

Summary of reports based on SAP transaction FBL5N - Customer Line Items

Transaction FBL5N lists **all customer line items** posted for a client or **open items** (documents that are not closed). It can display documents from more than one customer account cross-company code in a list.

We present standard analysis for Open items that are Receivables (Invoices that are not paid). This report is used to control monthly results and understand receivables. Standard comments are provided to explain variances.

No Reports

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|----|---|
| 1 | Balance per GL account, comparison with previous period and DSO calculation |
| 2 | Reconciliation with Trial Balance |
| 3 | Balance per Document currency |
| 4 | Due Invoices and Aging |
| 5 | Balance per Customer (Account) and Payment Days |
| 6 | Country Key |
| 7 | Document Type |
| 8 | User name |
| 9 | Terms of Payment |
| 10 | Offsetting account |

Other reports can be prepared per Plant, Group Companies, to present Discounts, to forecast Cash Flow, balances with Related Parties. The same reports can be prepared for All items posted in a period. Also analytics can be used to present Payments term: Actual vs Target and develop a Cash Flow model.

Current Reporting date	31-Mar-20	Q1 2020
Previous Reporting date	31-Dec-19	Q4 2019

1 Balance per GL account, comparison with previous period and DSO calculation

The balance per GL account is the starting point to analyze receivables, We provide comments for total receivable balance and comparison with previous reporting period. Amounts per GL account are explained and variances / weights for Externa / Internal customers or Related Parties.

** Amounts are in '000 RON*

No	G/L Account	Balance Receivable				Weight		Invoiced Q1 2020	DSO
		31-Dec-19	31-Mar-20	Variance	%	31-Dec-19	31-Mar-20		
1	41102000	External customers							
2	41101000	Internal customers							
3	41102100	Related Parties							
4	46100000	Other debtors							
	Total								

Days sales outstanding (DSO) is a measure of the average number of days that it takes to collect payment after a sale has been made. DSO is calculated based on balance at Q1 2020 and invoicing from customers accounts (Debit movements). The formula is $DSO = (\text{Accounts Receivables} / \text{Invoicing}) * \text{Number of Days}$. We recommend calculating on a monthly basis to spot trends and fluctuations in your accounts receivable

2 Reconciliation with Trial Balance

As a controlling activity we reconcile the report with amounts from Trial Balance (SAP standard transaction F.08.) The figures are at 31.March.2020 and are presented also in the Financial Statements.

* Amounts are in '000 RON

No	G/L Account		Balance Receivable	
			Detail List (FBL5N)	Trial Balance (F.08) Difference
1	41102000	External customers		
2	41101000	Internal customers		
3	41102100	Related Parties		
4	46100000	Other debtors		
		Total		

3 Balance per Document currency

This report is used to evaluate balances in foreign currency and risks with exchange rates variances. We calculate the weight for each currency from total balance amount.

No	Document currency		Balance Receivable Amounts	
			Amount in Document Currency	Amount in Local Currency Weight
1	EUR	European Euro		
2	USD	United States Dollar		
3	RON	Romanian Leu		

4 Due Invoices and Aging

Arrears after net due date = Number of days between the current date and the due date for net payment.

Current reporting date is 31.March.2020 and based on this we categorize invoices as Due or Not Due.

The key indicator is **due invoices** and the weight in total balances at Q1, a decrease or increase compared to previous quarter?

<i>* Amounts are in '000 RON</i>				31-Mar-20			31-Dec-19		
Account Receivables	Due	Not Due	Total	Due	Not Due	Total	Due	Not Due	Total
Total Balance									
Weight									

For due invoices we present the aging per days interval.

As an indicator is important to investigate due invoices of +90 days and to compare amounts at Q1 compared to Q4.

Due Interval (Days)	31-Mar-20	31-Dec-19
1 to 30		
31 to 60		
61 to 90		
90+		
Total		

5 Balance per Customer (Account) and Payment Days

This report is used to see on overview of top customers and average payment days.

As an indicator we use the weight of Top 20 customers from total balance.

This report can be used for reconciliation purposes and to compare customers.

Other data can be integrated to improve the report and to better understand receivables balance.

* Amounts are in '000 RON

			31-Mar-20		
No	External Customer		Balance	Weight	Days
1	10000000	Customer Name 01			
2	10000001	Customer Name 02			
3	10000002	Customer Name 03			
4	10000003	Customer Name 04			
5	10000004	Customer Name 05			
6	10000005	Customer Name 06			
7	10000006	Customer Name 07			
8	10000007	Customer Name 08			
9	10000008	Customer Name 09			
10	10000009	Customer Name 10			
11	10000010	Customer Name 11			
12	10000011	Customer Name 12			
13	10000012	Customer Name 13			
14	10000013	Customer Name 14			
15	10000014	Customer Name 15			
16	10000015	Customer Name 16			
17	10000016	Customer Name 17			
18	10000017	Customer Name 18			
19	10000018	Customer Name 19			
20	10000019	Customer Name 20			
Total Top 20			<hr/>		
External customers balance					
Weight Top 20					

6 Country Key

Is important to know the total number of countries from where we have to collect cash.
As an indicator we can use the wight for first countries from accounts receivables balance.

* Amounts are in '000 RON

			31-Mar-20
No	Country Key		Account Receivables Weight
1	DE	Germany	
2	CH	Switzerland	
3	CN	China	
4	PL	Poland	
5	SK	Slovakia	
6	CZ	Czech Republic	
7	MX	Mexico	
8	RO	Romania	
9	FR	France	
10	US	USA	
11	SE	Sweden	
12	HU	Hungary	
13	ES	Spain	
14	IN	India	
15	AT	Austria	
16	NL	Netherlands	
17	BR	Brazil	
18	GB	United Kingdom	
19	TH	Thailand	
20	FI	Finland	
	Total		<hr/>

7 Document Type

The document type classifies the accounting documents and is important to analyze them or to approve certain amounts. Balances with **Debit memo** and with **Credit Memo** are reported as amounts and weight in total balance. Other reports can be prepared to show more details.

* Amounts are in '000 RON

			31-Mar-20	
No	Document Type	Account Receivables	Weight	Count documents
1	DR	Customer invoice		
2	DL	Customer debit memo		
3	AB	Accounting document		
4	RV	Billing doc.transfer		
5	SB	G/L account posting		
6	DZ	Customer payment		
7	DG	Customer credit memo		
	Total			

8 User name

Amounts per user is used to analyze who posted the amounts and can be used as a KPI for employees.

Names and other details (as department) can be added form transaction SOBN01.

As an indicator we can use **total number of users** and to focus on first users with high balances and to investigate negative balances

Generic users are used to post automatically invoices from SD module.

* Amounts are in '000 RON

No	User name	31-Mar-20 Account Receivables	Weight
1	Use code 01		
2	Use code 02		
3	Use code 03		
4	Use code 04		
5	Use code 05		
6	Use code 06		
7	Use code 07		
8	Use code 08		
9	Use code 09		
10	Use code 10		

9 Terms of Payment

Key for defining payment terms are used in customer master data to calculate Due Dates for invoices (Sales). For controlling purposes, we can use minim and maxim function to see if the system calculates correctly. High amount for average days should be investigated.

** Amounts are in '000 RON*

			31-Mar-20
No	Terms of Payment	Account Receivables	Average Days
1	D001	Within 40 days	
2	D002	Within 60 days	
3	D003	Within 30 days	
4	D004	Before 25 of the next month	
5	D005	60 Days Due net Before End of the month	
6	D006	within 30 days 2 % cash discount	
7	D007	within 90 days Due net	

10 Offsetting account

The system determines the offsetting account as long as the account is maintained in the corresponding account assignment. This report is used to understand from where the balances is generated (what type of of sales or accounting posting). Also, can be used for controlling purposes to analyze strange correspondences or negative balances.

** Amounts are in '000 RON*

			31-Mar-20
No	Offsetting account		Account Receivables
1	70100000	Production	
2	70700000	Merchandise	
3	70400000	Services	
4	65800000	Claims	
5	75800000	Other revenues	
		Total	<hr/>