 0 is supported

Refer to SAP Note **2027639** for details of further limitations

Business Scope: Variance Calculation for Cost Centers (Transaction KSS1H)

Variance calculation for Cost Centers provides you with detailed cost information at the activity level.

The variance calculation function does the following:

- Shows the variance between target costs and control costs (the control costs can be the net actual costs, for example)
- Determines the difference between the actual costs debited to the object and the credit from other controlling objects (total variance)
- Show how the cost is split at the activity level
- Categorize the variance into the different variance category

The system updates the variances by object for each cost element, or for each cost element and origin.

Settlement Transactions

Costs that arise from processing an order, or project (for example, costs for material, personnel or external services) are transferred to the settlement receiver specified in the settlement rule in the master record of the object.

Both the selection statements for order and project settlement and for the generation of project settlement rules have been reworked to improve performance. With SAP Simple Finance, a mass settlement run can be executed in the foreground, where you used to only be able to perform background processing.

Note that to use the new transactions (CO88H, VA88H, KO8GH, CJ8GH) you will need to create new selection variants that offer less selection options than the original selection variants. If the new variants do not meet your requirements, then you can of course continue to use the existing non-optimized transaction.