

Why carry out the Mapping exercise?

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Typically, accounting ledgers contain a great detail of information. Our job here is to summarize the data extraction and build a concise P&L.

The Mapping exercise - Explained

EUR in millions

Net Sales
Other revenues
Recharges
Total revenues
Direct costs
Gross margin
Other operating expenses
Personnel expenses
Leasing
Services
Travel costs
Other income
Capitalized costs
EBITDA
D&A
EBIT
Financial items
Extraordinary items
EBT
Taxes
Net Income

Creating a "Database"

Code	P&L account	Partner company	Name of partner company	FY16	FY17	FY18	Mapping
2001110000111111	Core business revenues	111111	External	14 500 341	15 792 899	14 431 341	Net Sales
2001190000111111	Other revenues	111111	External	4 794 856	6 960 218	6 373 618	Other revenues
20200000001009	Capitalized costs	1009	Green Ventures Ltd	154 890	-	-	Capitalized costs
20200000001007	Capitalized costs	1007	Generco Sunshine JSC	1 180 894	89 235	-	Capitalized costs
20200000001008	Capitalized costs	1008	Greenco Ltd	793 080	26 173	-	Capitalized costs
2020000000111101	Capitalized costs	111101	Not assigned	2 277 198	209 402	-	Capitalized costs
2021900000111111	Direct costs	111111	External	(4 428 912)	(5 463 189)	(5 674 152)	Direct costs
2024080000111111	Freight outbound expenses	111111	External	(16 978)	(343 675)	(350 371)	Other operating expenses
2024090000088	R&D expenses	88	Generco Ltd	(2 245 438)	(1 980 162)	(3 116 017)	Other operating expenses
2024090000111111	R&D expenses	111111	External	(16 606)	(27 149)	(9 784)	Other operating expenses
2041000000111111	Wages and salaries	111111	External	(4 683 394)	(5 507 141)	(3 982 700)	Personnel expenses
2042000000111101	Pension contributions	111101	Not assigned	(1 143 052)	(2 057 298)	(1 709 689)	Personnel expenses
2042000000088	Pension contributions	88	Generco Ltd	(239 380)	-	-	Personnel expenses
2045000000111101	Severance indemnity contribution	111101	Not assigned	(104 914)	(500 500)	(143 500)	Personnel expenses
2051210000111101	D&A	111101	Not assigned	(2 003 262)	(1 897 677)	(1 875 768)	D&A
20512100001	D&A	1	Not assigned	(41 981)	-	-	D&A
20690100001	Corporate recharges	1	Greeny Ltd	2 156 147	1 643 711	1 418 521	Recharges
206901000014	Corporate recharges	14	Generco Cosmetics Ltd	291 429	-	-	Recharges
20690100001037	Corporate recharges	1037	Generco Canada JSC	-	-	-	Recharges
20690100001087	Corporate recharges	1087	Gener Beauty GmbH	33 737	-	-	Recharges
20690100001009	Corporate recharges	1009	Green Ventures Ltd	-	-	-	Recharges
20690100001007	Corporate recharges	1007	Generco Sunshine JSC	-	-	-	Recharges
20690100001008	Corporate recharges	1008	Greenco Ltd	-	-	-	Recharges
20690100001240	Corporate recharges	1240	Generco UK	199 600	10 461	-	Recharges
2069010000111111	Corporate recharges	111111	External	539 141	6 786	902 858	Recharges
2069980000111111	Other income	111111	External	57	(9 794)	15 872	Other income
2070400000111111	Marketing expenses	111111	External	(22 315)	(65 948)	(57)	Other operating expenses
2070500000088	Software&IT	88	Generco Ltd	(204 000)	-	-	Other operating expenses
2070500000111111	Software&IT	111111	External	(138)	(5 139)	(19 199)	Other operating expenses
2070600000111111	Leasings	111111	External	(1 127 446)	(1 055 381)	172 933	Leasing
2070900000043	Service expenses	43	Greeny France SL	(133 722)	-	-	Services
207090000002240	Service expenses	2240	Greeny Germany GmbH	(328 062)	(430 845)	-	Services
2070900000111111	Service expenses	111111	External	(2 081 304)	(1 130 021)	(1 481 408)	Services
2071000000111111	Charges and contributions	111111	External	(33 410)	(7 294)	(40 049)	Other operating expenses
2071100000111111	Insurance expenses	111111	External	(213 091)	(48 469)	(64 040)	Other operating expenses
2071200000111111	Travel expenses	111111	External	(4 812 535)	(2 202 350)	(2 514 420)	Travel costs

The output P&L contains 15 unique rows

The complete database contains 105 rows with 46 unique values

=> The Mapping exercise allows us to categorize each of the 105 rows in the Database into the 15 unique rows to be included in the output P&L

The Mapping exercise - Explained

Here's how we can perform the mapping exercise for each item:

P&L account	Mapping	Why?
Core business revenues	Net Sales	Sales arising from the firm's core business activities
Other revenues	Other revenues	Sales that are not generated as part of the firm's core business activities
Capitalized costs	Capitalized costs	A category of its own
Direct costs	Direct costs	A category of its own
Freight outbound expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
R&D expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Wages and salaries	Personnel expenses	Personnel related
Pension contributions	Personnel expenses	Personnel related
Severance indemnity contribution	Personnel expenses	Personnel related
D&A	D&A	A category of its own

The Mapping exercise - Explained

Here's how we can perform the mapping exercise for each item:

P&L account	Mapping	Why?
Corporate recharges	Recharges	A category of its own
Other income	Other income	A category of its own
Marketing expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Software & IT	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Leasings	Leasings	A category of its own
Service expenses	Services	A category of its own
Charges and contributions	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Insurance expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Travel expenses	Travel costs	A category of its own
Utility expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses

The Mapping exercise - Explained

Here's how we can perform the mapping exercise for each item:

P&L account	Mapping	Why?
Legal expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Misc costs	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Consulting fees	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Misc extraordinary expenses	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Difference from eliminations	-	Empty
Interest income	Financial items	Interest income results from the investment of free funds → Financial items
Capitalized interest	Capitalized costs	A category of its own
Non-recurring costs	Extraordinary items	As the name suggests – non-recurring
Interest expenses	Financial items	Interest expenses are paid as a result of corporate borrowings → Financial items
Current taxes	Taxes	Tax related

The Mapping exercise - Explained

Here's how we can perform the mapping exercise for each item:

P&L account	Mapping	Why?
Regional taxes	Taxes	Tax related
Deferred taxes	Taxes	Tax related
Net income/(loss)	Net Income	A category of its own
Utility charges	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Other personnel expenses	Personnel expenses	Personnel related
Gains from disposal of PP&E	Extraordinary items	Gains from the sale of PP&E are not a typical core activity → Extraordinary
Concession fees other	Other operating expenses	Operating expenses that do not have their own category → Other operating expenses
Losses fr disposal of PPE	Extraordinary items	Disposal of PP&E is not a typical activity
Other operative currency differences	Other operating expenses	As indicated by the P&L account, these are operating currency differences (costs)
Property tax	Other operating expenses	Property tax can be related to the property tax of the firm's office → Operating expenses

The Mapping exercise - Explained

Here's how we can perform the mapping exercise for each item:

P&L account	Mapping	Why?
Impairment of participation	Extraordinary items	Impairments are not part of typical business activities ☑ Extraordinary items
Quarterly changes in current taxes	-	Tax related
Operating expenses for utilities	Other operating expenses	Operating expenses that do not have their own category ☑ Other operating expenses
Reimbursements + compensation for damages	Other operating expenses	Operating expenses that do not have their own category ☑ Other operating expenses
Repairs/Maintenance costs	Other operating expenses	Operating expenses that do not have their own category ☑ Other operating expenses