

# **SAP FICO Interview Material**

## **Part-2**

the organization structure in sap fi as follows

- 1) Client
- 2) Company
- 3) Chart of accounts
- 4) Credit control area
- 5) Company code
- 6) Business area.

The Organizational Structure can be any one of the following

Client -> Company -> Company Code->Business Area

(or)

Client -> Operating Concern -> Company Code -> Controlling

area-> business area

(or)

Client-> Company ->Chart of Accounts-> Company Code> BA

### What is special purpose ledger?

special purpose ledger is used for reporting purpose. It receives data from all modules and summarizes data for user defined reporting purpose.

### Difference between Leading & Non Leading Ledger?

#### Ledgers

It is used to record financial transactions in general accounting by account. In general accounting,

several ledgers can be used in parallel.

Using several ledgers allows you to produce financial statements according to different accounting

principles. SAP has two types of ledgers.

## 1. Leading Ledger

### 2. Non-Leading Ledger

#### Leading ledger

- The leading ledger is based on the accounting principles that are of the consolidated financial statements.
- ☐ Only one leading ledger can be defined and sap provides leading ledger 'OL' by default.
- ☐ The leading ledger is integrated with all subsidiary ledgers and is updated in all company codes.
- ☐ Leading ledger is integrated with all non-leading ledgers.
- ☐ The leading ledger automatically assigned to all company codes.
- ☐ The leading ledger receives the currencies, the fiscal year variant and the variant of the posting period's settings that are applied to that company code.
- ☐ Second and third parallel currency can be defined for leading ledger for each company code.

#### Non-leading ledger

- ☐ The non-leading ledgers are parallel ledgers to the leading ledger in non-local countries.
- ☐ Non-leading ledgers can be based on a local accounting principle.
- ☐ Non-leading ledgers needs to be activated manually for the individual company codes.
- ☐ Non-leading ledgers can have different fiscal year variants and different posting period variants per company code.
- ☐ The second and third currency of the non-leading ledger picked from currencies assigned to leading ledger.
- ☐ Separate document number range can be assigned to document types in non-leading ledger

**Example: -**

- Let us assume a company is established in three countries India, USA and UK where the company is registered in India. These three locations should maintain three separate financial statements based on the legal requirements in the specific country. To create those financial statements, transactions needs to be separated based on the accounting principles.
- The ledgers in financial statements created for the country where the company registered are called as Leading Ledgers (LL). The ledgers in financial statements created for the other countries are called as Non-Leading Ledgers (NLL).
- Note: - Any postings to Leading Ledger automatically gets updated to Non-Leading Ledger. Non-leading ledger posting can be used to modify for different amount due to accounting principle.

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#### **Basic Questions:**

##### **Basic settings**

###### **1. What do you mean by company in sap?**

A company is an organizational unit in Accounting which represents a business organization according to the requirements of commercial law in a particular country. For which individual financial statements are created according to the relevant legal requirements. A company can include one or more company codes.

###### **2. What do you mean by company code?**

Company code is one of the organizational unit and legal entity which is formed as per local law where we generate financial statements individually.

###### **3. What do mean by segment in sap?**

Segment is also one of the organizational element it can be a geographical area. It is new GL concept.

###### **4. What is profit center and use of it?**

Where profit will be generate we called it as profit center. Profit center can be product or area and it one of the node in org structure./

**Profit Center:** Profit center is an organisational unit used for internal controlling purposes. Profit center accounting at profit center level is based on costs and revenues. Every profit center is assigned to the controlling area organizational unit. Profit center can be assigned in cost center master data.

**5. What is the use of cost center?**

Cost center is also one of the organizational element in CO where we book our cost.

**6. What is chart of accounts and use of it?**

Chart of accounts is nothing but list of GL accounts or structure of GL accounts. By using account groups we create GL accounts at the time of account group creation we create with the combination of chart of accounts. There are three types of COA's are there

1. Operational
2. Country
3. Group

Operational COA is use to post our day to day business transactions. It is mandatory.

Country specific COA will be create as per country legal requirements. The usage of country COA is optional

Group COA is used for consolidation prepuse. The usage of group COA is also optional

**7. How many types of chart of accounts are there in sap and use of each one?**

- a. Operational
- b. Country
- c. Group

Operational COA is use to post our day to day business transactions. It is mandatory.

Country specific COA will be create as per country legal requirements. The usage of country COA is optional

Group COA is used for consolidation prepuse. The usage of group COA is also optional

**8. Is it possible to assign one COA to multiple company codes?**

Yes, we can assign one COA to multiple company codes.

**9. How many COA can we assign to one company code?**

Only one operation COA we can assign to a company code. Afford from we can assign country specific and group COA as well if it require.

**10. What do you specify in COA?**

We specify name of COA, language of COA, length of GL account number and cost element creation.

**11. What is account group in sap and what it does?**

Account are highest nodes in master data creation. In order to maintain similar types of accounts as group we must create account groups. By using this we create master data. Account groups controls the number range interval of the master records and field status of the master records.

**12. What is retained earnings account and use?**

Retained earnings account is a bridge between P/L accounts to Balance sheet B/S. at the yearend balance of P/L will carry forward to B/S through this account.

**13. Is it possible to maintain more than one retaining account and use?**

Yes, we can maintain more than one based on requirement. So when we assign more than one we have to specify the retained earning account in GL, at the time of P/L GL account creation. Then the respective values will go respective retained earnings account.

**14. What is fiscal year variant?**

It is 2 digit Alfa numeric key it contain posting periods. There are two types of fiscal years are there 1 is year dependent and 2 is year independent.

1 year dependent fiscal year is which varies the starting and ending date to year to year is called year dependent

2 year independent which does not varies the starting and ending date to each fiscal year is called year independent

**15. What is short end fiscal year?**

Short end fiscal year nothing which fiscal year does not have 12 normal posting periods is called it short end fiscal year. It must be year dependent.

**16. Is it possible to assign one fiscal year variant to multiple company codes?**

Yes, we can assign more than one company code.

**17. What is posting period variant and use?**

It is 4 digit Alfa numeric key it contains which month is open and which month is closed.

**18. What are the posting periods and use?**

Posting periods are months where we post all our day to day business transactions.

**19. Is it possible to assign one posting period to multiple company codes?**

Yes, we can assign more than one company code.

**20. What do you mean by document number range and use?**

Document number is unique identification. Document number can be internal or external. If it is internal system will generate number for the document from the interval. If it is external we have to give number to the document from the interval.

**21. How many types of number range are there in sap and use?**

Document number can be internal or external. If it is internal system will generate number for the document from the interval. If it is external we have to give number to the document from the interval.

**22. What is document type in sap and use/what it controls?**

Document type bifurcates the business transactions based on nature of the transaction. So we can come to know what type of entry it is by seeing the document type. It controls the document header data fields like reference number header text fields and it controls the

- a. Number range interval of the document
- b. Reversal document type
- c. Account types which are allowed
- d. Exchange rate type for the document type
- e. Negative postings allowed
- f. Intercompany transactions allowed

**23. What is field status variant?**

It is 4 digit Alfa numeric key it contains the field status groups.

**24. Is it possible to assign one field status variant to multiple company codes?**

Yes, we can assign one FSV to more than one company code.

**25. What is field status group and use or what is does?**

Field status group controls the field status of document line item. We assign this group in GL master so at the time of posting we give GL account based on this link will be happen.

**26. What is posting key use?**

System does not know which line item is debit and which line item is credit, based on posting key which we give at line item level system will treat debit and credit line items. And posting key also controls the field status of the document line item like field status group.

**27. Difference between posting key and field status variant?**

Posting key is at client level field status group is company code level. So if you make any changes at posting key level it will be applicable to all company codes in client whereas field states group does not do it because it is company code level.

**28. What is the use of tolerance group in sap?**

This we used for posting with tolerance. It is mandatory basic setting. Here we give tolerance limit for debit and credit line items. It can be either in percentage or amount

**29. How many types of tolerance groups are there in sap FI?**

- a. Tolerance group for GLs
- b. Tolerance group for employee
- c. Tolerance group for vendors/customers

**30. What do you mean by global parameters?**

From here we can see all the values which we assigned to company code and we can maintain some values from here those are like propose fiscal year, PAN number, balance sheet per business area etc..

**31. How many variants are available in sap?**

Field status variant

Fiscal year variant

Posting period variant

**32. What is the use of propose fiscal year check box?**

If we select this option system proposes the always with current year as default value like value date also works.

**33. What is the use of default value date?**

If we select this option system proposes the always with current date as value date as default value.

**34. What are special periods use?**

Special periods are part of last fiscal year. Usage of special periods purely optional. The Special periods in a fiscal year can be used for things like posting audit or tax adjustments to a closed fiscal year.

**35. What do you mean by company code is productive and where do we specify?**

If you select this option system prevent automatic deletion of programs and settings generally we select this in production system. This option is available in global parameters.

**36. What is GL account?**

It is a key or master which we use to post transactions to update books. There are used to post day to day business transactions.

**37. How many segment are available in GL what are?**

There are 2 segments are there

Chart of accounts segment

Company code segment

**38. What is account currency?**

In which currency account is created is called account currency it can be local currency or other currency.

**39. What is the use of only balance in local currency check box?**

Select this check box where you want to update balance in local currency. When you select this option balance of the account only will show in local currency it won't show in other currency.

**40. What is the use of exchange rate difference key?**

This is just 4 digit key which we use to calculation exchange rate differences.

**41. What do you mean by tax category?**

If the GL account is subject to tax we have to specify tax category whether it is input or output or all categories. Then you have to give tax category field value.

**42. What is the use of post with allowed tax check box?**

If you give value for tax category we must give tax code otherwise system will not allow us to post. If we select this option system will allow to post transaction without giving tax code.

**43. What is reconciliation account type?**

Reconciliation account is a bridge between sub ledger and main ledger. We can't post transactions directly to this account.

**# Sort key?**

Sort key is used to sort the document posted in a particular ledger wise.

**44. What is the use of alternative account number in GL master?**

The alternative account number field in the company code area is freely definable. You could use it to enter the account number from your legacy system or

If we implemented country specific chart of accounts this field must be filled with country specific account. The account number from a country chart of accounts if your corporate group uses a standard chart of accounts.

**45. What is the use selecting line item display?**

Select this option if you want to see line items in ledger view. If you select open item management check box this field is mandatory. We must select to clear line items.

**46. What is the use of open item management explain briefly?**

Select this option where clearing is required. If you select this option we will be able to see all the line items separately in ledger like open item and cleared items. Generally we select this option for only balance sheet GLs we can't select for P/L accounts. Then we can clear against line items fully or partially or residually

**47. Difference between partial clearing and residual clearing?**

If you go for partial clearing the document will keep open till you pay remaining amount whereas if you go for residual clearing the original document will be cleared and new document will be generated for new residual line amount.

**48. What are the pre-requisites to select open item management check box?**

Line item display check box. It is mandatory if the GL is managed with open item management.

**49. What do you mean by post automatically check box and for what type of account we select give some examples?**

Select this option where you want to post automatically. If we select we can't post manually to particular GLs.

EX: GR/IR

**50. What is the use of interest indicate?**

Specify this indicator in GLs where you want to calculate interest on open items.

**51. Is it possible to maintain multiple languages in GL master?**

Yes we can maintain in multiple languages in GLs. We can't maintain languages in chart of accounts.

**52. What do you mean by GL account block and how many ways are there the use of each one is?**

If you go for account block it will ask you against what you want to block like

- i.Block for creation
- ii.Block for planning
- iii.Block for posting

So if you block GLs those will be no longer valid to against you option. If you block for posting we can't make any posting like remaining also work.

**53. What do you mean by document date and posting date difference between?**

On which date you want to create is document date and on which date you post document is posting date. These can be different dates.

**54. What is posting period how it comes automatically at time of posting?**

In which period your posting is called posting period the period must be open. This will be fill automatically based on posting date.

**55. What is the use of reference field in sap?**

It is free defined field we can give value in this field for identification purpose.

**56. What is the use of document header text?**

It is free defined field we can give value in this field for short text of document identification.

**57. How many segments are there in document what are they?**

Two segments are there in document those are 1.header data segment (BKPF table) 2.line item segment (BSEG table).

**58. What do you mean by document over view and simulation difference between those?**

If you go for document over view it just shows the over view of document but not if you miss any required field where as if you go for document simulation it will ask missing values before show you over view.

**59. What do you mean by interest calculation type and what are the types?**

There are 2 types of calculations are there

1) Balance interest calculation (on GLs)

2) Item interest calculation (on vendors and customers)

**60. What are the entries in interest calculation in sap?**

**1. At the time of loan taking**

Cash account DR -----10000  
To loan account -----10000

**2. Interest paid**

Interest paid account DR-----200  
To loan account -----200

**61. What are substitutions and validations? What is the precedent?**

Validations are used to check settings and return a message if the prerequisite check condition is met. Substitutions are similar to validations; they actually replace and fill in field values behind the scenes without the user's knowledge unlike validations that create on-screen msgs to the user.

**62. What is the use of exchange rate calculation in sap?**

As per accounting standards we have to value the FC in local currency how much we are holding as FC. So when we value this we may get either profit or loss, we called it as exchange loss or exchange gain.

**What is parking document?**

This is a type of release procedure. We park the document for approval purposes in SAP. It will not update in ledger balance but the number for document will be generated from the number range assigned respectively e.g. SA/KR/DR. Tr.Code: FV50, FV60, and FV70. Display changes: FBV5 Post parked doc: FBV0.

#### What is hold document?

Generally hold documents are created where we don't have complete information to post the transaction. Here we can give any document number alpha numeric key. It will not update in ledger balance. FB01L, FB50, FB60, FB70 are the transactions to hold the doc

Auto Clearing: F.13 Generally the auto clearing concept is required to clear GL accounts, vendor accounts and customer accounts, where they are having open debits and open credit line items with zero (0) balances. Automatically based on the clearing criteria rules defined. When GR is done against the PO and again IR is done against the GR, both the accounts when seen in FBL1N, these both accounts are shown as open items. For to move this GR/IR clearing line items to cleared status, we have to run Tr.Code: F.13. Automatic posting clearing configuration Tr.Code is OB74. Here you give criteria matching like give field names to match. Like Ch of accts Acct type From acct To acct Criteria 1 Criteria 2 Criteria 3 Criteria 4 XYZ S D K 100500 A A 100599 ZZZZZZ ZZZZZZ XBLNR XBLNRXBLNR EBELN GSBER GSBERGSBER ZUONR ZOUNR XREF1 Then you run F.13. Manual clearing is done at F-07, F-03 for GL for OI clearing, F-53, and F-44 for vendor and F-28, F-32 for customer. P

What is the difference between sample document and recurring document? Sample document and recurring documents both are templates and will not be having any impact on your financial position. Here you use the templates to control your mistakes or changes and to save the time. In sample document template you can change the entire fields' maximum except company code and currency. You can change the amount, GL account, posting date. Recurring means re-occurring that means the amount will be the same for all periods like rent, insurance etc. Here you can change the posting date you cannot change the amount. F-01 is for sample document. Number range is X2 for sample documents. F.57 is for delete. FBD1 is to create recurring document and to post recurring document is F.14, and to display with due date wise is F.15. Delete recurring document is F.56. Number range is X1 for recurring documents.

#### Interest Rate calculation

There are two types of interest calculations are there

1.Balance interest calculation (S)

2.Item interest calculation(P)

1.create interest calculation types:

Here we specify whether it is balance interest calculation or item interest calculation.

2. Prepare account balance interest calculation :

Here we specify interest calculation indicator the frequency (monthly, quarterly, yearly) and calendar type

3. Define reference interest rates :

Here we specify whether this interest rate is for debit or credit and effective from date currency.

4. Define time dependent terms :

In this activity we establish the link b/w interest calculation indicator or reference indicator rate.

5. Then for automatic posting of interest values to respective g/l a/c in OBV2 transaction.

6. So once we done this configuration we assign this interest calculation indicator in g/l account.

7. Whenever we run the interest calculation F.52

#### Foreign currency revaluation configuration flow

As per the accounting principle we do the FCRV. If we talk about configuration flow of FCRV.

\* First we create account principles

EX: IFRS, INDIAN GAP etc.....

\* This accounting principle will be linked to ledger

\* Define the valuation method

In this valuation method we specify the attributes like always evaluate or reevaluate and document type exchange rate type for debit, exchange rate type for credit etc.....

\* Create the valuation area

\* Assign valuation area to accounting principle

To value your FC invoice as per the accounting principle

Examples for FC revaluation:

1) Foreign Currency valuation if we have done account assignment in OBA1 for KDB is

If loss then      Exchange loss account Dr 100

                        To GL (SBI loan account) 100

If Profit then,    GL (SBI Loan Acc) Dr. 200

                        To exchange gain account 200

These entries will be reversed in the next month beginning if the valuation is done on a monthly basis. (FAGL\_FC\_VAL)

If it is a yearend valuation reversal will not happen.

2) Foreign Currency valuation if we have done account assignment in OBA1 for KDF is, here we use the balance sheet clearing account along with the exchange gain and loss account.

If loss then,      Exchange loss Account Dr 100

                        To b/sheet adjustment account 100

If profit then,     Balance sheet adjustment account dr. 100

                        To: exchange gain account. 100

AP

AP deals with vendors. Here all vendors activates will be taken care like invoice management, making payments based on terms and conditions

**63. Who is vendor what is his role in business?**

With whom we do purchasing activates is called vendor. Vendor provides all required materials so vendor plays vital role in business.

**64. What is the meaning of one time vendor?**

One time vendor is euonymus vendor does not do business regularly. We no need to maintain master record for this type of vendors. At the time of invoice posting we enter all the details like name address etc...

**65. Difference between one time vendor and regular vendor?**

With one time vendor we do not do transactions regularly whereas with normal vendor we do. And we maintain master records for normal vendors we won't do for one time vendor.

**66. What is vendor account group and what it controls?**

This source to create vendor master records it controls the number range interval of the master record and field status of the master record. These account groups are at client level.

**67. All account groups at what level is it company code or client level?**

Account groups are at client level.

68. If it is client level, if we make any changes it will be applicable for all company codes so I want to maintain different settings each company code wise in AP and AR what do we do?

Account groups are at client level so if we do fields required at account group those will be same for all company codes. Here if some company code does not required as required field then we create screen layout for company code and make changes at screen layout level which we assigned to company code.

**69. What do you mean by down payment?**

Down payment is like advance for safe business trade we take and give.

**70. What is the customization process for down payment in sap?**

Down payment is special GL transaction so we have to give bridge between recon account and this special GL recon account. When we post down payment we have to give special GL indicator so those items will flow to particular account which we have given in background.

**71. What are the outgoing payment process available in sap?**

There are 2 types 1 is manual and 2 is automatic payments.

**72. What do you mean by APP?**

It is a program to make payments to different vendors/customers by using different company codes and different payment methods for multiple invoices at a time.

**73. What is the process of APP?**

The process of app is flow of making payments. Process starts with open line items for vendors, we have to clear those items based on terms of payment. If we have bulk amount of invoices it is very difficult to find which are due and which are partially cleared. System takes all due invoices in this process.

**74. Customization flow of APP in sap?**

Creating payment method for country

## Assign payment method to company codes

Define paying company codes and sending company codes

Specifying additional parameters to paying company code

Giving ranking order to banks for payment method allowed limit

Explain APP: FBZP:Automatic Payment Program, which is used to make payments to more than one vendor for more than one invoices by using more than one banks by using more than one payment modes also. In configuration point of view we need to setup the activities like

1. Setup all company codes  
where you need to specify the paying company code, sending company code, and also the separate payments as per the business area would like to process. And also we can consider special GL transactions for vendor and customers. Apart from that we need to configure another step i.e.
2. Setup paying company code  
where you have to specify minimum amount for this incoming and outgoing payment. We need to specify the payment medium. Also we need to specify the
3. Setup payment method for country for payment transactions,  
where you specify whether the payment medium is for incoming payment or outgoing payment. Whether it is check or bank transfer and also we need to specify document types of payment. Also we need to specify the payment program name for check printing whether it is going for payment medium exchange. Also we need to specify currency specifications if you want to specify. After that we need to specify the
4. Payment method for company code for payment transactions,  
where you need to specify the minimum amount and maximum amount for outgoing payment, also we need to specify the payment advice program name. Then we need to specify the
5. Banking determination where you specify the ranking orders and currency specifications, house bank, account id, and available balance, later we will process the vendor open items then, the system will identify the corresponding house bank and system will generate the payment advises and send the communication to the bankers and vendors.

1) Maintain payment parameters: First you give the “date of execution” and “payment run identifier” and you maintain the parameters. There you give posting date of these payments, document date up to which the program should consider the items and you give “paying company code” and “payment methods” to be considered, and you give “next posting date”. Q) What is significance of next posting date in APP? A) When you run APP, the items which are not due in this payment run, might be over due by next payment run date. Then you will lose your discount. Such items will be paid out in this payment run.

2) Payment proposal: Based on the payment parameters maintained system creates the "payment Proposal". The system selects the eligible open items based on due date is determined via baseline date and terms of payment for each line item. Then program calculates the cash discount period and due date for the net payment. Grace periods are then added to this due date, which special GL's are to be included, blocking an item. The payment proposal can be displayed for further processing, i.e., in log to see the system messages.

3) Edit proposal: You can be able to edit the proposal, you can change house bank, payment method, and change payment due date to restrict certain open items, block or unblock line items.

4) Payment Run: After Payment run has been edited, you can run the payment program that creates the payment documents and prepares the data for printing the forms. Before printing the forms, check the log once to make sure the payment program run was successful.

5) Print run: You need to define the variants for print programs, you need to run the print program at least one variant per print program per payment method. The data created by Payment Program is stored in tables like: REGUH – Payee or payment method data, REGUP – Individual open items data, REGUD – Bank data and payment amounts data.

House banks: FI12 Bank Directory – FI01 Here we specify bank name, bank address, contact person, telephone number. You can have N-number of house banks for your company code and for each house bank there can be N-number of bank accounts, each bank account is identified by account ID. This account ID is referenced in customer/vendor master record and is used by payment program by the system. For account ID – you assign one bank account number and for each bank account number defined in the house bank you need to create a GL account master record.

#### **What is cash journal?**

Why do we use in SAP? Normally GL cash account accepts negative balances, but cash journal will not accept negative balances. In companies they take daily cash statement showing open cash balances/receipts for the day / payments for the day and closing cash balances. Cash journal provides this statement. Some companies use this cash journal as petty cash purpose. Define Number range interval for CJ: FBCJC1. Document type: SA. Setup cash journal: FBCJC0. Create/change/delete business transaction: FBCJC2. Setup print parameters for Cash Journal: FBCJC3. Post cash journal entries: FBCJ.

#### **75. What is the use of next run date in APP?**

Some invoices may not be due now it will be over due to next run so those invoices also will consider in this run and if there is any cash discount on invoice if we are losing that by next run those also consider in this run.

#### **76. What are the different outputs in APP?**

Print programs and flat files.

**77. Where do you give program for check printing?**

In payment method per country.

**78. What is payment method, and use, at what level it is?**

Payment method tells us what type of payment it is. Like whether it is check payment or bank tranche for or bill of exchange what it is. It is at country level.

**79. What is the use of payment advice and payment medium?**

Based on payment advice bank will make payments to party's. In payment advice due date would be there based on bank carryout payments

**80. What is the use of ranking order in APP?**

We are giving ranking order with the combination of payment method and bank account Id, so here we are telling to the system make payment this much amount when I use this payment method.

**81. Is it possible to maintain particular currency payment methods wise?**

Yes, we can maintain currency's to payment methods

82. If I give single particular currency for payment method is it possible to make payments in different currency?

No, that is not possible to make in different currency if payment method currency is different.

**83. If I want to make payment to foreign vendors by using local payment method what are the pre requisites?**

So we have to activate allow foreign partner check box in FBZP settings, than we can make payments to foreign vendors as well.

**84. What is the use of payment supplement?**

By using this we make group to gather payments.

**85. Where do you give payment supplement?**

In vendor master we give this option. This will be available in vendor master when you activate it in FBZP settings.

**86. Is it possible to make payment single line item wise if yes what are the pre requisites?**

Yes, we have to activate it in FBZP settings that make single payment to line item option.

**87. What is difference between sending company code and paying company code?**

The company which is paying is called paying company and the company which is making payments by other company code is called sending company code that is benefiter company code.

**88. What is the use of tolerance days in APP?**

Grease days to invoice due date.

**89. What are the entries in APP?**

At the time of invoice

Raw material a/c DR -----100

To vendor account -----100

At the time of app payment

Vendor account DR -----100

To bank sub account ---100

At the time of BRS

Bank sub account DR -----100

To main bank account --100

**90. What is the entre if paying company code and sending company codes are different in APP?**

**91. What are the pre requisites to post a vendor invoice customization point of view?**

**92. What is the use of terms of payment?**

Determine the invoice due date.

**93. What is due date how it determines in invoice?**

Due date is last date to make payment for the invoice. It will be determined by payment terms.

**94. What are the entries from invoice to outgoing payment?**

At the time of invoice

Raw material a/c DR -----100

To vendor account ----100

At the time of app payment

Vendor account DR -----100

To bank sub account ---100

At the time of BRS

Bank sub account DR -----100

To main bank account -100

**95. What is instalment terms of payment?**

Instalment terms of payment splits the invoice into different line items as per due date.

**96. What is difference between instalment terms of payment and normal terms of payment?**

Both are same these determines the due date of invoice, but instalment terms of payment splits the invoice different line items as per instalments

**97. What do you mean by house bank?**

Dealing with bank.

**98. What is account ID in house bank?**

Account IDs are nothing but accounts which we have in bank like saving account current account etc.

One house bank can have multiple account IDs.

**99. What is bank key?**

**100. What is IBAN?**

**101. What do you mean by SWIFT code?**

**102. Is it possible to maintain multiple account IDs under one house bank?**

**103. What is the use of sub control accounts in sap?**

**104. What is auto clearing and how it works?**

**Terms of Payment/Payment Terms:**

I have created many payment terms as per client business requirements. I know very well how to create instalment payment terms to determine the due dates/base line date, percentage wise, whether for customers or vendors; whether it is based on posting date or document date etc.

Base line date is which identifies the due date of invoices. Tr.codes are OBB8 and for instalments OBB9.

#### **Reconciliation account:**

When you are posting items to a sub ledger, the system automatically post the same data in to the general ledger. Each sub ledger has a one or more reconciliation accounts in to the general ledger. These reconciliation accounts ensure that the balances of G\L accounts are always zero. This means that you can draw balance sheets at any time without having to transfer totals from the sub ledger into the main ledger. The Reconciliation Account field can be found in the company code segment of the customer/vendor master

#### **Correspondence**

There are various standard correspondence types available like invoice print, account statement etc. Custom correspondence types can also be created.

Correspondences can be created at the time of particular business transaction processing or at a later stage for already created transaction postings.

Correspondence can be sent to customer/ vendor in various formats like email, and fax.

Correspondence is basically letters etc. which is sent from SAP to vendor/ customer etc.

#### **Clossing cockpit:**

The closing cockpit is a very powerful tool in SAP Financial System which provides a structured interface for executing transactions and programs that form part of complex processes such as periodic and annual closing processes./First we have to setup all this transactions which we have in the business process and we have to exquite process automatically it will comes ,whether it is completed or not.

#### **AR**

AR deals with customers gathering the requirements from the customers and providing goods and services invoicing for it and taking incoming payments if any pending's from customers issuing dunning notices all the activities will be done.

#### **105. What do you mean by one time customer?**

One time customer is an enonamies customer, this type of one time customers does not do regularly business. We no need to maintain master records for him. We will enter all the details at the time of invoice posting.

**106. What is dunning procedure what do we define in procedure?**

Dunning procedures are company code independent. They determine the dunning interval, the grace periods for the due date determination, and the number of dunning levels. You can also set the dunning level at which you want to list all due items from an account in the dunning notice. You can either specify a fixed charge or have the system calculate the charge on the basis of a percentage rate you specify. You have to define one or more forms for the notice.

**107. What is dunning notice?**

It is just like remainder to customer saying that you're due this much amount for these many invoices.

So by seeing this remainder customer will make payment.

**108. How many levels are there and generally how many levels we use?**

Maximum levels are 9 generally we use 4 levels if we want to use all the levels we can use.

**109. What is the difference in dunning notice for each level?**

For each level of dunning notice severity of notice and text will be change. If there is any interest for next level that will be add to amount so in this case amount also change.

**110. Where is the link between customer and dunning procedure?**

In customer master we assign dunning procedure so when we post invoice by using the customer master it will be derived from the customer master.

**111. Is it possible to integrate vendor and customer?**

Yes, we can integrate vendor and customer in 2 master records we have field under general data segment in control tab to enter customer and vendor.

**112. If we integrate vendor and customer is it possible to make payment by adjusting the amount with payment?**

Yes, we can adjust against AP outgoing payments with AR incoming payments.

**113. How many segments are there in customer master what are?**

There are 3 are 1. General data segment 2. Company code data segment 3. Sales organization data segment

**114. What is the difference between FD01 to XD01 creation of customer master?**

If we try to create customer master data by using FD01 T-code here we do not get sales organization segment so here 2 segments available those are general and company code segments. If you go for XD01 here we get all 3 segments. Like this for vendor also.

**115. If we want to calculate interest on due items of customer is it possible?**

Yes, we can calculate interest on overdue items by using item interest calculation.

**116. What is the use of item interest calculation in AR?**

For calculation of interest on overdue items.

**117. What is the base to determine invoice due date in AR?**

Terms of payment is the base to determine due date of invoice.

**118. How many terms of payment can we assign in vendor or customer master?**

We can assign 2 terms of payments one is at company code and another one is at sales organization/purchasing organization segment. So if we create PO based invoice (in MM module) terms of payment derived from centrally that is sales org/ purchase org segment. If we create non PO based invoice (in FI module) invoice terms of payment derives from company code segment

**119. What is the use of assigning 2 terms of payment and difference between?**

If we create PO based invoice (in MM module) terms of payment derived from centrally that is sales org/ purchase org segment. If we create non PO based invoice (in FI module) invoice terms of payment derives from company code segment.

**120. To make AP payments we have APP program like for incoming payments do we have any program in AR?**

Yes, we have process called lock box system.

**Asset accounting**

Asset accounting deals with asset related thing like acquiring depreciating selling scrapping transferring assets company codes and intercompany or intra company codes.

**121. What is chart of depreciation?**

Chart of depreciation is highest organizational element in asset accounting. It is nothing but list of depreciation areas.

**122. What do you mean by depreciation area?**

Depreciation area means how we are going to depreciate assets in our books. It can be book depreciation or tax depreciation or other type of depreciation.

**123. Chart of depreciation is at what level is it company code level or client level?**

It is at client level.

**Diff between Chart of depreciation and chart of accounts:**

Chart of depreciation consists of list of country specific depreciation areas. SAP comes with default chart of depreciation based on the requirements of each country. You can only copy as a reference and create chart of depreciation. After copying you delete the unwanted depreciation areas and then only you have to create assets, or else deletion is not possible.

One company code can have only one chart of account. The chart of accounts can be global, country specific, and industry specific based on the needs of the business. The chart of depreciation is only country specific. The charts are independent of each other.

**124. Is it possible to assign one chart of depreciation to multiple company codes?**

Yes, we can assign one chart of depreciation to multiple company codes because it is at client level.

**125. What is screen layout rules in asset account and what it controls?**

Screen layout rules in asset accounting controls the fields of the asset master.

**126. What is account determination in asset accounting and at what level it is?**

Accounting we do it in A090 T-code. Here we assign GL accounts to flow data automatically respective GL accounts based on nature of transaction like for acquiring, for sale of asset, losses on sale, and gain on asset sale, and for accumulated depreciation and depreciation etc...This account determination we assign in asset class.

**127. What is asset class?**

Asset class classifies the assets based on nature of assets like machineries, buildings, vehicles etc... like this classifies. Assets classes are at client level.

**128. What do we define in asset classes and at what level these are?**

In asset classes we define few attributes like account determination, screen layout rule, and number range interval of asset class and whether this asset class is AUC asset class or not. If it

is AUC asset class we have to select the line item settlement radio button. These are at client level.

**129. What do you mean line item settlement option in asset class how it works?**

It means if we select this option in asset class this asset class is AUC asset class.

**130. What is asset accounting flow?**

Sub asset master will be create with reference to main asset master

Main asset master will be create with reference to asset class

In asset class we specify all the attributes like account determination and screen layout rule etc...

Values will be flow respective GLs through account determination base on nature of transaction

**131. What is the use of sub-asset in SAP?**

We can see the report sub asset level and we can post values to sub asset.

**132. How many segments are there in asset master?**

There are 2 those are 1. Company code segment or asset segment 2. Depreciation segment

**133. How many ways can we control asset master fields?**

2 way are there one is from general screen layout rule and 2nd one is from depreciation tab level.

**134. What do you mean by depreciation key and how it works?**

Depreciation key is nothing but rate + method. How much rate of depreciation and what type of method it is whether it is straight line or written down method what it is?

**135. What are the 5 methods in depreciation key and what is the use of each and every method?**

Base line method- what type of depreciation and the depreciation calculation method?

Declining balance method

Maximum amount method

Multi-level method

Period control method

**136. What are the depreciation methods in SAP?**

Straight line, written down and useful life etc...

**137. What are the depreciation calculation methods and difference?**

Planned- as per planned we can't skip single periods so each and every period we have to run depreciation. System determines the next period to be posted in according to the defined depreciation posting frequency

Unplanned- in this can skip over periods. System does not check for the connection to the previous period.

Repeat- Indicator for repeating the depreciation posting run. It is possible to repeat the posting run within the period last posted. However, in contrast to the first run for a period, the repeat run can be restricted to specific assets. In the repeat run, the system posts changes to depreciation, as compared to the depreciation amounts from the previous run. Normally the repeat run is carried out at the end of the fiscal year

Restart- Depreciation posting is performed in several steps and at each step the system logs the current status. If the program is terminated during a posting run for various reasons, then the program has to be started again in the restart mode to clear the data base of possible inconsistencies. A restart run should therefore only be performed in certain cases and cannot be started in a test mode.

**Q Explain AFAB (Depreciation run)?**

Planned – means normal. Repeat – the system checks for which assets depreciation was not calculated in 1st planned posting run only, for those assets it calculates and posts the depreciation (only after planned, repeat option is available).

Restart – is whenever server is down in between, it gives message “restart”.

Unplanned – means when provisions are maintained we use this option (or) any unexpected loss to the asset occurred then we use this option.

**138. What is the entry at the time of depreciation posting and why?**

Depreciation a/c DR XXXXX

To accumulate depreciation XXXXX

Because depreciation is expense so as per nominal accounting principle all expenses are debit.

**139. What are the entries in asset account?**

### **Purchase of asset**

Asset A/C (70) DR

To vendor (31) Cr

### **Sales of asset**

Customer A/C (01) DR

Asset Sale A/C (50) Cr

Acc. Dep. on Asset (70) DR

Asset A/C (75) Cr

Asset Sale A/C (40) DR

Profit on Asset sale (50) Cr or Loss on Asset sale (40) DR

### **Depreciation posting**

Depreciation A/C DR

To Acc. Depreciation A/C Cr

### **Scraping of asset**

Asset A/C (75) Cr

Acc. Depreciation A/C (70) DR

Loss due to Scrapping A/C (40) DR

### **Transfer of an asset**

ABUMN----->Asset transfer within Company Code

70 Asset debited in NEW Business Area

75 Asset credited in OLD Business Area

70 Acc. Depreciation debited in OLD Business Area

75 Acc. Depreciation credited in NEW Business Area

### **ABT1N----->Intercompany Asset Transfer**

OLD Company Code 75 OLD Business Area Asset A/C Credit

OLD Company Code 70 OLD Business Area Acc. Depreciation Debit

OLD Company Code 40 OLD Business Area Asset sale A/C Debit

NEW Company Code 70 NEW Business Area Asset A/C Debit

NEW Company Code 50 NEW Business Area Intercompany Clearing Credit

Asset master: Tr.Code AS01,

asset master contains some necessary information to calculate the depreciation for the asset. They are: capitalisation date, depreciation areas for that asset, depreciation key, and useful life, change over if any, scrap value if any and start date of depreciation.

Q) Can you create multiple assets in one transaction? Yes, you can create multiple assets under single transaction AS01, only when all the assets belong to same asset class with same company code. You cannot create long text though this method. Time-dependent tab in Asset master: All cost accounting assignment related data such as cost center, internal orders or investment projects needs to be maintained in this tab. Asset shutdown and shift operation is also maintained here.

Q) How do shutdown the particular asset?

First you have to select Asset shutdown option when assignment of calculation methods tab in depreciation key level (AFAMA). Then also you have to select asset shutdown optional in time dependent tab in asset master screen layout. Then you come to the asset edit mode (AS02) and you can select asset shutdown button and add the interval from what date till what date it has to shutdown in time dependent tab in more intervals button.

Same way we can do it for asset multi shift factor (change it to optional in asset master screen layout) and in AS02 select depreciation areas tab, double click on book depreciation area and give variable portion some % (e.g. 90). Next go back and in time dependant tab go to more intervals and give the interval duration for which you want to calculate multi shift.

Asset transaction type: It identifies the nature of the asset transaction.

Example: 100-external asset acquisition,

110 in-house acquisition,

200-asset retirement without revenue,

210-asset retirement with revenue, etc. Transaction types are assigned to Transaction type groups.

Q) Is it possible for you to assign an Asset to more than one Cost Center?

A) No, an asset can be assigned to only one cost center.

Q) How do you reverse the depreciation posted?

A) No, we cannot reverse the depreciation once posted. It is not possible to reverse the depreciation for one particular month. For example, 4 months depreciation is posted. It is not

possible to reverse the depreciation for one particular month at all. When we reset it; all the values will be gone.

Diff between Chart of depreciation and chart of accounts: Chart of depreciation consists of list of country specific depreciation areas. SAP comes with default chart of depreciation based on the requirements of each country. You can only copy as a reference and create chart of depreciation. After copying you delete the unwanted depreciation areas and then only you have to create assets, or else deletion is not possible.

One company code can have only one chart of account. The chart of accounts can be global, country specific, and industry specific based on the needs of the business. The chart of depreciation is only country specific. The charts are independent of each other.

**Q) Is it possible to calculate the depreciation day wise?**

A) Yes, we need to activate this at depreciation key level, where you maintain WDV method, straight line method.

**Low value Assets:**

The asset is fully depreciated within the same year when it's acquired. We define a monetary limit and consider all those assets falling below the value mentioned. We use a special depreciation LVA, and useful life is considered to be one month.

**Asset transfers: 2 types: Tr.Code: ABUMN**

i) Intercompany transfer (between company codes). This results a new asset creation in Target Company, posts acquisition and retires the asset in Source Company by asset retirement. Finally posts intercompany profit/loss arising from the asset transfer and updates GL automatically. ii) Intra-company transfer (change in asset classes or settlement of AuC asset to new asset or splitting an existing asset into 2 or more assets etc.).

**Asset Retirement:**

retire by sale or by scrapping. In case of sales, it can be with revenue or without revenue. Again it can be with customer or without customer. Asset retirement with revenue- o With customer (involving integration with FI-AR) Debit customer, credit assets♣ o Without customer Asset retirement without revenue- o With customer Debit clearing account, credit asset♣ Debit customer in A/R, credit the clearing account♣ Asset retirement using GL document posting-

**Q) How many Charts of Depreciation could you assign to an asset class?**

There is no limit.

**Q) How many depreciation areas could be assigned to a Chart of Depreciation?**

A Chart of Depreciation could contain up to 99 depreciation areas. A Depreciation Area is always assigned to only one Chart of Depreciation.

How to settle internal order to AUC to cost center? OR

Capital Work in Progress.

We need to treat this as AuC assets. To capitalize this asset master record, there might be some kind of additional expenses might be occurred, so those expenses must be settled to the AuC through internal orders. From that we need to create a settlement profile and maintain the settlement rules under receiver in asset master record and specify the percentage. You have to use depreciation key '0000' for not calculating the depreciation till it is settled. Then we have to execute the settlement profile, and then simply execute it, this way it is settled. Tr.Code: AIAB, AIBU.

Financial Statement Version (FSV):createOB58 &FSE2Actually FSV

is nothing but the format for B/S and P&L statement. So, it will be prepared as per accounting schedule (6) basis, which contains the items like what kind of the accounting heads should be there. Also we need to map the GL accounts, which carry the values under those heads, which is defined at the chart of account specific combination. After that the statement can be used in our company code combination and generate the values which are posted with the particular GL master records in that particular financial period which we specify in the reporting selection. Execute FSV Tr.Code: F.01

EBRS

**Q) What are the steps involved in configuring Electronic Bank statement in Bank Accounting?**

1st we need house bank and bank accounts.

1) Define account symbols (IMG>FA>Bank Accounting>BT>EBS>Make global settings for EBS). Specify G/L accounts (such as bank, cash receipt, outgoing checks) to which postings are to be made from account statement. You assign account symbols to the G/L account numbers. These are required for the posting rules in

2) Assign accounts to account symbols

3) Create keys for posting rules

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#### 4) Define posting rules

5) Create transaction types (you group together all banks that use the same external transactional code for certain business transactions under the same transaction type)

#### 6) Assign transaction type to posting rules

#### 7) Assign banks to transaction types

#### 8) Import Electronic Bank Statement FF\_5

#### 9) Checking of bank statement – FF67

#### Q) What is a search string in EBS?

At the time of uploading the file which is coming from bank in that there will be a key, based on the same key if we define a search string in SAP, it will identify the exact record, which record needs to be updated.

#### Legacy System Migration Workbench (LSMW)

LSMW: It's a tool or a transaction which is used to upload all kinds of master records/transactional records from non-SAP to SAP.

This is a system standard migration tool. In this there are 4 types of import methods are there. Standard batch input/direct input is the best method for transactional data without ABAPer help.

And Batch input recording method is the best method for master data upload without ABAPer help.

The rest two BAPI and IDOCs are with ABAPer help.

Here you create project, subproject and object. Then you maintain that objects' attributes. Then maintain source structure in the next step, and then maintain source fields and you map the fields and conversion rules. Then you specify files and assign files. Then read data, display read data, convert data, display convert data. Then you create batch input session and next you run batch input session finally. Now you go and check the master records accordingly.

How many methods of import methods are available? There are 4 types of import methods:

- 1) Standard Batch/direct Input,
- 2) Batch Input recording method,
- 3) Business Object Method (BAPI) and
- 4) IDOCs (intermediate document).

First 2 are used by functional consultants without ABAPer help and second 2 are to be taken help from ABAPer.

1) Standard Batch / Direct input is the best method to upload transactional data.

2) Batch input recording method is the best method to upload any kind of master records.

## IDOCs

Q) Have you had any experience working on any IDOC's or EDI (electronic data interchange)?

I have worked on IDOC's (intermediary document); IDOC is nothing but an intermediate document which exchange the data between SAP systems to non-SAP and vice versa. There are two types of IDOC's – Inbound and Outbound. Inbound is the document what comes inside and Outbound is what goes outside. There are three types of records in IDOC's

1) Control records: It contains which is source system, Target system, Basic type, Partner type, Partner Number and Message type.

2) Data Records: It Contains structure and field names.

3) Status Records: It specifies the status of the IDOC, with a range of 1-49 for outbound and 50-75 for inbound. These status records are stored in the table EDIDS./ It contains message type.

Examples: # Inbound messages types.

51- Application document not posted.

53- Application document posted.

# Outbound messages types.

03 – Data passed to port OK.

02- Error passes data to port.

01- I Doc generated.

What is the TC to reprocess the IDoc?

- TC : BD87.

Create I Doc type from message types?

- BD21.

Message Types?

- COSMAS – Cost centre master data.
- COELEM – Cost element master data.
- PRCMAS – Profit Centre.

- GLMAST – GL Master record.

Partner profile: is the partner who is receiving or sending the data.

Port: Port act like a bridge between system to send and receive data through IDOC.

Message types: is the message which is transferred in between the business partners. Basic type is the container in the message.

**Q) Online Service System (OSS):**

Generally we approach the OSS team where there are any product defects; searching for OSS notes, for any latest update information. Go to service support portal enter your credentials and report and incident button. Here also we have the priority levels. After creating incident you send, a number will be generated. An OSS note means it can be a patch, document which contains the instructions/information. SNOTE is the Tr.Code where the basis consultants will upload the OSS notes into SAP. Site: service.sap.com

**Q) What are the month end activities you involved or you do?**

- A) Accrual postings,
- B) foreign currency valuation,
- C) depreciation run,
- D) GR/IR clearing / Auto clearing
- E) Open and closed posting periods

Year end activities ?

A) All month end activities are part of year end activities , Apart from that closed fiscal year in asset accounting(AJAB).And open new fiscal year in asset accounting (AJRW).

If document number ranges are year specific copy number range interval to new fiscal year .

And carry forward the current year closing balances off g/l, customer, vendor, to new fiscal year has opening balances.

**FIT0 MM PROCESS FLOW / PROCUREMENT CYCLE / PTO P:**

1. Material acquisition (By production dept to stores).
2. Purchase acquisition (By stores to purchase dept).
3. Call for enquiries - Get quotations & Price comparisons (By purchase dept).
4. Creation of Purchase order - In purchase order we mention vendor master record, Material master record, Quantity, Rate, Terms & Conditions etc. – TC: MV21.
5. Goods Receipt: Goods receipt will be done with reference to PO. The flow of accounting entries starts from goods receipt – TC: MIGO.

Inventory RM a/c dr 1000 (BSX)

To GR/IR clearing a/c 1000 (WRX)

6. Invoice Verification: It will be done with reference to goods receipt TC : MIRO

GR/IR Clearing a/c dr 1000 (WRX)

To Vendor a/c 1000 (PO)

7. Out going payment

Vendor a/c dr 1000

To Bank a/c 1000

What is GR/IR Clearing account?

# GR – Goods receipt # IR- Invoice Verification

It is a temporary offsetting account sometimes we may receive goods before invoice, sometimes we may receive invoice before goods receipt.

This account has to be managed with open item management. At the end of month / Point the balance in GR/IR clearing account must be “0”.

#### **FIT0 MM CUSTOMIZATION FLOW:**

1. We need to create accounting category references for material master record in TC: OMSK.
2. We need to assign accounting category references to valuation class.
3. Also we need to assign accounting category reference to material type.
4. By using the material type we create material master record.
5. In material master record we need to specify valuation class.

6. To Valuation class we need to specify the account determination with the combination of valuation modifier and general modifier.
7. By using the material master created, we using purchase order.
8. In purchase order we need to specify material master record, vendor master record, quantity, rate and payment terms.
9. By using PO goods receipt will be done.

Inventory a/c dr 1000 – Qty x rate from PO – BSX

To GR/IR Clearing a/c 1000 - WRX

10. Invoice verification will be done with reference to GR.

GR/IR clearing a/c dr 1000 – Qty x Rate

To Vendor a/c 1000 – From PO

Raw material consumption:

RM Consumption a/c dr 500 – Qty x Rate – GBBVBR

To Inventory RM a/c 500 – BSX

Production receipt:

Finished goods a/c dr 1000 – Qty x Rate from PO – BSX

To Inc / Dec in stock a/c 1000 – GBB

Delivery:

Cost of goods sold a/c dr 1000 – Qty x Rate from sales order – GBB

To Finished goods a/c 1000 – BSX

Where do you assign valuation class in material master record?

- In Accounting 1 View.

Where do you assign profit centre in material master record?

- In Costing 1 Tab.

TRANSACTION KEYS:

- BSX – For Inventory postings.
- WRX – For goods receipt & Invoice receipt.
- GBB – For offsetting transactions.
  - VBR – Consumption.

- ZOF – Production receipt with our production order.
- AUF – Production receipt with production order.
- VAF – Delivery where revenue a/c created as a cost element / Sales a/c.
- VAX – Delivery where sales a/c not created as a revenue a/c.

How many payment terms we can assign in vendor master record?

- We can assign 2 payment terms.
  1. At Company code segment.
  2. Purchasing organization segment.

What is the differences between payment terms assigned in company code segment & Purchase organization segment?

If invoice is generated with out PO from FI payment terms will be

Extracted from the company code segment. If invoice is generated with PO form MM Purchasing organization segment payment terms will be extracted.

What is the transaction code to see material document?

- MB03  
To see stock ledger?
- MB5B

SCENARIOS:

**1. Moving average price – Full stock is available**

PO Qty : 10 , Rate : 10

GR  $10 \times 10 = 100$

IR  $10 \times 11 = 110$

GR – Inventory RM a/c dr 100

To GR / IR clearing a/c dr 100

IR – GR / IR clearing a/c dr 100

Inventory RM a/c dr 10

To Vendor a/c 110

**2. Moving average price – No stock is available**

PO 10 x 10 = 100

GR 10 x 10 = 100

IR 10 x 11 = 110

GR – Inventory RM a/c dr 100

                To GR/IR clearing a/c 100

IR – GR/IR Clearing a/c dr 100

Price difference a/c dr 10

                To Vendor a/c 110

**3. Moving average price – Partial stock is available.**

PO – 10 x 10 = 100

GR – 10 x 10 = 100

IR – 10 x 11 = 110

GR – Inventory RM a/c dr 100

                To GR/IR Clearing a/c 100

IR – GR/IR Clearing a/c dr 100

Price Differences a/c dr 5

Inventory RM a/c dr 5

                To Vendor a/c 110

**FITO MM ACCOUNTING ENTRIES WITH EXCISE:**

GR – Inventory RM a/c dr 100

                To GR clearing a/c 100

CENVAT a/c dr 10

                To CENVAT clearing a/c 10

IR- GR/IR clearing a/c dr 100

                CENVAT Clearing a/c dr 10

VAT Receivable a/c dr 5

                To Party a/c 115.

## **1.GROUP TOGETHER VALUATION AREAS:**

Valuation group code is a group of valuation areas. It makes easier to set automatic account determination.

## **2. DEFINE VALUATION CLASS:**

Valuation class is used to assign GL Accounts for automatic postings.  
Valuation class assigned in material master.

What is Valuation Modifier?

It is nothing but group of valuation areas, which helps us to maintain automatic account assignment.

What is General modifier?

It is used for offsetting transactions Ex: Raw material consumption, delivery etc.

What is Movement type?

It is similar to postings keys in FI. It specify the movement of materials.

Ex: Issuing, Material receipt etc.

What is transaction Keys?

It is used to assign automatic account assignment ex: BSX, WRX.

What id GBB?

It is used for offsetting transactions.

## **FIT0 SD PROCESS FLOW / OTC (ORDER TO CASH FLOW)**

- Enquiry.
- Request for quotations.
- Quotations.
- Sales order.
- Delivery.
- Billing.

## **FIT0 SD CUSTOMIZATION FLOW:**

1. In VKOA transaction we have to specify revenue account determination.

- Application area – V – Sales & Distribution.

- Condition Type – KOFI – Accounting determination.
- Chart of Accounts – FSL.
- Sales organization – FSLP.

With the combination of account assignment group for customer master record whether domestic / Foreign account assignment group for material master record to the accounting key ERL (Revenue).

2. The accounting key ERL is assigned to condition type – PR00.
3. The condition type PR00 is maintained in pricing procedure.
4. The pricing procedure assigned to customer master record, sales document type and billing document type.
5. The account assignment group for customer has to be assigned in customer master record. Account assignment group for material master record has to be assigned to material master record.
6. By using this customer master record & Material master record we create sales order – VA01. Note: No accounting entry will be generated at the time of sales order creation.
7. Delivery will be done with reference to sales order – VL01.

Cost of goods sold a/c dr 5000 – Qty x Rate from sales order- GBB VAY  
 To Finished goods a/c 5000 – BSX.

8. Billing: will be done with reference to Delivery.  

Customer a/c dr 1000  
                   To sales a/c 1000

How to do revenue account determination analysis?

- Note : When billing document was created no accounting document created.
- Go to TC : VF02 give the billing document no from menu select environment -> Account determination -> Analysis ->Revenue Accounts-> Expand the condition type PR00.

At what level COPA document will be generated?

- At the time of billing document creation.

How billing document / SD Document to COPA assigning value fields to condition type – KE4I.

## NEW GENERAL LEDGER

## **FEATURES IN NEW GL ACCOUNTING:**

1. Segment wise reporting.
2. Parallel Currencies.
3. Parallel Ledgers.
4. Real time Integration between CO to FI.
5. Document Splitting.
6. Cost of sales Accounting.

Difference between Classical Ledger and New General Ledger.

1. If we implement new GL no need to implement profit center accounting.
2. Dummy Profit centre is no longer valid.
3. IMG navigation path also slightly different.
4. No need to maintain external numbers for depreciation posting.

### **What are the tables in new GL Accounting.**

1. FAGLFLEXT  
FA – Financial Accounting  
GL – General Ledger  
FLEX – Flexible  
T – Total.
2. FAGLFLEXP  
P – Plan line items
3. FAGLFLEXA  
A. Actual line items

Define Ledgers for New GL Accounting

What is Ledger?

A Ledger is used for reporting purpose.

What is Leading Ledger?

It is based on the same accounting principle as that of the consolidation financial statement. The leading ledger integrated with all subsidiary ledgers and updated in all the company codes. We must specify one ledger as the leading ledger.

What is Non leading Ledger?

Non Leading Ledgers are parallel ledgers to the leading ledger the non leading ledgers must activate company code wise for local reporting purpose.

#### **How many currencies we can maintain to one company code?**

Apart from one Local currency, we can maintain Parallel Currency.

#### **Define and activate Non leading ledgers?**

Note: First currency of non leading ledgers is always currency of the leading ledger.

#### **What is Ledger Group?**

Ledger group of a group of ledgers for the purpose of applying the same functions and processes as a whole.

#### **What is Representative Ledger?**

The Representative ledger is used to determine the posting period and to check whether the posting period is open / not.

If the posting period of a representative ledgers is open the system automatically post the values in all the ledgers assigned to the group.

Even if the posting period of the non representative ledger is closed, you can not maintain more than one representative ledger.

Note:We can maintain one representative ledger. Representative must be a leading ledger.

#### **NEW TRANSACTION CODES:**

NEW	OLD
• FAGLB03	FS10N
• FAGLL03	FBL3N
• FB50L	FB50
• FAGL_FC_VAL	F.05
• FAGLGVTR	F.16

#### **What is the path to deactivate the classic GL?**

Path: SPRO--> Financial Accounting (New) --> Financial Accounting Global Settings (New) -->

Tools -> deactivate update of classic ledger (TC: GLTO).

#### How many currencies can we assign to a one company code?

A company code can have only one currency as its local currency. Apart from that we can maintain two more parallel currencies. Local currency is nothing but the currency key which is created at the time of company code creation. Foreign currency means apart from the local currency, it might be group currency or global company currency, index based currency, hard currency in case of fluctuations. So two more currencies we can maintain for reporting purpose for each and every company code. Group currency is defined at client level. Global company code currency is defined at company (Consolidation Company).

#### DOCUMENT SPLITTING

What is document splitting?

When ever there are multiple dimensions in the document system splits up the line items according to the dimensions involved in the transaction.

item as per selected dimensions.

Ex :Invoice Expenses a/c segment 1 dr 1000

    Expenses a/c segment 2 dr 1000

        To Vendor a/c 2000

General ledger view in document splitting

    Expenses a/c segment 1 dr 1000     Active

        To Vendor a/c segment 1 a/c 1000     Splitting

    Expenses a/c segment 2 dr 1000

        To Vendor a/c segment 2 a/c 1000

Payment :

    Vendor a/c dr 2000

        To Bank a/c 2000

Document splitting in general ledger view.

    Vendor a/c dr segment 11000

To Bank a/c segment 11000      Passive  
Vendor a/c dr segment 21000      Splitting  
To Bank a/c segment 21000

### What is zero balance clearing account?

When we activate zero balance clearing account system checks whether the balance of account assignment object is zero after document splitting. If it is not matched / If it is not "0" the system post the variance amount to zero balance account.

**Item Category:** It is nothing but group of GL accounts, instead of defining splitting rules for each account individually, the line item category groups all the GL accounts together e.g. 20000 – expenses, 30000 – revenues, 01000 – balance sheet, 03000 – vendor.

**What is splitting method:** It is the main key to activate the splitting in the new GL. It contains the list of splitting rules for all the business transactions.

**Inheritance check box:** If this indicator is set the account assignment objects (profit center/segment/cost centers) will be designed in the document from the other line item.

### Real Time Integration of CO with FI

During allocations in Controlling, most of the postings created do not affect Financial Accounting. These postings do not update any G/L account transaction figures; they are postings within Controlling. If, however, an allocation in Controlling leads to a change in the functional area or any other characteristic (such as Profit Center or Segment) that is relevant for evaluations in Financial Accounting, a shift occurs between the affected items in the profit and loss statement. For this reason, this information has to be transferred to Financial Accounting. This reconciliation between Controlling and Financial Accounting takes place by means of real-time integration.

As a result of real-time integration, all Controlling documents that are relevant for General Ledger Accounting are transferred from Controlling to General Ledger Accounting in real time. This means that Financial Accounting is always reconciled with Controlling.

A document is created in Financial Accounting for each posting in Controlling. This means that the detailed information contained in the CO documents is always available in reports in New General Ledger Accounting. This information can be sorted by the following, for example:

- Functional area

- Cost center
- Internal order

### **CO-PA (Profitability analysis):**

Generally the CO-PA is implemented by to view analysis the profitability at different ,different marketable segment in the organizational.

Ex:co.code, plant ,division etc...

How many CO-PA we have in SAP?

Two types 1.account based CO-PA      2.costing based CO-PA.

1.account based CO-PA :In account based CO-PA comparesince the data b/w Fi and Co.since "All the values are stored in the g/l accounts."

2.costing based CO-PA: It represent cost and revenues and revenue deductions for internal controlling reporting purpose.

**Q) What is data structure (characteristics and value fields)? A) We use the term called Data Structure and it basically consists of two things: characteristics and value fields.**

Characteristics: KEA5. It's a key by which you can analyse your profitability in the organization.

You can break down the profit logically such as product, customer, plant, sales organization, industry, sales employee, etc.

There are predefined characteristics known as fixed characteristics, in addition to the fixed characteristics up to 50 non-fixed characteristics can be added to the operating concern. To create with WW, min 4 and max 5 in length including WW.

Value fields: KEA6. These are nothing but the values associated with these characteristics

e.g. sales, raw material cost, cost of goods sold, labour cost, overheads, net profit, etc.

There are predefined value fields given by SAP, in addition to the value fields up to 50 value fields can be added to the operating concern. To create with VV, min 4 and max 5 in length including VV. Here we can create value based (amount) value field and quantity based value field.

Maintain Operating Concern: KEO0.We have accounted based PA or costing based profitability analysis or both. In India we use both. Accounting based COPA is permanently reconciled with financial accounting. Costing based COPA is a powerful approach providing greater analysis capability. There are three tabs in here. You select costing based or account based CO-PA or

both. In attributes tab you give operating concern currency, company code currency check box select and

Characteristic Values: Here you maintain the values for the user defined Characteristics.

Profitability segment: This is a combination of characteristic values. Here there are segment level characteristics and Non segment level characteristics. In segment level characteristics drill down reporting is possible for the characteristics, system performance will be affected and in non-segment level characteristics drill down report is not available, we can get the report at line item level.

Characteristic Derivation: Derivation lets us find values for certain characteristics automatically based on the known values of other characteristics, where these characteristics are logically dependent on another. There are three types of derivation rules to create, they are: derivation rule, table lookup, move, clear, enhancement.

#### Q. How the data comes from SD to COPA?

By assigning the copa value fields to SD condition types in T.code (KE4I).

#### Q. How the data comes from FI/MM to COPA?

By maintaining PA transfer structure

## TABLES

Master Records tables FI	Accounting Doc Header Data	BKPF
	Accounting Doc Line Item Data	BSEG

## GL Master



## Vendor Master

Customer	General Data	LFA1	Vendor	Open Items	BSIK	Index Table s
	Company Code Data	LFB1		Cleared Items	BSAK	I- Ope n A- Cleare d
	Purchasing Org Data	LFM1				
Asset	General Data	KNA1	Customer	Open Items	BSID	Index Table s
	Company Code Data	KNB1		Cleared Items	BSAD	
	Sales data	KNVV		MM document Header data	MKPF	
Master Records tables C 0	Master Data Depreciation data	ANLA		MM document Line itemdata	MSEG	
		ANLB				
				Invoive document Header data	RKPF	
				Invoive document Line Item data	RSEG	

Cost Element master	CSKB	Orgnasational Units/element in FI	
Cost Center Profit Center Internal Order Statistical Key Figures (SKF) Activity Type	CSKS CEPC AUFK TKAO 3 CSSL	Client Company Company Co de Chart of Accounts Bus Area	T000 T880 T001 T004 TGSB
Master Records in MM			
Material	MARA	PO Header Data Item Data	EKKO EKPO
Other Tables		SO	
Currency Keys Exchange Rate Withholding Tax	TCUR C TCUR R WITH_ITEM	Header Data Item Data CO Cost Center: Actual Line Items Profit Center: Actual Line Items	VBAK VBAP COEP GLPCA
APP Tables		New G/L Tables	
Settlement Data from Payment Program	REGU H		

Processed Items from Payment Program	REGU P	Ledger:	FAGLFLEX
Accounts Blocked by Payment proposal	REGU S	Totals	T
		Ledger:	
		Actual Line	FAGLFLEX
Check Info	PAYR	Items	A
		Ledger: Plan	FAGLFLEX
		Line Items	P

## REAL TIME

Q) What is your system landscape?

A) We are having Development server – Quality server – Production server.

In Development server we are having Sand Box client, Development client, FUT (functional Unit test) client along with ABAP test client. In quality environment we are having Integrating test client, UAT Client. In production Server we are having pre-production client and Production client.

Actually ASAP methodology is a 5 phased methodology. Phases:

1) Project preparation, 2) Business blueprint, 3) Realisation phase, 4) Final Preparation and 5) Go-live and Support.

1) Project preparation: Here they formulate a detailed project plan, map system landscape, required hardware and infrastructure, project preparation area. The project and plan of approach are discussed here during the kick-off meeting.

2) Business blue print:

- Conducting work shops (By Consultants)
- Preparation of GAP analysis documents.
- Preparation of Configuration documents.
- Writing functional specification.
- Preparation of all Deliverable documents like BPML, BPP, BDD.

Q) Derivable Documents:

1) QADB: Question and Answer Data Base. It's a key tool/template which is used to collect the business requirements/inputs from the business team during your implementation project.

- 2) Base line configuration document: It's a document which covers complete business requirements needs to be configured in sap system.
- 3) GAP Analysis Documentation: In case if any client's business requirement is not suitable or fit into standard sap settings is called as a fitment gaps. In project preparation phase we identify gaps.
- 4) Business Process Procedures: BPP means List of transaction codes being used in your company. This helps us to prepare end user manuals.
- 5) End User Manuals: It's a training documents or reference documents for end users to post the documents or to execute the documents. SAP TUTOR and UPK (User Productivity Kit) are the tools I used to create recordings. We do it in Quality server.
- 6) BPML: Business Process Master List is a most important deliverable document in the 2nd phase of the road map. In BPML all the business scenarios, processes and transactions that have been included in the project scope are listed in excel sheet. Then the BPML will be used for monitoring and controlling, configuration and for the test cases execution in the realisation phase.
- 7) BDD: Business Design Document, the objective of the BDD is to document in detail the scope of business scenarios/processes and process steps of the implementation project from the business and technical prospective.
- Functional specifications (FS): It's a functional requirement document which includes objective of the development (business requirement), current business process, desired business functionality processing rules (development logic) and test scenarios.

What is the tool you have used for preparation of end user manual?

# UPK (User Productivity Kit).

## GAP 1

A) GAP@1:There is one GAP which I faced difficulty. We know the functionality of duplicate check right! What is the duplicate check? Whenever you post the transaction, the system will prevent you to post the transaction again and again in the normal transaction. When you are posting the transactions for your cross company code transactions, system doesn't restrict you to post the transaction again and again. So there will be so many payments. So many invoice documents will be there and there might be duplicate postings. That is the object.

How data of FI documents will be posted into SAP? Through manual feeding/excel feeding through LSMW and interfaces, these are the 3 ways. FI document means any vendor invoices, customer invoices, whenever posting cross company code transactions more than one

document repeatedly, system doesn't control to post the repeated document. This is the problem right! My client has multiple company codes under a legal entity. Whenever they do the business transactions of purchases or sales or some invoice postings within the company codes. In such case system based on OBYA customisation, accounting entry will be picked up. For this we have developed the object, we have customised one table with couple of fields. Fields which are mandatory in the custom table, like company code, vendor a/c no., invoice date, amount, once we have posted the document the data will go and sit in the table, when you are posting next time, if the same fields are repeating, so system will mark them as duplicate invoice. It won't be processed into SAP.

#### Realization phase

we start the configuration in the realisation phase, as per the business blueprint all the technical teams, technical development and functionality is done, then we can move these settings to quality system. There we test the Unit testing/integration testing/regression testing and we provide the training to the user and ask them to test all the scenarios. Once they accept the test (UAT), based on the signoff, we move all the requests from golden client to production client.

4) In Final Preparation I have involved in the cutover activities and done the testing then we start to upload all the master records and transactional data on the go live date.

#### What are the cut over activities you involved?

1. Uploading Master data (FI Related)  
GL Master, Vendor Master, Customer Master, Asset Master.
2. Uploading Transactional data.  
Vendor open items, Customer open items, Asset balances, GL balances.

#### What are the post go live activities?

1. Insure all the customizing request moved to production system.
2. Ensure that all number ranges for all the modules have been maintained in the production system.
3. Insure that operating concern has been generated.
4. Insure that all master data is loaded.
5. Insure that all transactional data is loaded.

#### PRE-REQUISITION:

1. We need to switch off the legacy system 3 / 4 days before go live.
2. Inform the business don't create purchase orders, sales orders, goods receipt etc.

- 
3. Need to create separate document types for uploading the balances ex: Vendor, Customers.
  4. Need to create some clearing accounts for data uploading.

**ENTRIES:**

GL (only Balance Sheet A/c's)

G/L A/c dr

    To G/L Uploading A/c

Customer:

Customer A/c (Not G/L)

    To Data take over A/c

Vendor:

Data take over A/c

    To Vendor A/c (Not G/L)

**How did you upload GL Balances, Vendor & Customer balances?**

- Through LSMW by using TC: FB01.

**How did you upload Asset Balances?**

- Through LSMW by using TC: AS91.

**Note:**

# Data take over a/c will become zero on upload of all the balances.

# When we upload legacy Asset balances it doesn't update to the GL Accounts.

**What is the transaction code to set / Reset the reconciliation a/c for Assets.**

- TC : OAMK.

**Q) During cutover how the Assets are uploaded?**

A) When we going live all the legacy balances should be moved to SAP. So, for Assets, first we need to bring the asset master data, keep all the fields as optional in depreciation screen layout (Menu > Environment > screen layout > Depreciation areas) and we use Tr.Code AS91 in LSMW, where asset master record will be created and also the legacy data (along with asset values) will be uploaded into sap. Legacy data means, the total acquisition value and as on the date when we are uploading the data what is the depreciation and net book value we upload on that date. Here also there are two scenarios, start of the fiscal year and mid of the fiscal year. In my scenario starting of the fiscal year it happened. At that time we have to take only balance sheet items, like gross book value of the asset (assets) and then accumulated depreciation (liabilities). If it is in the mid of the fiscal year, then we have to take two items P&L item & depreciation and once you have recorded the values in AS91, it won't directly hit the GL account. The integration between the FI-GL accounts and asset accounting will be configured in A090 (accounts are assigned there). Once you have recorded AS91, it will upload only the balances of the asset books, than you can go to asset explorer where all the values are updated for the assets but this amount won't hit the GL accounts. Then for to hit the GL account, we have to enter the values in Tr.Code OASV like Vehicle A/C Dr. 200000 to Accumulated Depreciation A/C Cr. 50000 to Data takeover A/C Cr. 150000. With this OASV Tr.Code you don't have to change the recon account status of the GL's in Tr.Code OAMK.

5) Go-live date is nothing but the date which we start entering postings into SAP.

- Move Transport request in to production system.
- Provide continuous Support.
- Involved post implementation support activities.

Total team strength: 18; FI team strength: 4 initially customization at testing phase another 2 members so total 6 members team. Two are working on projects, one on change request and one on incident wise, one on onsite coordinator etc.

**Q) What all work you did in your initial support and maintenance project:**

A) Presently I am providing Production Maintenance Support. I am involving in the day to day activities like solving the tickets whatever the end users are facing based on the incident management; I take up daily status calls to discuss internal challenges. Configuring the new settings to the existing system, configuring the system by new add-on requirements as per the process, maintain all the documentation as per the process and update the documents in the share drive and update the configuration documentation with the changes. Functional specifications for new reports and new add-on programs. These are the kind of the activities I have done in the support project. I also work on change requests; these are the level 3 and level 4 kind of activities. I prepare end user manuals and give training.

Ticketing tools Service now

**Q) What is the SLA in your project?**

A) If it's critical, then you must resolve in one hour. High: within one day. Medium: within 3 working days. Low: within 10 working days. Acknowledgement is if it's critical: 10 minutes. High: 1 hour. Medium and low: within 1 day.

**Change Request:** is change request management which means configuration changes. A request from user to make changes to the existing system in terms of new configuration activity or new development object is called change request. No impact CR and normal CR. In normal CR also there are 2 types i.e. base line CR and Capacity CR. Base line CR is less than 8 working days and Capacity CR is greater than 8 working.

**1Types of testing:**

Unit testing, Integration testing, Regression testing, Negative testing, User acceptance testing (UAT), Performance testing.

**Unit Testing:** It is nothing but a piece of testing. Means, where we perform testing for one object/transaction is called as a unit testing. E.g.: Create G/L master record, Post G/L document, delete cost element, etc.

**Integration testing:** It's a kind of testing where we conduct testing for more than one object/transaction is called an integration testing. E.g.: PTP cycle (procure to pay/FI to MM process), OTC (order to cash/FI to SD process), Automatic payment program (APP), etc.

**Q) Where do you conduct unit testing and integration testing?**

A) Unit testing is performed in development server in golden test client (in realization phase).

Integration testing is performed in quality server (in final phase).

**Q) What is the tool that you have used for testing in your company?**

A) HPQC (HP Quality Center). Version11

**3)Regression Testing:** When we develop / configure any new objects perform testing for existing object to check whether impacted / not is called regression testing.

Ex: New Company code & Old Company code.

When we configure settings for new company code perform testing for New Company code.

**4)User Acceptance Testing:**

Perform the testing by user to check whether this object is working properly or not.

**5)Negative Testing:** Perform the testing with Negative values.

Ex: - Test A/R Perform testing with A/P Transaction codes.

If we develop any program for any specific company code, perform the testing the object with another company code.

**6)Performance Testing:** This Performance testing has to be performed by BASIS team, to check the system performance and to specify the time limit for execution of programs.

## **DUNNING IN SAP FICO**

### **Description:**

In a simple Terminology Dunning means a Reminder Notice Which issued to Customer from Accounting dept for the Outstanding/Due balances. It helps in Reminding the customer to make payment which he misses on due date. SAP Has this program in T-Code FBMP, An FICO Consultant can configure all the steps to Run this program through the above T-code.

### **Invoices/Documents covered in Dunning:**

- Accounts Receivable Invoices Standard (Customer invoice)
- Accounts Receivable Invoices Partially Paid
- Invoices which include installments
- A/R Credit Memos
- Incoming Payments Which Not based on Invoices (Vouchers)

## SAP Configuration Steps:

### 1. Create Dunning Keys

We define dunning keys in this step. Dunning keys limits the dunning level of an item.

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Basic Setting for Dunning > Define Dunning Keys

Display IMG	
Structure	Additional information
Existing BC Sets	
BC Sets for Activity	
Activated BC Sets for Activity	
Release Notes	
Structure	Additional information
Accounts Receivable and Accounts Payable	
Customer Accounts	
Vendor Accounts	
Business Transactions	
Incoming Invoices/Credit Memos	
Release for Payment	
Outgoing Payments	
Outgoing Invoices/Credit Memos	
Incoming Payments	
Payments with Payment Cards	
Dunning	
Basic Settings for Dunning	
Define Dunning Areas	SIMG_CFMENUURFB0B61
<b>Define Dunning Keys</b>	<b>SIMG_CFMENUURFB0B17</b>
Define Dunning Block Reasons	SIMG_CFMENUURFB0B18
Dunning Procedure	
Printout	
Generate List for Dunning Program Configuration	SIMG_CFMENUURFB0BL6

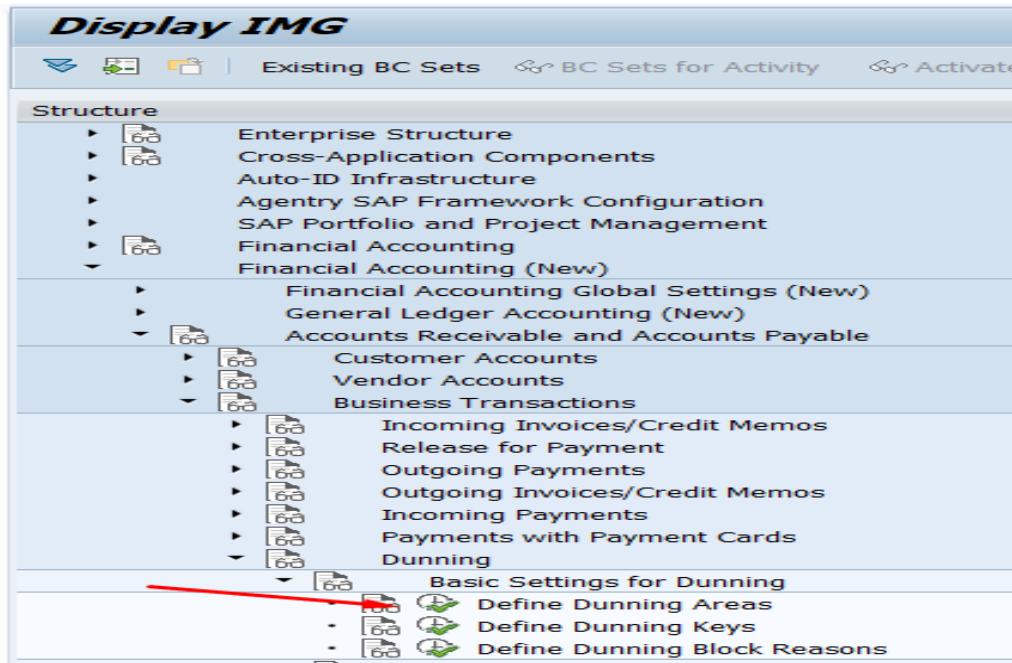
**Change View "Dunning Keys": Overview**

The screenshot shows a SAP application window titled "Change View 'Dunning Keys': Overview". At the top, there is a toolbar with several icons. Below the toolbar is a table with three columns: "Dunn.key", "Print sep", and "Text". The table contains the following data:

Dunn.key	Print sep	Text
1	<input type="checkbox"/>	Triggers maximum dunning level 1
2	<input type="checkbox"/>	Triggers maximum dunning level 2
3	<input type="checkbox"/>	Triggers maximum dunning level 3
4	<input checked="" type="checkbox"/>	PAYMENT HAS BEEN SUCCESFUL MADE, SEPARATE LINE IT
5	<input type="checkbox"/>	MAXIMUM DUNNING LEVEL 5 FOR RA94
K	<input type="checkbox"/>	MAXIMUM DUNNING LEVELS 4 FA99
S	<input type="checkbox"/>	dunning key for sathsih max 4 levels
V	<input checked="" type="checkbox"/>	DUNNING MAXIMUM LEVELS 4
Z	<input checked="" type="checkbox"/>	Payment has been made, separate item display

## 2. Define Dunning Area: T-Code OB61

Path: *IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Basic Setting for Dunning > Define Dunning Area*



The image consists of two vertically stacked screenshots of the SAP Fiori interface.

**Screenshot 1: Change View "Dunning Areas": Overview**

- Header:** "Change View 'Dunning Areas': Overview".
- Toolbar:** Includes icons for New Entries (highlighted with a red box), Save, Undo, Redo, Copy, Paste, and Delete.
- Table:**

Co...	Area	Text
0001		Default dunning area
0005 01		Domestic vendors
0005 02		Foreign vendors

**Screenshot 2: New Entries: Overview of Added Entries**

- Header:** "New Entries: Overview of Added Entries".
- Toolbar:** Includes icons for New Entries, Save (highlighted with a red arrow), Undo, Redo, Copy, Paste, and Delete.
- Table:**

Co...	Area	Text
fa99 FA	Dun	DUNNING AREA FA
Company Code	Area	Description

### 3. Define Dunning Procedures:

To create Dunning text, Dunning level, Dunning Charges and then to assign Company code in the dunning procedure. T-Code FBMP

**Path:** *IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure*

Display IMG	
Structure	Additional information
Business Transactions	
Incoming Invoices/Credit Memos	
Release for Payment	
Outgoing Payments	
Outgoing Invoices/Credit Memos	
Incoming Payments	
Payments with Payment Cards	
Dunning	
Basic Settings for Dunning	
Define Dunning Areas	SIMG_CFMENUORFB0B61
Define Dunning Keys	SIMG_CFMENUORFB0B17
Define Dunning Block Reasons	SIMG_CFMENUORFB0B18
Dunning Procedure	
Define Dunning Procedures	SIMG_CFMENUORFBFBMP
Define Dunning Groupings	SIMG_CFMENUORFB0BAQ
Define Interest Rates	SIMG_CFMENUORFB0B42
Known/Negotiated Leave	
Printout	
Generate List for Dunning Program Configuration	SIMG_CFMENUORFB0BL6
Open Item Clearing	
Down Payment Received	
Down Payment Made	
Bills of Exchange	
Internal Transfer Posting	

Maintain Dunning Procedure: List	
Choose	New procedure
Procedure	Name
0001	Four-level dunning, every two weeks
0002	Four-level dunning, every month
0003	Payment reminder, every two weeks
1001	Dunning Procedure for 1001 Cyinet

#### 4. Create Dunning Interval in days to Dunning Procedures

We determine at which intervals the allocated accounts are to be dunned for every dunning procedure. During every dunning run, the system then checks whether the run date is at least this number of days (14 days) since the date of the last dunning run.

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure

T-code: FBMP

**Maintain Dunning Procedure: Overview**

Dunning levels	Charges	Minimum amounts	Dunning texts	Sp. G/L indicator
Dunn.Procedure	DN01			
Name	DUNNING PROCEDURE DN01			
<b>General data</b>				
Dunning Interval in Days	10			
No.of dunning levels	4			
Total due items from dunning level				
Min.days in arrears (acct)				
Line item grace periods	3			
Interest indicator				
Public hol.cal.ID				
<input checked="" type="checkbox"/> Standard transaction dunning				
<input type="checkbox"/> Dun special G/L transactions				
<input type="checkbox"/> Dunning Even for Credit Account Balance				
<b>Reference data</b>				
Ref.Dunning Procedure for Texts				

## 5. Define Dunning Charges to Dunning Procedures - FBMP

Here we add the dunning charge as per the dunning level. This is like an administration charge to dun the customer. Currency INR Will be assigned during adding the dunning charge

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure

In the Dunning procedure screen, click “Charges” button to add charges

**Maintain Dunning Procedure: Overview**

Dunning levels	Charges	Minimum amounts	Dunning texts	Sp. G/L indicator
Dunn.Procedure	FA99			
Name	DUNNING PROCEDURE DEFINED FOR FA99			
Enter your search term				
<b>General data</b>				
Dunning Interval in Days	10			
No.of dunning levels	4			
Total due items from dunning level				
Min.days in arrears (acct)				
Line item grace periods	3			
Interest indicator	01	Standard itm int.cal		
Public hol.cal.ID				
<input checked="" type="checkbox"/> Standard transaction dunning				
<input checked="" type="checkbox"/> Dun special G/L transactions				
<input checked="" type="checkbox"/> Dunning Even for Credit Account				
<b>Reference data</b>				
Ref.Dunning Procedure for Te				

**Dunning Charges**

Currency	INR	<input type="button" value=""/>
<input checked="" type="checkbox"/> <input type="checkbox"/>		

## Maintain Dunning Procedure: Charges

Dunning levels   Minimum amounts   Dunning texts  

Dunn.Procedure **FA99**

DUNNING PROCEDURE DEFINED FOR FA99			
Enter your search term			
<b>Charges</b>			
Dunn.Level	From Dunn. Amt	Dunn.charge	Dunn.chrge %
<b>1</b>		100,00	INR
2		200,00	INR
3		300,00	INR
4	Charges	400,00	INR

Dunning levels   Charges   Minimum amounts   Dunning texts   **Sp. G/L indicator**

Dunn.Procedure **LENV**  
Name **LENOVO DUNNING PROCEDURE**

**General data**

- Dunning Interval in Days **18**
- No.of dunning levels **4**
- Total due items from dunning level **1**
- Min.days in arrears (acct) **1**
- Line item grace periods **3**
- Interest indicator **1**
- Public hol.cal.ID **1**
- Standard transaction dunning
- Dun special G/L transactions

**Reference data**

Ref.Dunning Procedure for **TE**

**Company Code/Account Type**

Company code	<b>LENV</b>	
Account type		
<input checked="" type="radio"/> Customer		
<input type="radio"/> Vendor		

## Maintain Dunning Procedure: Company code data

New company code 

Company code	Dunning by dunning area	Separate notice per dunning level	Ref.comp.code for texts
0001	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0001
0005	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
0006	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	3000
0007	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
0008	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	3000
0100	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5000
0110	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5000
1000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
2000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2000
2100	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2000
2200	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2201	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2300	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2400	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2500	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2700	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2900	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
3000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

**New Company Code**

Company Code **LENV** 

1000  
3000

## Maintain Dunning Procedure: Company code data

New company code 

Company code	Dunning by dunning area	Separate notice per dunning level	Ref.comp.code for texts
LENV	<input type="checkbox"/>	<input checked="" type="checkbox"/>	LENV
LGIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	LGIN
R100	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
S300	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	3000
SL01	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	3000
TR00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
TR01	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
TR02	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1000
ZA01	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2000

## 6. Define Minimum Amounts to Dunning Procedures

Minimum Amount are customized to charge the administration charge to customer with reference to dunning level

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure. Tcode: **FBMP**

Choose the Dunning procedure, click “Choose” Button, and choose “Minimum amounts” button

**Maintain Dunning Procedure: Minimum amounts**

Dunning levels	Charges	Dunning texts			
Dunn.Procedure	FA99				
Name	DUNNING PROCEDURE DEFINED FOR FA99				
Minimum amounts					
Dun	Minimum amnt	Min.Percent.	NoRed.	Min.amt for interest	
1	50,00		<input type="checkbox"/>	50,00	INR
2	75,00		<input type="checkbox"/>	75,00	INR
3	100,00		<input type="checkbox"/>	100,00	INR
4	125,00		<input type="checkbox"/>	125,00	INR
			<input type="checkbox"/>		

## 7. Assign Dunning Texts and forms to Dunning Procedures

To Specify dunning forms, click Dunning Texts and assign the required forms for the dunning text with reference to dunning Level.

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure

**Maintain Dunning Procedure: Dunning texts**

Dunning levels	Charges	Minimum amounts			
Dunn.Procedure	FA99				
Name	DUNNING PROCEDURE DEFINED FOR FA99				
Company Code	FA99	FAST&FURIOUS MOTORS			
Account Type	D	Customer			
Dun	Area	Form	List name	adv.	Form ID
<b>Normal dunning procedure</b>					
1		F150_BE_DUNN_01		<input type="checkbox"/>	<input type="checkbox"/>
2		F150_BE_DUNN_01		<input type="checkbox"/>	<input type="checkbox"/>
3		F150_BE_DUNN_02		<input type="checkbox"/>	<input type="checkbox"/>
4		F150_BE_DUNN_02		<input checked="" type="checkbox"/>	<input type="checkbox"/>

## 8.Define Dunning level to Dunning Procedures

Click the dunning levels and input days in Arrears for each dunning levels.

Select Always Dun in legal dunning proc for not missing any dunning notices.

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure

Tcode: FBMP

Choose the Dunning procedure, click “Choose” Button, and choose “Dunning Levels” button

**Maintain Dunning Procedure: Dunning levels**

Charges	Minimum amounts	Dunning texts			
Dunn.Procedure	<b>FA99</b>				
Name	DUNNING PROCEDURE DEFINED FOR FA99				
Dunning level	1	2	3	4	
Days in arrears/interest					
Days in arrears	<b>3</b>	13	23	33	
Calculate interest?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Print parameters					
Always dun?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Print all items	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Payment deadline	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Legal dunning procedure					
<input checked="" type="checkbox"/> Always dun in legal dunning proc.					

## 9. Assign Special indicator to Dunning Procedures

In this step, we have assigned Special Indicator Reserve for Bad Debt to dunning Procedure.

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Dunning Procedure > Define Dunning Procedure

Tcode: FBMP

Choose the Dunning procedure, click “Choose” Button, and choose “Sp. GL indicator” button

**Maintain Dunning Procedure: Overview**

Dunning levels	Charges	Minimum amounts	Dunning texts	<b>Sp. G/L indicator</b>	
Dunn.Procedure	<b>FA99</b>				
Name	DUNNING PROCEDURE DEFINED FOR FA99				
General data					
Dunning Interval in Days	<b>10</b>				
No.of dunning levels	<b>4</b>				
Total due items from dunning level	<input type="checkbox"/>				
Min.days in arrears (acct)	<input type="checkbox"/>				
Line item grace periods	<b>3</b>				
Interest indicator	<b>01</b>	Standard itm int.cal			
Public hol.cal.ID	<input type="checkbox"/>				
<input checked="" type="checkbox"/> Standard transaction dunning					
<input checked="" type="checkbox"/> Dun special G/L transactions					
<input checked="" type="checkbox"/> Dunning Even for Credit Account Balance					
Reference data					
Ref.Dunning Procedure for Texts	<b>FA99</b>	DUNNING PROCEDURE DEFINED FOR FA99			

**Maintain Dunning Procedure: Special G/L indicator**

Choose

Dunn. Procedure **FA99** Choose/Click the following highlighted Boxes

Name DUNNING PROCEDURE DEFINED FOR FA99

<b>Customers</b>	<b>Vendors</b>
<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 Client Funds <input type="checkbox"/> 6 Client Funds Named Account <input type="checkbox"/> 9 reaservation <input checked="" type="checkbox"/> A Down payment <input type="checkbox"/> B Bill of exchange receivable <input type="checkbox"/> C IS-RE Rent deposit <input type="checkbox"/> D Prepaid Transportation Expense <input type="checkbox"/> E Reserve for bad debt <input checked="" type="checkbox"/> F Down payment request <input type="checkbox"/> G Guarantee <input type="checkbox"/> H Security deposit <input type="checkbox"/> I BR: Vendor Operation	<input type="checkbox"/> 3 <input checked="" type="checkbox"/> A Down payment on current assets <input type="checkbox"/> B Financial assets down payment <input type="checkbox"/> D Discount <input type="checkbox"/> E Unchecked invoice <input checked="" type="checkbox"/> F Down payment request <input type="checkbox"/> G Guarantee received <input type="checkbox"/> H Security deposit <input type="checkbox"/> I Intangible asset down payment <input type="checkbox"/> M Tangible asset down payment <input type="checkbox"/> O Amortization down payment <input type="checkbox"/> P Payment request <input type="checkbox"/> S Check/bill of exchange <input type="checkbox"/> V Stocks down payment <input type="checkbox"/> W Bill of exch. (rediscountable) <input type="checkbox"/> X Trip advance

## 10. Assign Dunning Procedure to Customer:

Now the action is to assign Dunning procedure to Respective customer, This is the mandatory step to be performed for maintaining dunning.

T-Code XD02/FD02

**Change Customer: General Data**

Other Customer Company Code Data CIN Details Additional Data, Empties Additional Data, DSD Sales Area Information, I

Customer **106** Click on Company code data tab  
RAFI ENTERPRISE

Address Control Data Payment Transactions Marketing Unloading Points Export Data Contact Person

Preview Internat. versions

Name	Company
Title	RAFI ENTERPRISE
Name	

**Change Customer: Company Code Data**

Customer 106 RAFI ENTERPRISE  
Company Code FA99 FAST&FURIOUS MOTORS

In correspondence option specify Dunn Procedure

Account Management Payment Transactions Correspondence **Insurance** Withholding Tax

Dunning data

Dunn.Procedure	FA99
Dunn.recipient	
Last dunned	23.12.2021
Dunning clerk	
Dunning block	
Leg.dunn.proc.	
Dunning level	1
Grouping key	
Dunning areas..	

## Posting Invoices :

Now Post one or more customer invoices to for respective customers to whom we actually assigned the dunning procedure in earlier step. T-Code FB70

**Enter Customer Invoice: Company Code FA99**

Transactn Invoice

Basic data Payment Details Tax Withholding...

Customer 106 SGL Ind  
Invoice date 01.02.2022 Reference DUN1  
Posting Date 01.02.2022  
Cross-CC no.  
Amount 75.000,00 INR Calculate tax  
Tax amount  
Bus.place/sectn /  
Text DUNNING TEST CR INVOICE  
Paymt terms Due immediately  
Baseline Date 01.02.2022

Bal. 0,00 Customer  
Address  
Company  
RAFI ENTERPRISE  
INDIA

OIs  
Bank data: not available

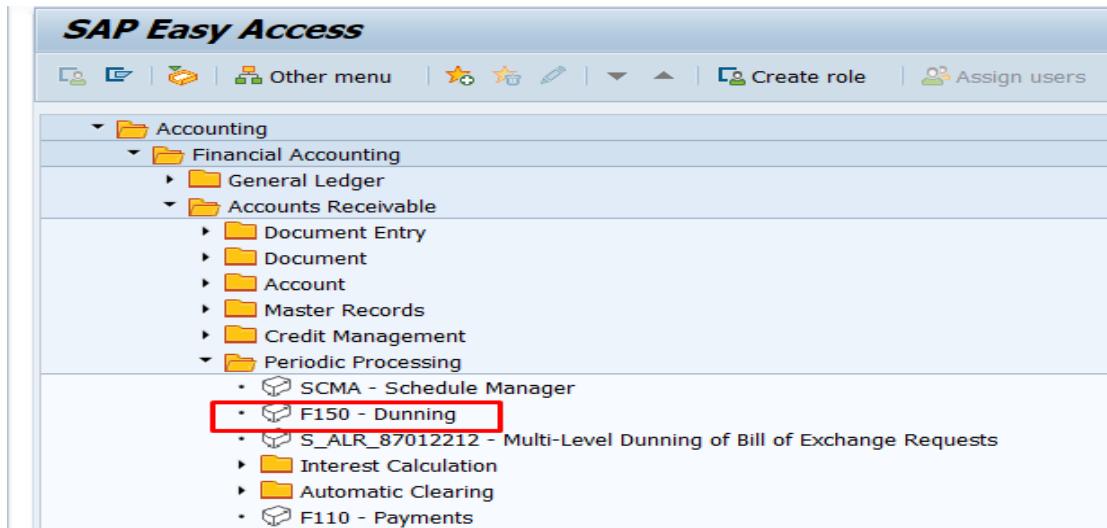
1 Items ( No entry variant selected )

S...	G/L acct	Short Text	D/C	Amount in doc.curr.	Loc.curr.amount	T...	Tax jurisdicn c...	V	Assignment
	300000	SALES ACC...	Cred...	75.000,00	75.000,00				
			Cred...		0,00				
			Cred...		0,00				

## Run Dunning: T-Code-F150

Here we can run dunning to generate notices. Its a End user activity

Path : SAP Easy Access> Accounting>Accounts Receivables>Periodic Processing> Dunning-F150



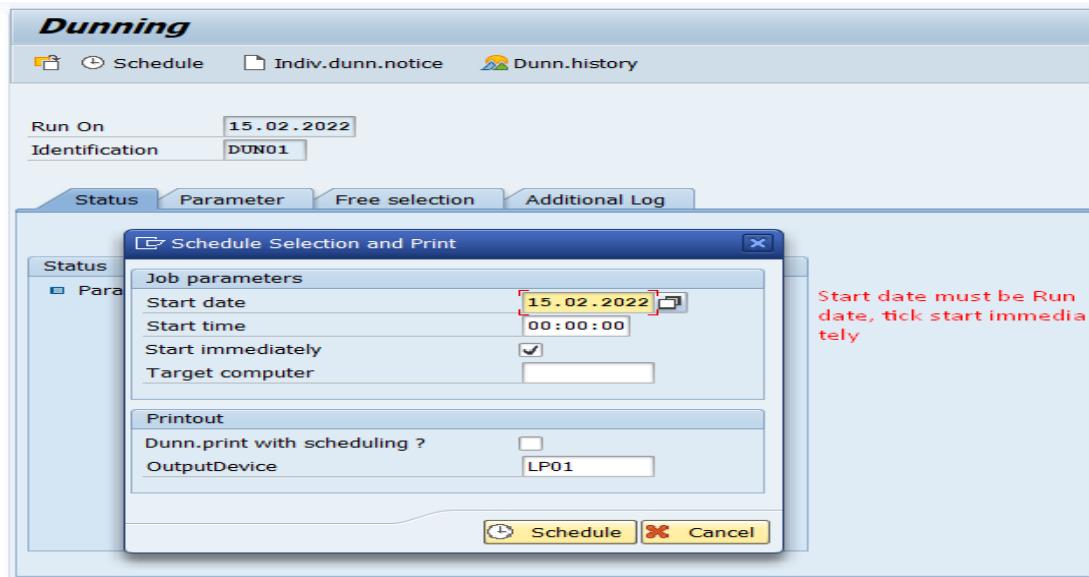
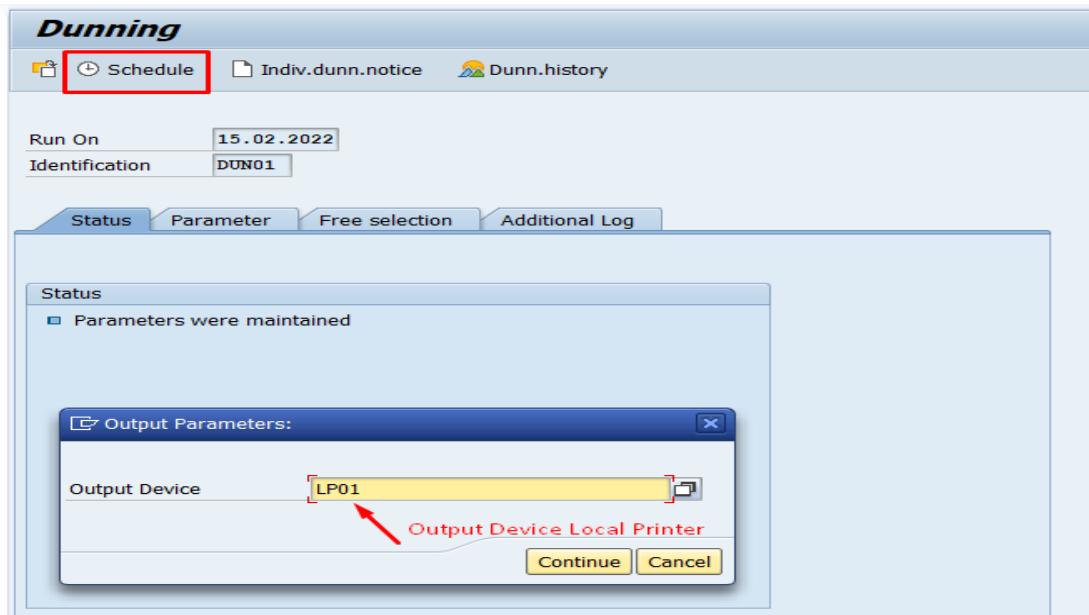
### Dunning: Parameters

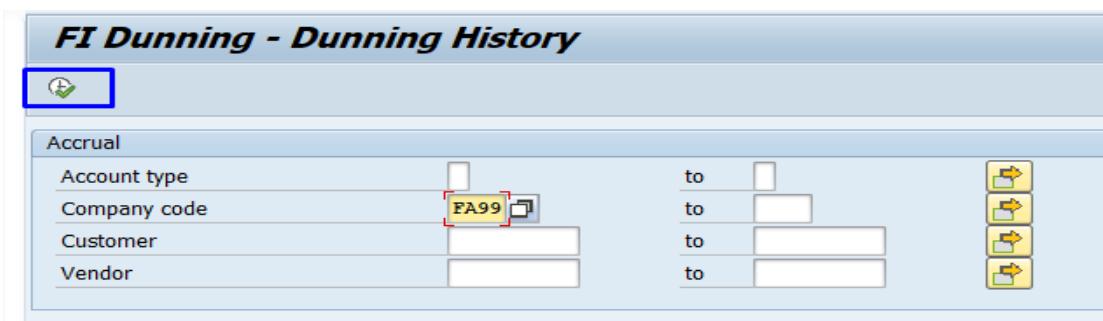
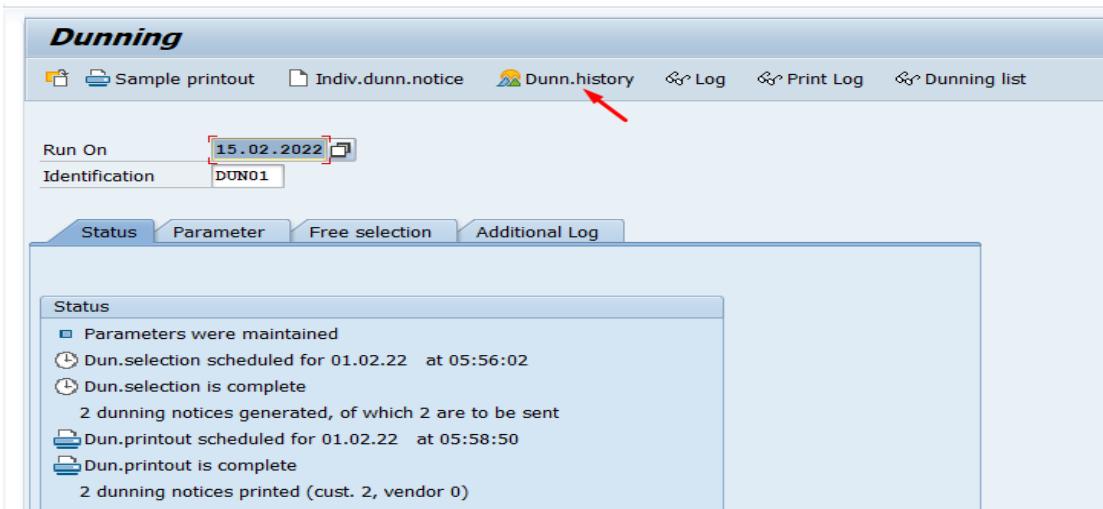
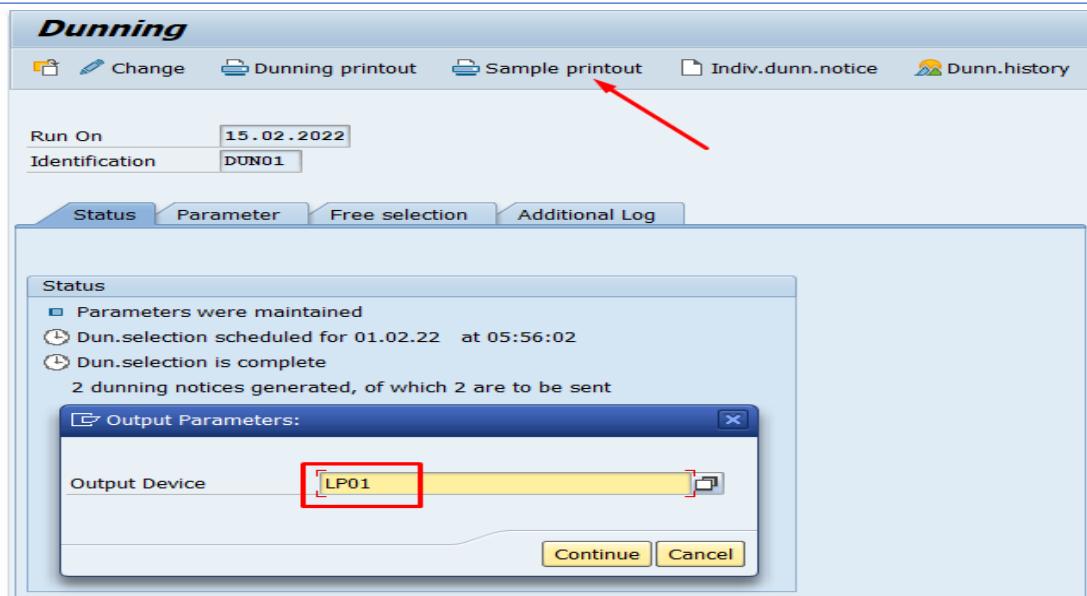
Indiv.dunn.notice Dunn.history

Run On: 15.02.2022  
Identification: DUN01

Status Parameter Free selection Additional Log

Date	
Dunning date	15.02.2022
Docmnts posted up to	01.02.2022
Company Code	
Company Code	FA99
Customer	106
Vendor	





**FI Dunning - Dunning History**

Display dunning notice Choose

IDES-ALE: Central FI Syst  
Frankfurt - Deutschland

Dunn.history

Time 19:31:39 Date 01.02.2022  
RFMAHN20/USER9 Page 1

Comp. Acct typ Account

Run Date	ID	Print Date	Dun. date	Leg.dun.pr	Procedure	Sort field	CPD	Area	Dun	Due items	Crcy
FA99	D	106							1	75.000,00	INR
15.02.2022	DUN01	01.02.2022	15.02.2022		FA99				2	55.000,00	INR
15.02.2022	DUN01	01.02.2022	15.02.2022		FA99				1	55.000,00	INR
23.12.2021	FRUN1	23.12.2021	23.12.2021		FA99						

**FI Dunning - Dunning History**

Display dunning notice Choose

IDES-ALE: Central FI Syst  
Frankfurt - Deutschland

Dunn.history

Time 19:31:39 Date 01.02.2022  
RFMAHN20/USER9 Page 1

Comp. Acct typ Account

Run Date	ID	Print Date	Dun. date	Leg.dun.pr	Procedure	Sort field	CPD	Area	Dun	Due items	Crcy
FA99	D	106							Dunning level		
15.02.2022	DUN01	01.02.2022	15.02.2022		FA99				1	75.000,00	INR
15.02.2022	DUN01	01.02.2022	15.02.2022		FA99				2	55.000,00	INR
23.12.2021	FRUN1	23.12.2021	23.12.2021		FA99				1	55.000,00	INR

**FI Dunning - Dunning History**

Display Dunning Notice

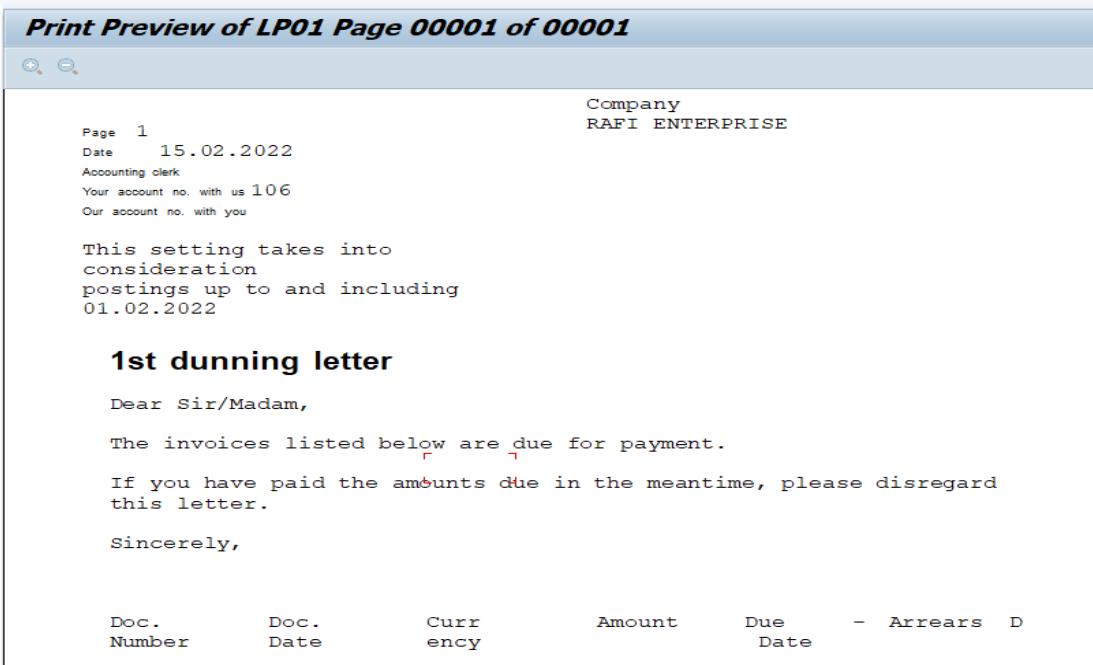
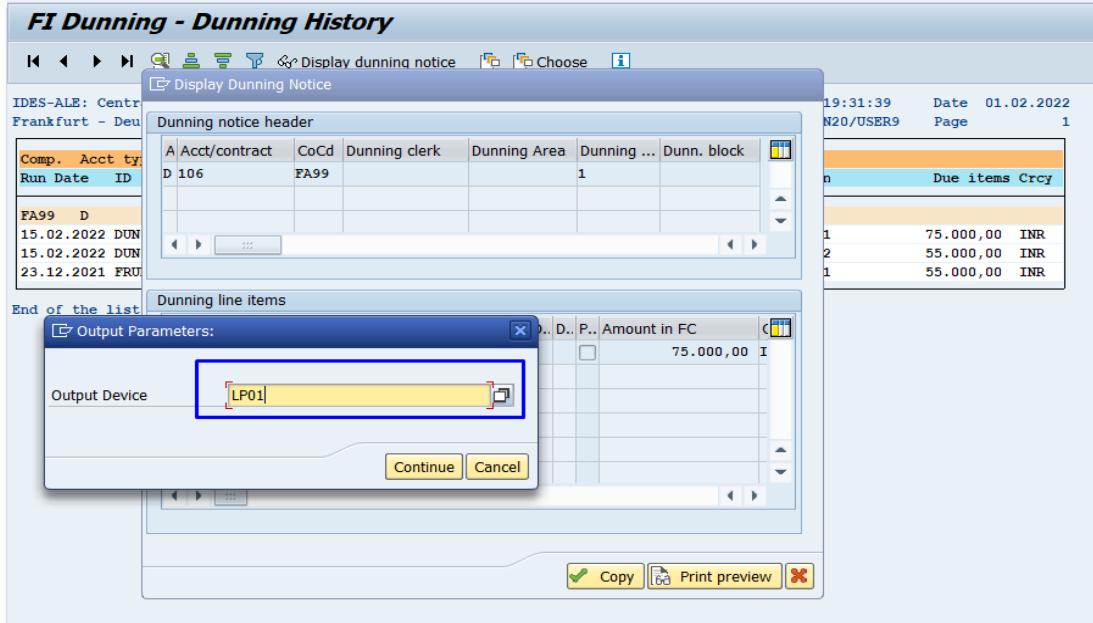
Dunning notice header

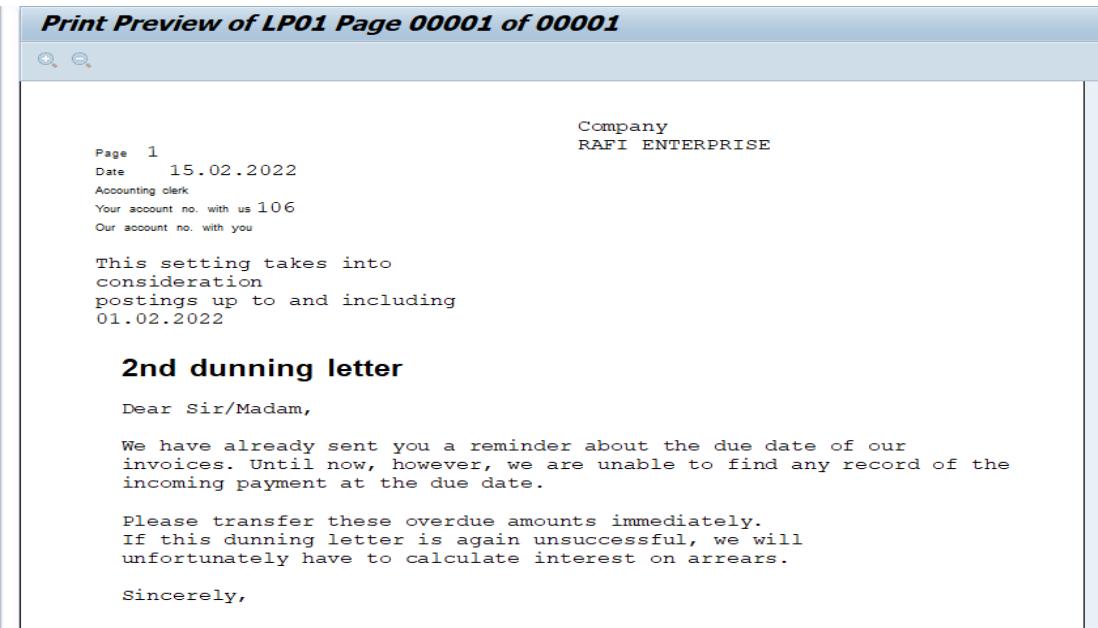
Acct/contract	CoCd	Dunning clerk	Dunning Area	Dunning ...	Dunn. block
FA99				1	

Dunning line items

Co...	Document...	Fis...	Li...	Net due d...	Net ...	O...	D...	P...	Amount in FC
FA99	3009	2021	1	01.02.2022	14	0	1		75.000,00

Copy Print preview





## Define Block reason for Dunning Notices

This is step, to define the reasons for a dunning block under a key. The key can be entered in an item or in the account of a customer master. Blocked items or accounts are not considered for the dunning run

Path: IMG > Financial Accounting (New) > Account Receivable and Account Payable > Business Transactions > Dunning > Basic Setting for Dunning > Define Dunning Block Reasons

Tcode: **N/A**

## **ASSET UNDER CONSTRUCTION END TO END PROCESS**

Assets under Construction (AUC) are a special form of tangible assets. They are usually displayed as a separate balance sheet item, requiring separate account determination and their own asset classes. During the construction phase of an asset, all actual postings are assigned to the AUC. Once the asset is completed, a transfer is made to the final fixed asset.

Internal orders are used to capture the costs of AUC during the construction phase. Once the AUC is completed, the final asset is created in the appropriate asset class, and the internal order is set to complete. The next settlement transfers the AUC asset value to the completed asset.

## Asset Under Construction Process

## Asset Acquisition for Constructed Assets (External Procurement)

- Create Assets
- Posting the Closing Invoice
- Define Distribution Rules for Asset Under Construction
- Settle Asset under Construction

### Asset Acquisition for Constructed Asset (Investment Orders)

- Creating Investment Order
- Releasing Investment Order
- Accounts Payable – Posting Invoice to Investment Order
- Monitoring Order Progress
- Asset under Construction Settlement (collective processing)
- Creating Assets for Complete AUC Settlement
- Maintaining Settlement Rule for Final Settlement
- Final Settlement of the Investment Order (Collective Processing)
- Completion of Investment Order

**Create Asset: Master data**

Asset values

Asset	INTERN-00001	0	AUC - LAB VIEW SOFTWARE
Class	4000	Auc	Company Code 1710

General Time-dependent Origin Deprec. Areas

**General data**

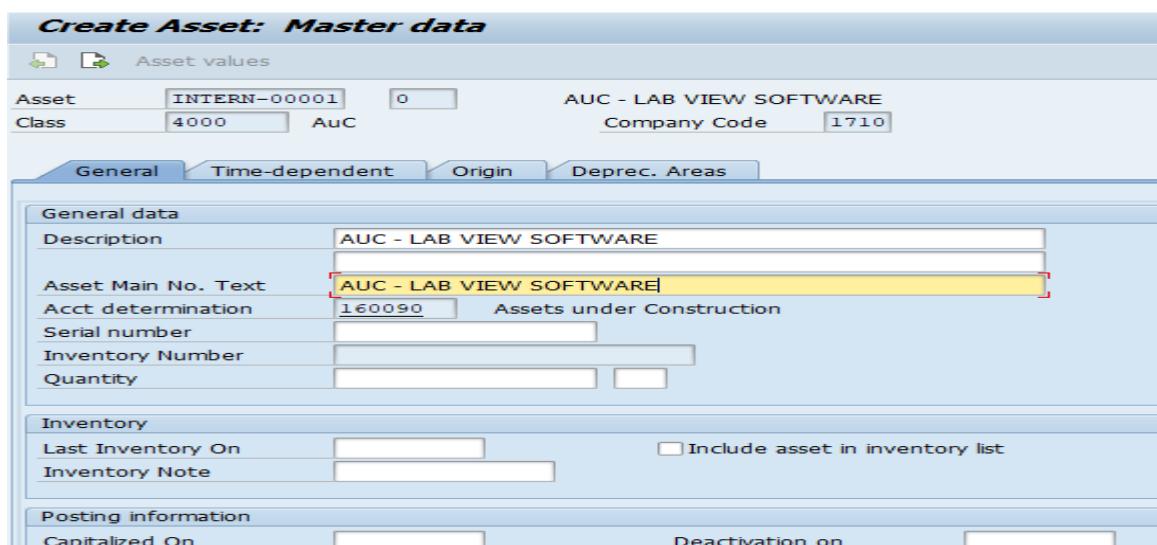
Description	AUC - LAB VIEW SOFTWARE
Asset Main No. Text	AUC - LAB VIEW SOFTWARE
Acct determination	160090 Assets under Construction
Serial number	
Inventory Number	
Quantity	

**Inventory**

Last Inventory On		<input type="checkbox"/> Include asset in inventory list
Inventory Note		

**Posting information**

Capitalized On		Deactivation on	
----------------	--	-----------------	--



- 1.1 CREATE ASSETS – ASSET UNDER CONSTRU

**Change Asset: Master data**

Asset	400000	0	AUC - LAB VIEW SOFTWARE
Class	4000	AuC	Company Code 1710

General Time-dependent Origin Deprec. Areas

**Valuation**

Deact	A..	Depreciation area	DKey	UseLife	Prd	ODep Start
<input type="checkbox"/>	01	Book Deprctn	Y000	<input type="text"/>	0	0
<input type="checkbox"/>	31	LocGAAPGrCry	Y000			
<input type="checkbox"/>	32	IFRS loc cur	Y000			
<input type="checkbox"/>	33	IFRS grp cur	Y000		0	0
<input type="checkbox"/>	90	ACRS/MACRS	Y000			
<input type="checkbox"/>	91	ALT MIN	Y000			
<input type="checkbox"/>	92	ACE	Y000			
<input type="checkbox"/>	93	E&P	Y000			

**Create Asset: Initial screen**

Master data	Depreciation areas
Asset Class	4000
Company Code	1710
Number of Similar Assets	1
<b>Reference</b>	
Asset	<input type="text"/>
Sub-Number	<input type="text"/>
Company Code	<input type="text"/>
Post-capitalization <input type="checkbox"/>	

The asset 400000 0 is created

## 1.2 Create Assets – for Final Settlement

**Create Asset: Master data**

Asset values

Asset	INTERNAL-00001	0
Class	2000	Machinery Equipment
		Company Code 1710

General Time-dependent Allocations Origin Net Worth Tax Leasing Deprec. Areas

**General data**

Description	LAB VIEW SOFTWARE	
Asset Main No. Text	LAB VIEW SOFTWARE	
Acct determination	160020	Machinery and Equipment
Serial number		
Inventory Number		
Quantity		
<input type="checkbox"/> Manage Historically		

**Inventory**

Last Inventory On		<input checked="" type="checkbox"/> Include asset in inventory list
Inventory Note		

**Posting information**

**Create Asset: Master data**

Asset values

Asset	INTERNAL-00001	0	LAB VIEW SOFTWARE
Class	2000	Machinery Equipment	Company Code 1710

General Time-dependent Allocations Origin Net Worth Tax Leasing Deprec. Areas

**Valuation**

Deact	A..	Depreciation area	DKey	UseLife	Prd	ODep Start
<input type="checkbox"/>	01 Book Deprctn	YS11		10		
<input type="checkbox"/>	31 LocGAAPGrCry	YS11		10	0	
<input type="checkbox"/>	32 IFRS loc cur	YS11		8		
<input type="checkbox"/>	33 IFRS grp cur	YS11		8	0	
<input type="checkbox"/>	90 ACRS/MACRS	Y200		7		
<input type="checkbox"/>	91 ALT MIN	Y150		7		
<input type="checkbox"/>	92 ACE	Y150		7		
<input type="checkbox"/>	93 E&P	YS15		10		

We have created two asset master records, one Asset under Construction and one for the final settlement.

### 1. 3 Posting the Closing Invoice – Acquisition without order – FB01

In this step, you post the acquisition from purchase with vendor.

**Enter Vendor Invoice: Correct Vendor item**

More data Account Model G/L item fast entry Taxes Withholding tax

Vendor	17300090	Domestic US Supplier 90 (Ariba FIN)	G/L Acc	21100000
Company Code	1710	300 E Reache Street		
Company Code	1710	El Dorado		
Item 1 / Invoice / 31				
Amount	25.000,00	USD		
Tax Amount				
Payt terms	NT45	Tax code	IO	
Bline Date	19.07.2017	Days/percent	45	/ / /
CD Base		Fixed		
Amount is calculated				
Pmnt block		CD Amount		
Payment cur.		Invoice Ref.		
Assignment		Payt Method		
Text: Acquisition without order <a href="#">Long Texts</a>				
Next line item				
PstKy	70	Account	400000-0	SGL Ind TType 100 New Co.Code

**Enter Vendor Invoice: Display Overview**

Display currency Park document Account Model G/L item fast entry Taxes Asset Accounting

Document Date	19.07.2017	Type	KR	Company Code	1710
Posting Date	19.07.2017	Period	7	Currency	USD
Document Number	INTERNAL	Fiscal Year	2017	Translation dte	19.07.2017
Reference	ASSET ACQUIS			Cross-CC Number	
Doc.Header Text				Trading part.BA	
Items in document currency					
PK	BusA	Acct	USD	Amount	Tax amnt
001	31	0017300090 Domestic US Supplie	25.000,00-		IO
002	70	0016014000 000000400000 0000	25.000,00		

**Display Document: Data Entry View**

Display Currency General Ledger View Asset Accounting

Data Entry View

Document Number	1900000013	Company Code	1710	Fiscal Year	2017
Document Date	19.07.2017	Posting Date	19.07.2017	Period	7
Reference	ASSET ACQUIS	Cross-Comp.No.			
Currency	USD	Texts Exist	<input type="checkbox"/>	Ledger Group	

Co...	Itm	PK	S	Account	Description	Amount	Curr.	Tx
1710	1	31		17300090	Domestic US Supplier 90...	25.000,00-	USD	IO
	2	70		16014000	000000400000 0000	25.000,00	USD	

## 1.4 Define Distribution Rules for Asset Under Construction AIAB

In this process step, you maintain the settlement rules for the Asset under Construction created in the previous steps.

**Settlement AuC: Initial screen**

Company Code: 1710  
Asset: 400000  
Sub-number: 0

Layout: ISAP

**Settlement AuC: Line item list**

Company code: 1710  
Asset: 400000  
Sub-number: 0

AUC - LAB VIEW SOFTWARE

Status	DRG	Assign.	DocumentNo	Doc..Date	TType	AssetValDate	Σ	Amount
OK			19000000014	19.07.2017	100	19.07.2017	25.000,00	
OK			70000000011		100		25.000,00	= 50.000,00

**Maintain Settlement Rule: Overview**

Fixed asset: 400000  
Actual settlement

Distribution rule group 1

Cat	Settlement Receiver	Receiver Short Text	%	Equivalence No.	No.	S...	Fro...
CTR	101301	Manufacturing 1 (US)	10,00		1		
FXA	200021-0	LAB VIEW SOFTWARE	90,00		2		

**Maintain Settlement Rule: Distribution Rules**

**Settlement Sender**

Fixed asset  0 AUC - LAB VIEW SOFTWARE  
Company Code

Actual settlement  
Distribution rule group 1

**Settlement Receiver**

Asset    
Cost Center

**Distribution Rule**

Number  Valid From  to   
Percent   
Equivalence No.   
Strategy

**Settlement AuC: Line item list**

Status	DRG	Assign.	DocumentNo	Doc..Date	TType	AssetValDate	Σ	Amount
OK	1		1900000014	19.07.2017	100	19.07.2017	25.000,00	
OK	1		7000000011		100		25.000,00	
<b>= 50.000,00</b>								

Distribution rules saved

You have maintained the rules for the settlement. The execution of the settlement is part of the periodic processing.

### 1.5 Settle Asset under Construction – AIBU

With the execution of this step, Assets under Construction are settled according to their settlement rules. Note Under certain conditions, you may need to capitalize an asset under construction before all suppliers have presented their closing invoices. This can cause a few difficulties, especially if the closing invoice cannot be posted until the fiscal year following the capitalization of the asset under construction, and down payments were already posted to the asset under construction.

Initially, you post the down payment normally. If you then need to capitalize the asset under construction at the end of the fiscal year, but before the closing invoice is received, you post reserves for the total amount of the expected invoice. You post these reserves directly to the capitalized asset (external acquisition with vendor, transaction type 100). In the case where you plan to distribute the values from the asset under construction to several final assets, it makes sense to post the reserve to the asset under construction first, and then capitalize it. Whichever method you use, you must reverse the down payment on the asset under construction, because the down payment is not allowed to appear in the account for down payments to fixed assets. Instead, it must appear in the account for completed assets.

To settle the asset under construction, down payments must be cleared with invoice or forecasted invoice (reserve). The asset under construction can only be settled after this clearing

**AuC Settlement: Initial Screen**

Execute Line Items

Company code	1710
Asset	400000
Sub-number	0

Date specifications

Document Date	19.07.2017
Asset Val. Date	19.07.2017
Posting Date	19.07.2017
Period	7

Additional specifications

Text	Asset AUC Settlement
Document type	
Assignment	
Reference	

**AuC Settlement: Initial Screen**

Line Items

Company code: 1710		0	AUC - LAB VIEW SOFTWARE	
Asset:	400000	0	Posting date:	19.07.2017
Period:	07		Document date:	19.07.2017
Fiscal year:	2017		Val. date:	19.07.2017
Doc.type:	AA			
Acct Assignment Cat.	Le...	Settlement Receiver	T...	Amount Posted Crcy
Asset	OL	200021 0 LAB VIEW SOFTWARE	346	22.500,00 USD
		200021 0 LAB VIEW SOFTWARE	..	22.500,00 USD
Asset	□	17101301 Manufacturing 1 (US)	..	2.500,00 USD
Cost center		17101301 Manufacturing 1 (US)	..	2.500,00 USD
Cost center	□		..	2.500,00 USD
	OL □		...	25.000,00 USD
Asset	2L	200021 0 LAB VIEW SOFTWARE	346	22.500,00 USD
		200021 0 LAB VIEW SOFTWARE	..	22.500,00 USD
Asset	□	17101301 Manufacturing 1 (US)	..	2.500,00 USD
Cost center		17101301 Manufacturing 1 (US)	..	2.500,00 USD
Cost center	□		..	2.500,00 USD
	2L □		...	25.000,00 USD
			....	50.000,00 USD

**AuC Settlement: Initial Screen**

AP/Currency Line Items Addit.Acct Assignment Line Item

### Document Header Info

Document Date: 19.07.2017 Document type: AA Company Code: 1710 Accounting Principle: Local GAAP  
 Posting Date: 19.07.2017 Period: 07 Fiscal Year: 2017 Display Currency: Company code currency

Line items

Type	Period	Ledger Grp	Ref. doc.	DocumentNo	Item PK	BusA	Segment	Profit Ctr	G/L Acc	Short Text	%	Amount	Crcy	Cost Ctr	Order	WBS Elem.
AA	7	0L	\$ REF		1	75	1000_A	YB110	16009000	000000400000 0000	22,500,00-	USD				
AA	7	0L			2	75	1000_A	YB110	16009000	000000400000 0000	2,500,00-	USD				
AA	7	0L			3	40	1000_A	YB110	70015000	Stlmt AuC to CO	2,500,00	USD	17101301			
AA	7	0L			5	70	1000_A	YB110	16002000	000000200021 0000	22,500,00	USD				
										-	0,00	USD				
										-	0,00	USD				

**AuC Settlement: Initial Screen**

### Assets posted( 2 )

CoCd	Asset	SNo.	BusA	Acct.det	Asset Description
1...	400000	0	160090	AUC - LAB VIEW SOFTWARE	
1710	200021	0	160020	LAB VIEW SOFTWARE	

Asset line items:000000400000-0000

A	Acq..	AssetValDate	TT...	Amount Posted	P	C...	TM	Net Book Value	Crcy	C...	ODep.Start
31	1	19.07.2017	345	22,500,00-	<input checked="" type="checkbox"/>	1		22,500,00	USD	10	
90	1	19.07.2017	345	22,500,00-	<input checked="" type="checkbox"/>	31		22,500,00	USD	30	
91	1	19.07.2017	345	22,500,00-	<input checked="" type="checkbox"/>	90		22,500,00	USD	10	
92	1	19.07.2017	345	22,500,00-	<input checked="" type="checkbox"/>	91		22,500,00	USD	10	
93	1	19.07.2017	345	22,500,00-	<input checked="" type="checkbox"/>	92		22,500,00	USD	10	
1	1	19.07.2017	100	2,500,00-	<input type="checkbox"/>	1		0,00	USD	10	
31	1	19.07.2017	100	2,500,00-	<input type="checkbox"/>	31		0,00	USD	30	
90	1	19.07.2017	100	2,500,00-	<input type="checkbox"/>	90		0,00	USD	10	
91	1	19.07.2017	100	2,500,00-	<input type="checkbox"/>	91		0,00	USD	10	

**Document lines: Display messages**

Type	Item	Message Text
001		Asset transaction was posted with document no. 1710 0100000029 in acctg princ. LC
002		Asset transaction was posted with document no. 1710 7000000012 in acctg princ. IF

Assignment

## 2.1 Asset Acquisition for Constructed Asset (Investment Orders /Internal Order)

### 2.1 Create Internal Order – KO01

**Create Internal Order: Initial screen**

Master Data	A000	Controlling Area A000
Controlling Area	A000	Controlling Area A000
Order Type	Y600	
Reference		
Order		

**Create Internal Order: Master data**

Settlement Rule	Order type	Y600	Internal Order: Investment																																							
Order	Description	AUC - IO																																								
<input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Control data <input type="checkbox"/> Prd-end closing <input type="checkbox"/> General data <input type="checkbox"/> Investments																																										
<b>Assignments</b> <table border="1"> <tr> <td>Controlling Area</td> <td>A000</td> <td>Controlling Area A000</td> </tr> <tr> <td>Company Code</td> <td>1710</td> <td>Company Code 1710</td> </tr> <tr> <td>Business Area</td> <td></td> <td></td> </tr> <tr> <td>Plant</td> <td></td> <td></td> </tr> <tr> <td>Functional Area</td> <td>YB20</td> <td>Production</td> </tr> <tr> <td>Object Class</td> <td>Investment</td> <td></td> </tr> <tr> <td>Profit Center</td> <td>YB110</td> <td>Product A</td> </tr> <tr> <td>Responsible CCtr</td> <td>17101301</td> <td>Manufacturing 1 (US)</td> </tr> <tr> <td>User Responsible</td> <td></td> <td></td> </tr> <tr> <td>WBS element</td> <td></td> <td></td> </tr> <tr> <td>Requesting CCtr</td> <td></td> <td></td> </tr> <tr> <td>Requesting Co.Code</td> <td>1710</td> <td>Company Code 1710</td> </tr> <tr> <td>Requesting order</td> <td></td> <td></td> </tr> </table>				Controlling Area	A000	Controlling Area A000	Company Code	1710	Company Code 1710	Business Area			Plant			Functional Area	YB20	Production	Object Class	Investment		Profit Center	YB110	Product A	Responsible CCtr	17101301	Manufacturing 1 (US)	User Responsible			WBS element			Requesting CCtr			Requesting Co.Code	1710	Company Code 1710	Requesting order		
Controlling Area	A000	Controlling Area A000																																								
Company Code	1710	Company Code 1710																																								
Business Area																																										
Plant																																										
Functional Area	YB20	Production																																								
Object Class	Investment																																									
Profit Center	YB110	Product A																																								
Responsible CCtr	17101301	Manufacturing 1 (US)																																								
User Responsible																																										
WBS element																																										
Requesting CCtr																																										
Requesting Co.Code	1710	Company Code 1710																																								
Requesting order																																										
<input checked="" type="checkbox"/> Order was created with number 600000																																										

## 2.2 Release Investment Order / Internal Order – KO02

This activity releases investment order.

**Change Internal Order: Master data**

Settlement Rule

Order	600000	Order type	Y600	Internal Order: Investment
Description	AUC - IO	<input type="button" value="Edit"/>		

Assignments   Control data   Prd-end closing   General data   Investments

Status

System status	REL_AUC	<input type="button" value="Tech. complete"/>
User status	PLIM	<input type="button" value="Set / reset..."/>
Status number	0	
<input type="button" value="Allowed transacts.."/>		

Control data

Currency	USD	United States Dollar
Order category	1	Internal Order (Controlling)
<input type="checkbox"/> Statistical order		
<input type="checkbox"/> Plan-integrated order		
<input type="checkbox"/> Revenue postings		
<input checked="" type="checkbox"/> Commitment update		
Actual posted CCtr		

Order has been released

## 2.3 Accounts Payable – Posting Invoice to Investment Order – FB60

In this activity, you can enter a supplier invoice without reference to a purchase order.

**Enter Vendor Invoice: Company Code 1710**

Tree on   Company Code   Hold   Simulate   Park   Editing options

Transactn	Invoice	<input type="button" value=""/>					
<input type="button" value="Basic data"/>		<input type="button" value="Payment"/>	<input type="button" value="Details"/>	<input type="button" value="Tax"/>	<input type="button" value="Withholding tax"/>	<input type="button" value=""/>	<input type="button" value=""/>
Vendor	1000007	Sp.G/LI	<input type="button" value=""/>	Bal.	0,00	<input type="button" value=""/>	<input type="button" value=""/>
Invoice date	19.07.2017	Reference	ASSET_ACQUI	Vendor			
Posting Date	19.07.2017	Address					
Cross-CC Number		Company					
Amount	50.000,00	USD	<input type="checkbox"/> Calculate Tax	US Vendor			
Tax Amount		CLEARWATER FL 33762					
Text				USA			
Inter Company GL Posting				<input type="button" value=""/>			
Paymt terms	Due immediately			<input type="button" value=""/>			
Baseline Date	19.07.2017			<input type="button" value=""/>			

1 Items ( No entry variant selected )

	S...	G/L acct	Short Text	D/C	Amount in doc.curr.	Bu...	Pa...	Cost center	Order	Fi...	Sales order
<input checked="" type="checkbox"/>	63000000	Mach Equip...	Debit	<input type="button" value=""/>	50.000,00				600000		

## 2.4 Asset under Construction Settlement – KO8G

In contrast to assessment, you cannot perform settlement across fiscal year boundaries. The system automatically determines the posting date from the posting period/fiscal year using the last day of the posting period. There are three processing types defined for settlement:

- Automatic: The system selects all the distribution rules for a sender.
- Periodic: All distribution rules with settlement types PER and AuC are selected. PER rules are applied first. In investment measures, this is followed by settlement to assets under construction.
- Partial capitalization: Use this processing type if you want to partially capitalize an investment measure which is not yet complete, that is, if you want to settle part of the overall cost to finished assets.

With this process step a periodic settlement is executed. All costs collected on the investment order will be settled to the automatically created AuC.

**Actual Settlement: Orders**

Selection Method	Standard Selection for Internal Orders	<input type="button" value=""/>	
Selection Variant	YBLMF_AUC	Research and Development <input type="button" value=""/> <input type="button" value=""/> <input type="button" value=""/>	
<b>Parameters</b>			
Settlement Period	7	Posting period	7
Fiscal Year	2017	Asset Value Date	19.07.2017
Processing Type	Automatic		
<b>Processing Options</b>			
<input type="checkbox"/> Background Processing			
<input checked="" type="checkbox"/> Test Run			
<input type="checkbox"/> Detail List		Layouts <input type="button" value=""/>	
<input type="checkbox"/> Check trans. data			

### Actual Settlement: Orders Basic list

Selection Parameters	Value	Name
Selection Variant	YBLMF_AUC	Asset Under Construction
Period	007	
Posting Period	007	
Fiscal Year	2017	
Processing Type	1	Automatic
Posting Date	31.07.2017	
Asset Value Date	19.07.2017	
Controlling Area	A000	Controlling Area A000
Currency	USD	United States Dollar
Value Date	31.07.2017	

Selection Parameters	Value
Execution Type	Settlement Executed
Processing Mode	Test run

Processing completed with no errors
-------------------------------------

Statistics	Σ	Number
Processing Category		
Settlement Executed	1	
No Change		
Not Relevant		
Inappropriate Status		
Error		

### Actual Settlement: Orders Detail list

Basic list

#### Detail list - Settled values

Senders	Text send.	Receiver	Σ	ValCOArCur	Inform.
ORD 600000	AUC - IO	FXA 1710/400001/0	50.000,00	AUC capitaliz.	
<b>= 50.000,00</b>					

### Actual Settlement: Orders Sender debits

#### Sender debits - settled values

Senders ORD 600000 AUC - IO

Cost Elem.	Σ	Val/COArea Crcy
63000000	50.000,00	
		<b>= 50.000,00</b>

**Actual Settlement: Orders Detail list**

Basic list Accounting documents

**Detail list - Settled values**

Senders	Text send.	Receiver	ValCOArCur	Inform.
ORD 600000	AUC - IO	FXA 1710/400001/0	50.000,00	AUC capitaliz.
<b>* 50.000,00</b>				

**Lst of Documents in Accounting**

Document	Object type	Ledger Grp
0100000030	Accounting document	0L
7000000013	Accounting document	2L
0000000003	Asset Transaction	
A000006A00	Controlling Document	

**Display Document: Data Entry View**

Display Currency   General Ledger View   Asset Accounting

Data Entry View					
Document Number	100000030	Company Code	1710	Fiscal Year	2017
Document Date	19.07.2017	Posting Date	31.07.2017	Period	7
Reference		Cross-Comp.No.			
Currency	USD	Texts Exist	<input type="checkbox"/>	Ledger Group	01

Co...	Itm	PK	S	Account	Description	Amount	Curr.	Tx
1710	1	50		63000000	Mach Equipm PerSer	50.000,00-	USD	
	2	70		16009000	000000400001 0000	50.000,00	USD	

**Display Document: Data Entry View**

Display Currency   General Ledger View   Asset Accounting

Data Entry View									
Document Number	7000000013			Company Code	1710	Fiscal Year	2017		
Document Date	19.07.2017			Posting Date	31.07.2017	Period	7		
Reference				Cross-Comp.No.					
Currency	USD			Texts Exist	<input type="checkbox"/>	Ledger Group	2L		

Co...	Itm	PK	S	Account	Description	Amount	Curr.	Tx
1710	1	50		63000000	Mach Equipm PerSer	50.000,00-	USD	
	2	70		16009000	000000400001 0000	50.000,00	USD	

Overview of Asset Accounting Documents							
Acct Doc.  Originals  Display purchase order  Note							
Asset	400001						
Company code	1710 Company Code 1710						
01 Book Deprctn / USD / Ledger Grp 0L							
AstValDt	Amount Posted	TTy	Trans. Type Text	Text	Ord. Dep.	Spec. Dep.	
19.07.2017	50.000,00	116	Acquisition - internal settlement to A...	ORD 600000	0,00		

**Display Document: Data Entry View**

AP/Currency Line Items Addit.Acct Assignment Line Item

### Document Header Info

Document Date:	19.07.2017	Document type:	AA	Company Code:	1710	Accounting Principle:	Local GAAP
Posting Date:	31.07.2017	Period:	07	Fiscal Year:	2017	Display Currency:	Company code currency

**Line items**

Type	Period	Ledger Grp	Ref. doc.	DocumentNo	Item	PK	BusA	Segment	Profit Ctr	G/L Acc	Short Text	Σ	Amount	Crcy	Cost Ctr	Order	WBS Elemt.
AA	7	OL	3	100000030		1	50	1000_A	YB110	63000000	Mach Equipm PerSer	50.000,00-	USD		500000		
AA	7	OL				2	70	1000_A	YB110	16009000	000000400001 0000	50.000,00	USD				
				100000030							▪	0,00	USD				
											▪ ▪	0,00	USD				

## 2.5 Create Internal order Settlement Rule – KO02

In this process step the settlement rules for the final settlement are maintained and the status of the investment order will be set to technical completed, which allows the final settlement of the order.

**Change Internal Order: Master data**

Order	600000	Order type	Y600	Internal Order: Inv.
Description	AUC - IO	<input type="button" value="Edit"/>		
Assignments		Control data	Prd-end closing	General data
Assignments		Control data	Prd-end closing	General data
Controlling Area	A000	Controlling Area A000		
Company Code	1710	Company Code 1710		
Business Area				
Plant				
Functional Area	YB20	Production		
Object Class	Investment			
Profit Center	YB110	Product A		
Responsible CCtr	17101301	Manufacturing 1 (US)		
User Responsible				
WBS element				
Requesting CCtr				
Requesting Co.Code	1710	Company Code 1710		
Requesting order				
Sales Order				
Tax Jurisdiction				

Maintain Settlement Rule: Overview																						
Order	600000	AUC - IO																				
Actual settlement																						
Distribution rules																						
Cat	Settlement Receiver	Receiver Short Text	%	Equivalence No.	Se...	No.	S...	Fro...	From...	To ...	To Fi...	First Used	Last Used									
FXA	00001-0	AUC - IO	100,00	0	AUC	1	0		0			007.2017	007.2017									
FXA	200021-0	LAB VIEW SOFTWARE	90,00		FUL	2																
CTR	17101101	Financials (US)	10,00		FUL	3																
					FUL																	
					FUL																	
					FUL																	
					---																	

## 2.6 Final Settlement of the Investment Order (Collective Processing) – KO8G

The final settlement transfers the costs from the AuC asset to the completed asset and to the cost center as specified in the settlement rules. After the final settlement the balance of the investment order and of the AuC is zero.

Actual Settlement: Orders													
Selection Method	Standard Selection for Internal Orders				<input type="button" value="New"/> <input type="button" value="Edit"/> <input type="button" value="Delete"/>								
Selection Variant	YBLMF_AUC												
Parameters													
Settlement Period	7	Posting period	7	Fiscal Year	2017	Asset Value Date	19.07.2017	Processing Type	Full Settlement				
Processing Options													
<input type="checkbox"/> Background Processing													
<input checked="" type="checkbox"/> Test Run													
<input checked="" type="checkbox"/> Detail List	<input type="button" value="Layouts"/>												
<input type="checkbox"/> Check trans. data													

**Actual Settlement: Orders Basic list**

Selection		
Selection Parameters	Value	Name
Selection Variant	YBLMF_AUC	Asset Under Construction
Period	007	
Posting Period	007	
Fiscal Year	2017	
Processing Type	8	Full Settlement
Posting Date	31.07.2017	
Asset Value Date	19.07.2017	
Controlling Area	A000	Controlling Area A000
Currency	USD	United States Dollar
Value Date	31.07.2017	

**Processing Options**

Selection Parameters		
Execution Type	Value	
Settlement Executed		
Processing Mode	Value	
Test run		

Processing completed with no errors

**Statistics**

Processing Category		
Settlement Executed	Σ	Number
No Change		1
Not Relevant		
Inappropriate Status		
Error		

**Actual Settlement: Orders Detail list**

Basic list Sender Receiver Accounting documents Settlement rule

**Detail list - Settled values**

Senders	Text send.	Receiver	Σ ValCOArCur	Inform.
ORD 600000	AUC - IO	CTR 17101101	5.000,00	
		FXA 1710/200021/0	45.000,00	
			<b>- 50.000,00</b>	

**List of Documents in Accounting**

**Documents in Accounting**

Document	Object type text	Ledger Grp
0100000031	Accounting document	0L
7000000014	Accounting document	2L
0000000004	Asset Transaction	
A000006B00	Controlling Document	

Separate Original document

**Display Document: Data Entry View**

Display Currency General Ledger View Asset Accounting

Data Entry View

Document Number	1000000031	Company Code	1710	Fiscal Year	2017
Document Date	19.07.2017	Posting Date	31.07.2017	Period	7
Reference		Cross-Comp.No.			
Currency	USD	Texts Exist	<input type="checkbox"/>	Ledger Group	0L

Co... Itm PK S Account Description Amount Curr. Tx

1710	1	75	16009000	000000400001 0000	45.000,00-	USD	
	2	75	16009000	000000400001 0000	5.000,00-	USD	
	3	40	70015000	Sttlmt AuC to CO	5.000,00	USD	
	4	70	16002000	000000200021 0000	45.000,00	USD	

**Display Document: Data Entry View**

Display Currency General Ledger View Asset Accounting

Data Entry View

Document Number	7000000014	Company Code	1710	Fiscal Year	2017
Document Date	19.07.2017	Posting Date	31.07.2017	Period	7
Reference		Cross-Comp.No.			
Currency	USD	Texts Exist	<input type="checkbox"/>	Ledger Group	2L

Co... Itm PK S Account Description Amount Curr. Tx

1710	1	75	16009000	000000400001 0000	45.000,00-	USD	
	2	75	16009000	000000400001 0000	5.000,00-	USD	
	3	40	70015000	Sttlmt AuC to CO	5.000,00	USD	
	4	70	16002000	000000200021 0000	45.000,00	USD	

**List of Documents in Accounting**

**Documents in Accounting**

Document	Object type text	Ledger Grp
0100000031	Accounting document	0L
7000000014	Accounting document	2L
0000000004	Asset Transaction	
A000006B00	Controlling Document	

**List of Assets for an Accounting Document**

Select an asset.

Asset	SNo.	Description
000000200021	0000	LAB VIEW SOFTWARE
000000400001	0000	AUC - IO

Overview of Asset Accounting Documents					
Acct Doc.  Originals Display purchase order  Note					
Asset	200021	0	LAB VIEW SOFTWARE		
Company code	1710		Company Code 1710		
01 Book Deprctn / USD / Ledger Grp 0L					
AstValDt	Amount Posted	Tty	Trans. Type Text	Text	Ord. Dep.
19.07.2017	45.000,00	336	Acquir transfer of curr-yr acquis from...ORD 600000		0,00

Display Document: Data Entry View								
Display Currency  General Ledger View  Asset Accounting								
Data Entry View								
Document Number	100000031	Company Code	1710	Fiscal Year	2017			
Document Date	19.07.2017	Posting Date	31.07.2017	Period	7			
Reference		Cross-Comp.No.						
Currency	USD	Texts Exist		Ledger Group	0L			
Co...	Itm	PK	S	Account	Description	Amount	Curr.	Tx
1710	1	75		16009000	000000400001 0000	45.000,00-	USD	
	2	75		16009000	000000400001 0000	5.000,00-	USD	
	3	40		70015000	Sttlmt AuC to CO	5.000,00	USD	
	4	70		16002000	000000200021 0000	45.000,00	USD	

List of Documents in Accounting					
Documents in Accounting					
Select an asset.					
Document	Object type text	Ledger Grp	Asset	SNo.	Description
0100000031	Accounting document	0L	000000200021	0000	LAB VIEW SOFTWARE
7000000014	Accounting document	2L	000000400001	0000	AUC - IO
0000000004	Asset Transaction				
A000006B00	Controlling Document				

Overview of Asset Accounting Documents					
Acct Doc.  Originals Display purchase order  Note					
Asset	400001	0	AUC - IO		
Company code	1710		Company Code 1710		
01 Book Deprctn / USD / Ledger Grp 0L					
AstValDt	Amount Posted	Tty	Trans. Type Text	Text	
19.07.2017	45.000,00	339	Acquir transfer of curr-yr acquis from...ORD 600000		
19.07.2017	5.000,00	116	Acquisition - internal settlement to A...	ORD 600000	

Display Actual Cost Documents								
Document		Master Record		Actual Cost Document				
Layout	1SAP	Primary cost posting	COarea currency	USD	USD	Valuation View/Group	0	Legal Valuation
FRW Ctry Objekt	Document No.	Doc. Date	Document Header Text	RT	RefDocNo	User Name	Rev RvI	
	CO Object Name			Cost Elemt.	Cost Element Name	Val/COArea Crcy	Total quantity	FCM C OffsetAcct
A000006B00	19.07.2017			R 4	JMAYDIPAL			
1 CTB 17101101			Financials (US)	70015000	Stlmt Auf to CO	5.000,00		B 16009000

## 2.7 Completion of Investment Order -KO02

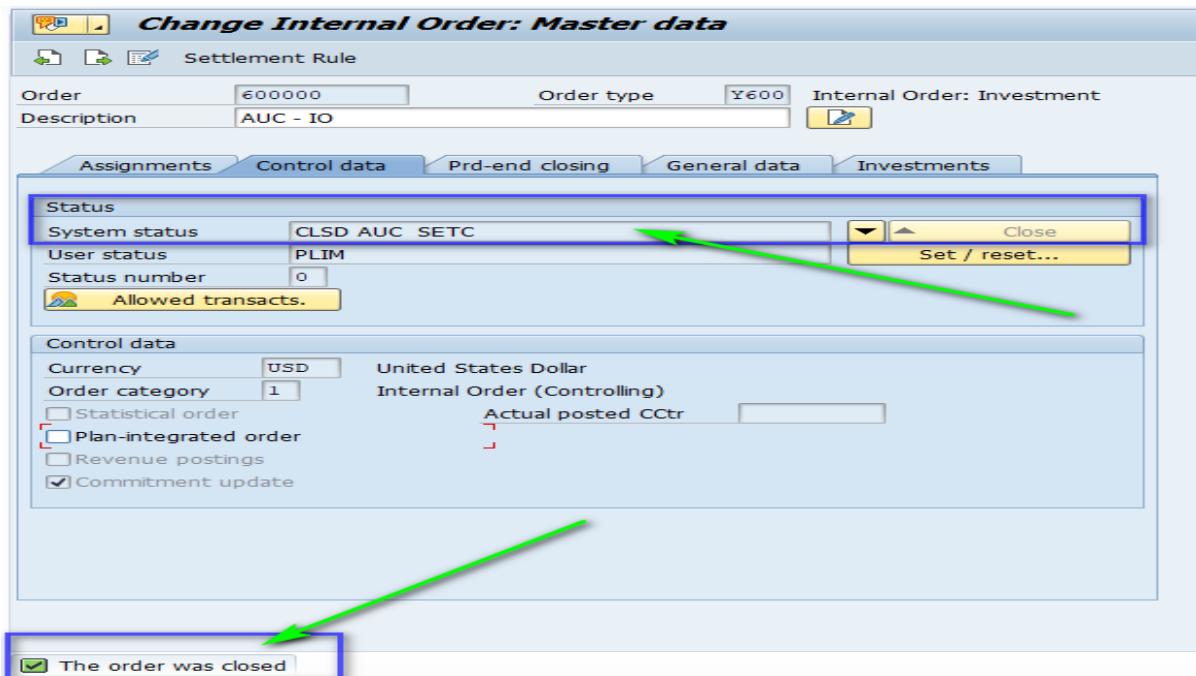
In this process step the investment order is closed by changing its status to *Closed*.

**Change Internal Order: Initial screen**

Order	600000	Search icon
-------	--------	-------------

**Change Internal Order: Master data**

Order	600000	Order type	Y600	Internal Order: Investment																																															
Description	AUC - IO	Edit icon																																																	
<ul style="list-style-type: none"> <li>Assignments</li> <li>Control data</li> <li>Prd-end closing</li> <li>General data</li> <li>Investments</li> </ul>																																																			
<table border="1"> <tr> <td colspan="2"><b>Assignments</b></td> </tr> <tr> <td>Controlling Area</td> <td>A000</td> <td>Controlling Area A000</td> </tr> <tr> <td>Company Code</td> <td>1710</td> <td>Company Code 1710</td> </tr> <tr> <td>Business Area</td> <td></td> <td></td> </tr> <tr> <td>Plant</td> <td></td> <td></td> </tr> <tr> <td>Functional Area</td> <td>YB20</td> <td>Production</td> </tr> <tr> <td>Object Class</td> <td>Investment</td> <td></td> </tr> <tr> <td>Profit Center</td> <td>YB110</td> <td>Product A</td> </tr> <tr> <td>Responsible CCtr</td> <td>17101301</td> <td>Manufacturing 1 (US)</td> </tr> <tr> <td>User Responsible</td> <td></td> <td></td> </tr> <tr> <td>WBS element</td> <td></td> <td></td> </tr> <tr> <td>Requesting CCtr</td> <td></td> <td></td> </tr> <tr> <td>Requesting Co.Code</td> <td>1710</td> <td>Company Code 1710</td> </tr> <tr> <td>Requesting order</td> <td></td> <td></td> </tr> <tr> <td>Sales Order</td> <td></td> <td></td> </tr> <tr> <td>Tax Jurisdiction</td> <td></td> <td></td> </tr> </table>					<b>Assignments</b>		Controlling Area	A000	Controlling Area A000	Company Code	1710	Company Code 1710	Business Area			Plant			Functional Area	YB20	Production	Object Class	Investment		Profit Center	YB110	Product A	Responsible CCtr	17101301	Manufacturing 1 (US)	User Responsible			WBS element			Requesting CCtr			Requesting Co.Code	1710	Company Code 1710	Requesting order			Sales Order			Tax Jurisdiction		
<b>Assignments</b>																																																			
Controlling Area	A000	Controlling Area A000																																																	
Company Code	1710	Company Code 1710																																																	
Business Area																																																			
Plant																																																			
Functional Area	YB20	Production																																																	
Object Class	Investment																																																		
Profit Center	YB110	Product A																																																	
Responsible CCtr	17101301	Manufacturing 1 (US)																																																	
User Responsible																																																			
WBS element																																																			
Requesting CCtr																																																			
Requesting Co.Code	1710	Company Code 1710																																																	
Requesting order																																																			
Sales Order																																																			
Tax Jurisdiction																																																			



## LSMW (Legacy system migration workbench)

LSMW is a tool that supports the transfer of data from non-SAP systems (“Legacy Systems”) to SAP R/3 systems. This can be a one-time transfer as well as a periodic one.

### What is SAP LSMW? Steps to Migrate Data using LSMW

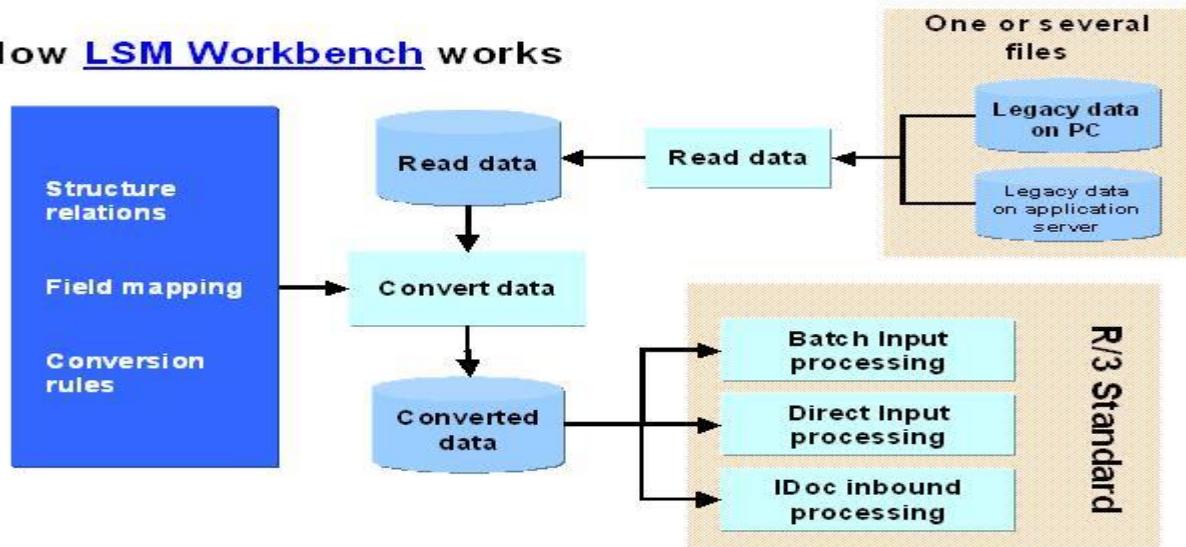
#### What is SAP LSMW?

LSMW is a tool that supports the transfer of data from non-SAP systems (“Legacy Systems”) to SAP R/3 systems. This can be a one-time transfer as well as a periodic one.

LSMW also supports conversion of data of the legacy system in a numerous way. The data can then be imported into the SAP R/3 system via batch input, direct input, BAPIs or IDocs.

Furthermore, the LSM Workbench provides a recording function that allows generating a “data migration object” to enable migration from any required transaction.

## How LSM Workbench works

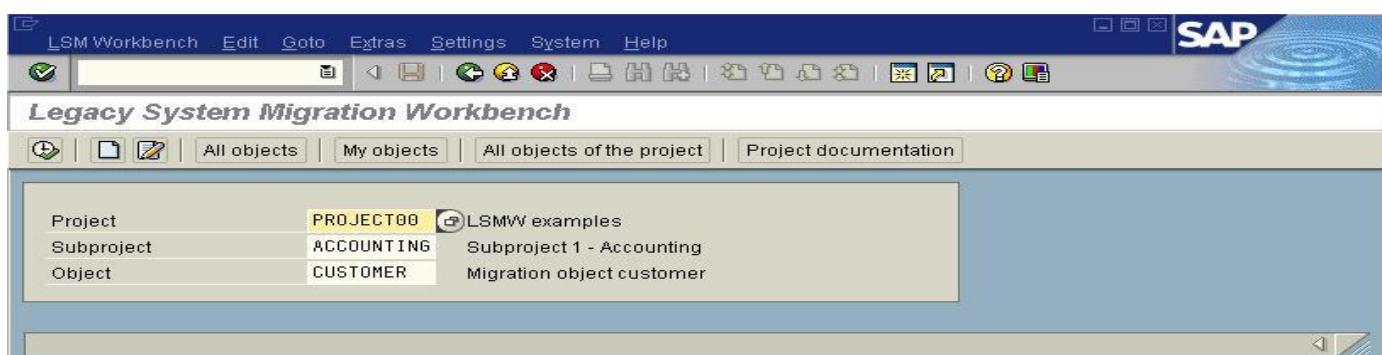


LSMW can be used for following 3 functions –

The main functions of the LSM Workbench are:

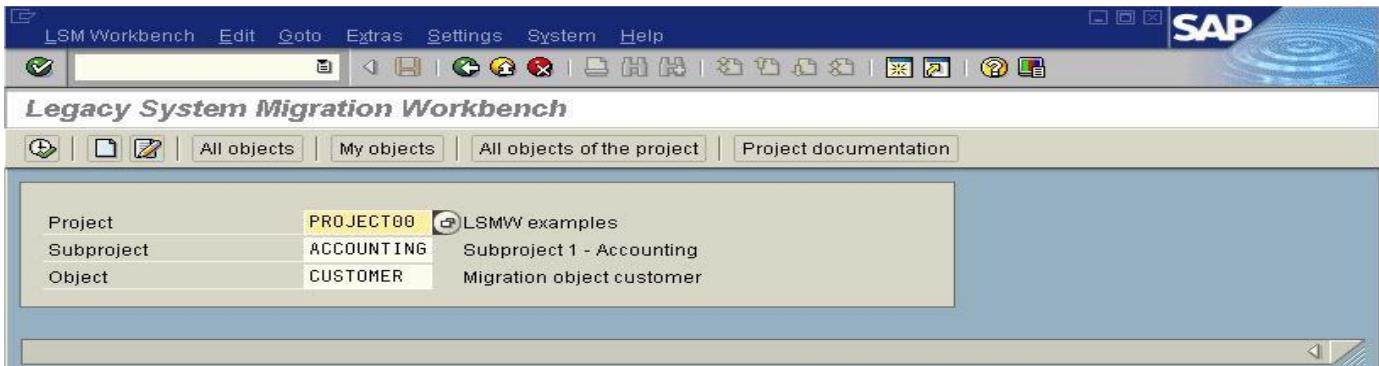
1. **Import data** (legacy data in spreadsheet tables and/or sequential files)
2. **Convert data** (from source format to target format)
3. **Import data** (into the database of the R/3 application)

To start the LSMW workbench use transaction LSMW



Also, check out next tutorial on executing LSMW Step by Step

Enter Transaction **LSMW** in SAP, to start the workbench.



LSMW workbench shows the following information-

- **Project:** An ID with a maximum of 10 characters to name your data transfer project. If you want to transfer data from several legacy systems, you may create a project e.g. for every legacy system.
- **Subproject:** An ID with a maximum of 10 characters that is used as a further structuring attribute.
- **Object:** An ID with a maximum of 10 characters to name the business object.

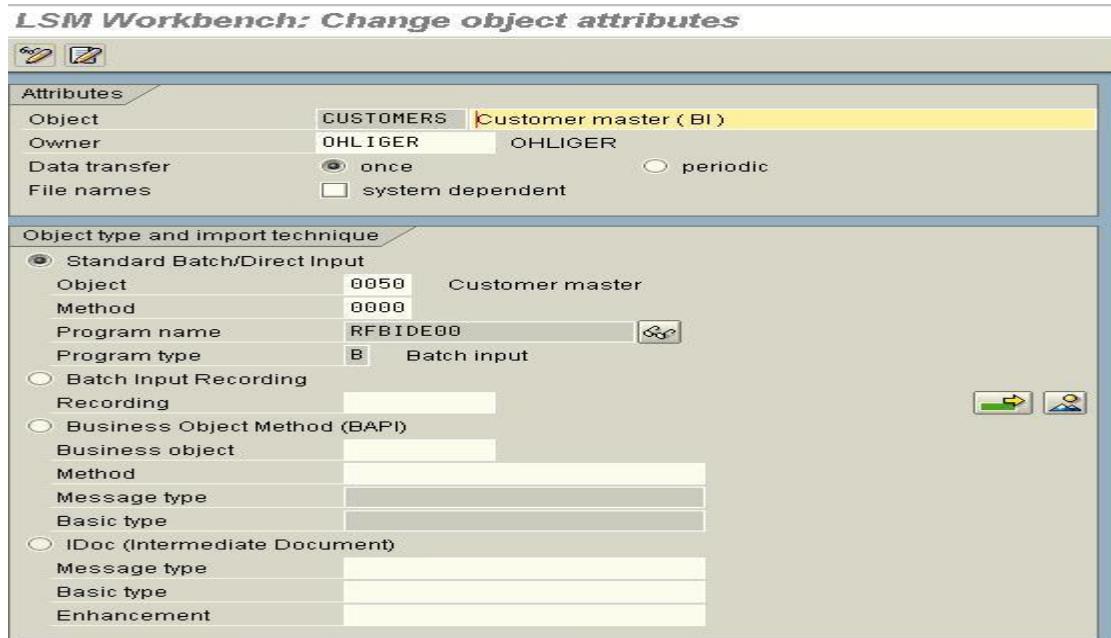
Enter Project ID, Subproject ID, Object ID. Click Execute The next screen gives the **STEPS** in your LSMW data Migration

#### LSM Workbench: ALU US TAX CODE, TAXCODE, TAXCODE: taxcode

Process Step	Last Action (Date, Time, User)
<input checked="" type="radio"/> Maintain Object Attributes	
<input type="radio"/> Maintain Source Structures	
<input type="radio"/> Maintain Source Fields	
<input type="radio"/> Maintain Structure Relations	
<input type="radio"/> Maintain Field Mapping and Conversion Rules	
<input type="radio"/> Maintain Fixed Values, Translations, User-Defined Routines	
<input type="radio"/> Specify Files	
<input type="radio"/> Assign Files	
<input type="radio"/> Read Data	
<input type="radio"/> Display Read Data	
<input type="radio"/> Convert Data	
<input type="radio"/> Display Converted Data	
<input type="radio"/> Create Batch Input Session	
<input type="radio"/> Run Batch Input Session	
<input type="radio"/> Start Direct Input Program	
<input type="radio"/> Start IDoc Generation	
<input type="radio"/> Start IDoc Processing	
<input type="radio"/> Create IDoc Overview	
<input type="radio"/> Start IDoc Follow-Up	
<input type="radio"/> Frame Program for Periodic Data Transfer	

You can select the desired step and click execute. Let's look into each step in details

### Step 1- Maintain Object Attributes.



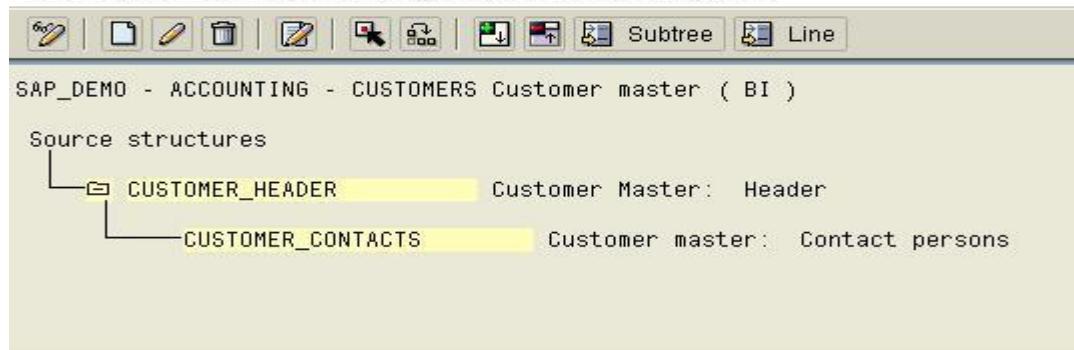
There are four Modes of Data Transfer:

1. **Standard/ Batch Input:** Standard upload Programs
2. **Batch Input Recording:** Here you can create a recording of your own and use it to upload/change data
3. **BAPIs:** Standard BAPIs are used to upload Data
4. **IDOCs:** Any Inbound IDOC function modules can be used to process the data

Based on the requirement we try to find a suitable method to be processed. If it is a standard Master we can find it in the first method. Otherwise, we try to use BAPIs or Idocs. If the requirement is a very custom one we use a recording to process the data.

## Step 2 – Maintain Source Structures

**LSM Workbench: Change source structures**



The source structures can be used to design the hierarchy of the files to be uploaded.

## Step 3- Maintain Source Fields

In this screen, the Fields which will be uploaded from the text file can be maintained here. The fields with identical names are taken as the Key

**LSM Workbench: Change source fields**

SAP\_DEMO - ACCOUNTING - CUSTOMERS Customer master ( BI )

Source fields

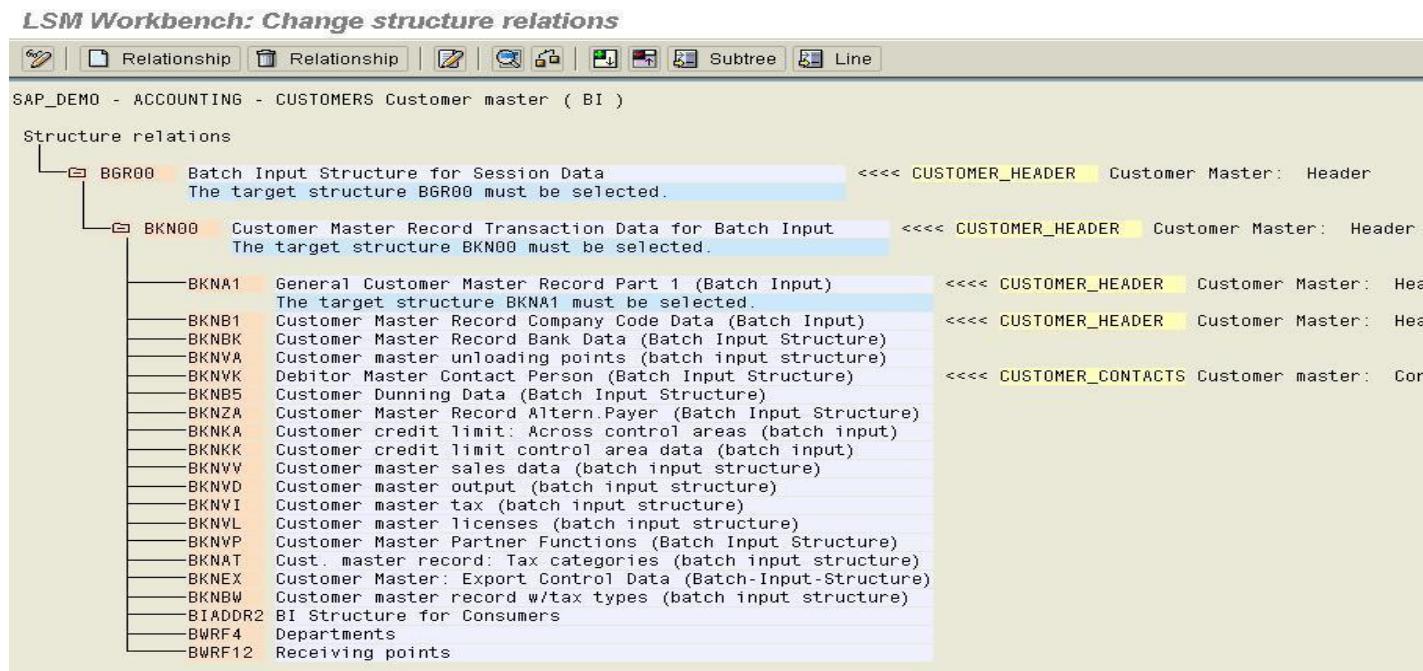
Field	Type	Description
CUSTOMERNUMBER	N(004)	Customer number
NAME	C(060)	Customer name
COUNTRY	C(002)	Country code
ZIPCODE	C(010)	Zip code
CITY	C(020)	City
STREET	C(060)	Street
PHONE	C(030)	Phone
FAX	C(030)	Fax
VATNR	C(020)	VAT number
CUSTOMER_CONTACTS Customer master: Contact persons		
CUSTOMERNUMBER	N(004)	Customer Number
TITLE	C(004)	Title
FIRSTNAME	C(030)	FirstName
LASTNAME	C(030)	LastName
CONTACTPHONE	C(014)	ContactPhone
DEPARTMENT	C(020)	Department
FUNCTION	C(020)	Function

Source Filed is used to identify whether a certain record should go to the specified structure. Eg: Suppose a file contains header rows and item rows, we can specify the first field as the indicator say 'H' for a header and 'I' for Item. Thus when the file is being read, it checks the first field, if it is 'H' then it is read into the Header source structure else it is written to the item source structure.

The Source fields can be easily maintained in the form of a table maintenance.

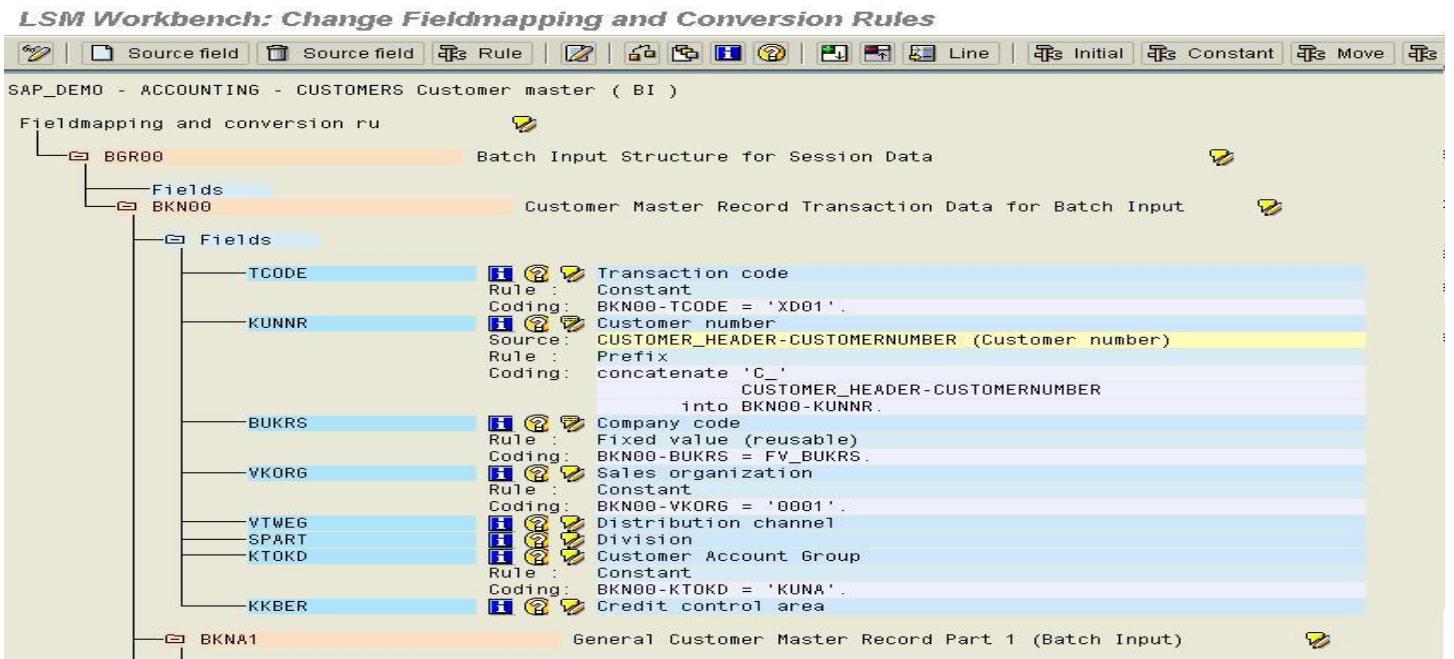
#### Step 4 – Maintain Structure Relationships

The Structures which are needed for the processing of the data need to be assigned here. The Object may contain many structures and many source structures. The Mapping between the source and the target structures should be done after careful checking.



#### Step 5- Maintain Field Mapping and Conversion Rules

In this step, you assign source fields to target fields and define how the field contents will be converted.



All fields of all target structures, which you selected in the previous step, will be displayed. For each target field the following information is displayed:

- Field description
- Assigned source fields (if any)
- Rule type (fixed value, translation etc.)
- Coding.

Note: Some fields are preset by the system. These fields are called “technical fields” are marked with “Default setting”. The coding for these fields is not displayed when first entering the field mapping; it can be displayed via the display variant. Changing the default setting may seriously affect the flow of the data conversion. If you erroneously changed the default setting, you can restore it by choosing Extras -> Restore to default.

### Step 6- Maintain Fixed Values, Translations and User-written Routines

Here the 3 reusable functions are maintained:

1. **Fixed Values:** Fixed values are values which are fixed across the project eg: Company Code. We can assign a fixed value to BUKRS and this fixed value can be used in all the objects in this project. So if the value changes we can only change at one place i.e. in the fixed values instead of changing in each and every object.

2. **Translations:** Here you can maintain the fixed translation for any legacy field and the translation can be assigned to the field, in Field Mapping and Conversion Rules. Translation can be 1:1 or many: 1 etc.
3. **User Defined Routines:** These are user defined subroutines that are used in the object for processing the data.

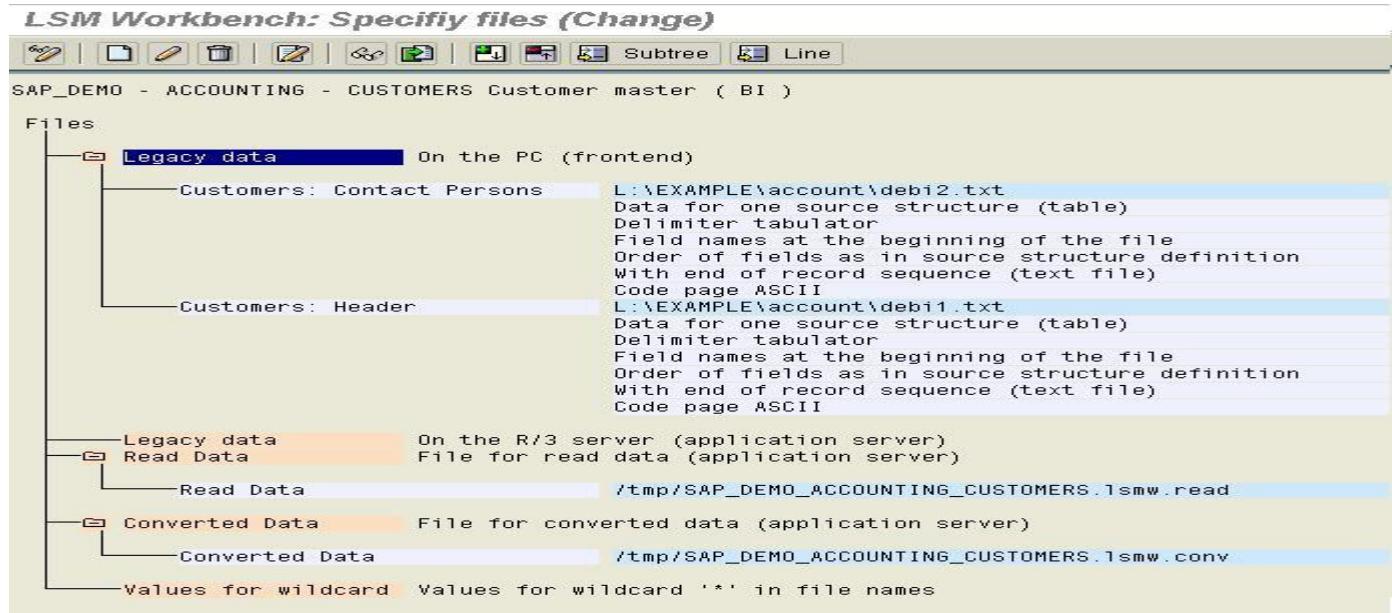
All the Three functions mentioned above are reusable Rules which are valid for all objects in one Project.

#### **LSM Workbench: Fixedvalue, translation, individual routines**

Reusable rules			
PROJECT00	LSMW examples	07.07.1999	OHLIGER
Fixed values	BUKRS	Company code	07.07.1999 OHLIGER
	VKORG	Sales Organization	20.06.2000 OHLIGER
	VSBED	shipment condition	21.10.1999 OHLIGER
	VTWEG	distribution channel	21.10.1999 OHLIGER
	XFEILD	Yes/No Field	08.07.1999 MICHALSKY
Translations	ABTNR	Department classification	16.06.2000 OHLIGER
	BKLAS	valuation class	21.10.1999 OHLIGER
	BUKRS	Company code	21.10.1999 OHLIGER
	LAND1	country key	21.10.1999 OHLIGER
	MATKL	material group	23.05.2000 OHLIGER
	MBRSH	industry key	28.10.1999 OHLIGER
	MEINS	Units of measurement of various types	16.11.1999 OHLIGER
	MRPCONTR	MRP controller	08.07.1999 MICHALSKY
	MRPTYPE	MRPTYPE	16.11.1999 OHLIGER
	PAFKT	Contact person function	16.06.2000 OHLIGER
	SPRAS	Language indicator	21.10.1999 OHLIGER
User-defined routines	ACCOUNT		20.07.1999 OHLIGER
	MGVBR_BI	Korrigierter Gesamtverbrauch	18.10.1999 OHLIGER

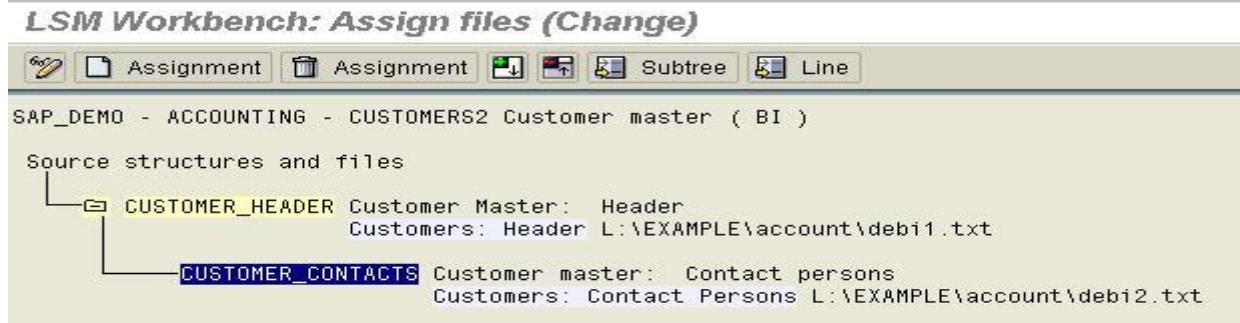
#### **Step7- Specify Files**

Here we define the Files that we use to upload the data. The File can be on the Front end or in the application server.



## Step 8- Assign Files

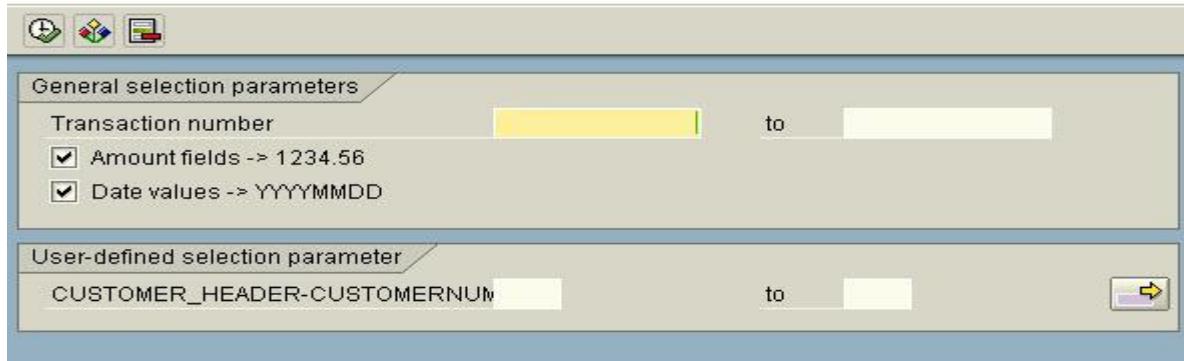
Here we define which file we are going to use for current upload i.e. whether the file is on Presentation server or application server.



## Step 9- Read Data

Reading the data from the file gives us an option to read only a few records and not the entire chunk in order to enable [Testing](#) of first few records. This also provides the user defined selection parameter which can be used to restrict the read data based on the condition specified.

### LSM Workbench: Read Data for SAP\_DEMO, ACCOUNTING, CUSTO.

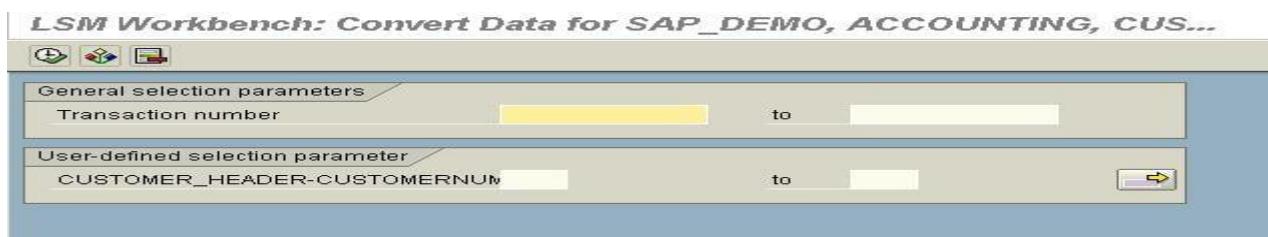


### Step 10- Display Read Data

- In this step, you can display all or a part of the read data in table form. Clicking on a line displays all information for this line in a clear way. The same happens when you click on Field contents.
- Change display allows selecting either a one-line or multi-line view.
- Display color palette displays the colors for the individual hierarchy levels.

### Step 11- Convert Data

Converting the data is the transfer of data from source to target structures based on the conversion routines written in maintain Field Mapping and conversion routines.



### Step 12- Import Data

The steps displayed by the program depend on the selected object type:

#### ***Standard batch input or recording:***

1. Generate batch input session
2. Run batch input session

**Standard direct input:**

1. Start direct input session

**BAPI or IDoc:**

1. Start IDoc creation
2. Start IDoc processing
3. Create IDoc overview
4. Start IDoc post processing

This completes a detailed overview of steps to transfer your data using LSMW in SAP.

## **SAP S/4 HANA CHANGES VS ECC**

**Agenda:** The objective of this session is to Learn the Differences between ECC Version And S/4 Hana Version also Specifying the major changes happened in S /4 HANA.

**SAP : Systems Applications & Products in Data processing**

**ECC: ERP Central Component**

**S: Business Suite    4 : Generation 4<sup>th</sup>**

**HANA: Highly Perfomed Analytical Appliance**

**Evolution of SAP:**

The mainframe-based SAP R2 was released in 1979 with a two-tier architecture. The widely popular R3 system was released in 1992 which comprised of a 3 tier architecture (database, application server and the presentation server being the 3 tiers). SAP stabilized its product with the name ECC 6.0 released in 2006. SAP S4 HANA Simple Suite 2015

### SAP 'R' Versions:

SAP Version	Year	Architecture
SAP R/1 System RF	1972	Financial Accounting system. Runs on IBM Servers and the DOS operating system.
SAP R/2 Mainframe System	1979	Mainframe based real-time data processing across accounting, manufacturing processes, supply chain logistics, and human resources.
SAP R/3 Enterprise Edition 1.0A	Jul-1992	Three tier architecture ERP Solutions, enabling SAP to be used by enterprises.
SAP R/3 Enterprise Edition 2.0	1993	
SAP R/3 Enterprise Edition 3.0	1995	
SAP R/3 Enterprise Edition 4.0B	Jun-1998	
SAP R/3 Enterprise Edition 4.3		
SAP R/3 Enterprise Edition 4.5B	Mar-1999	Client Server / mySAP
SAP R/3 Enterprise Edition 4.6C	April 2001	
SAP R/3 Enterprise Edition 4.6F		
SAP R/3 Enterprise Edition 4.7	2003	

### ECC Versions:

SAP Version	Year	Architecture
SAP ERP Central Component (ECC) 5.0	2004	SAP ERP constitutes the foundation of SAP's industry solutions and a springboard to enterprise SOA. It includes SAP ECC (successor of SAP R/3) and EhP
SAP ERP Central Component (ECC) 6.0	Oct-2005	
SAP Enhancement Package 1 for SAP ERP 6.0 Business All-in-One	Dec-2006	SAP started focusing on Mid-Sized enterprises and developed this product on the same code base of <b>SAP R/3</b> on the SAP Netweaver platform.
SAP Enhancement Package 2 for SAP ERP 6.0	Jul-2007	It is designed to help businesses optimize their performance and reduce IT costs. It compresses <b>SRM, CRM, SCM, PLM, and ERP</b> on one platform.
SAP Enhancement Package 5 for SAP ERP 6.0 Business Suite 7	Jun-2010	
SAP Enhancement Package 6 for SAP ERP 6.0	Jun-2012	
SAP Enhancement Package 7 for SAP ERP 6.0	2013	
SAP S/4 Simple Suite for HANA	Feb-2015	An imagined platform that combines data processing, database, and in-memory processing, provides libraries for planning, text processing, predictive, spatial and business analytics

## 1. What is SAP Business Suite?

The SAP Business Suite software is an **integrated suite of modular applications** designed to perform essential **end-to-end business processes** across all industries.

The SAP Business Suite supports a broad range of processes for **finance, human resources, manufacturing, procurement, product development, marketing, sales, service, supply chain management and IT management**.

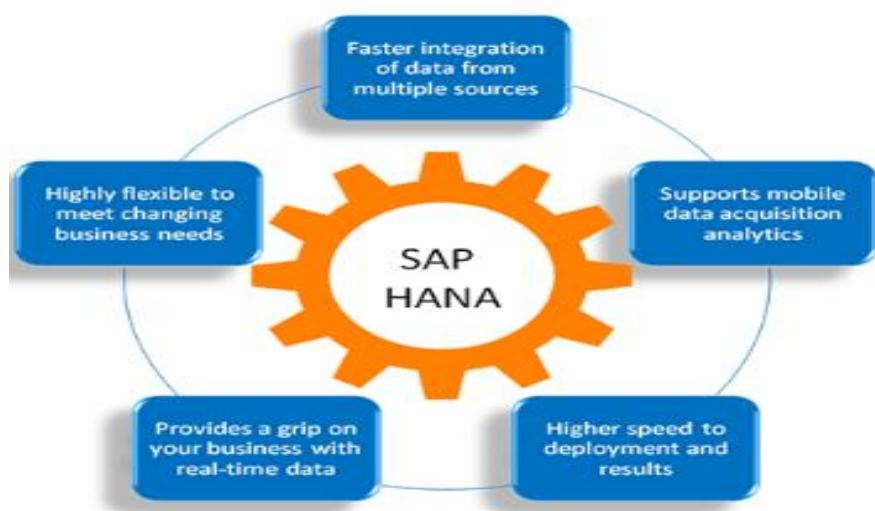
## Products of SAP

- **SAP ERP 6.0 (Enterprise Resource Planning)**
- **SAP CRM 7.0 (Customer Relationship Management)**
- **SAP SRM 7.0 (Supplier Relationship Management)**

- SAP SCM 7.0 (Supply Chain Management)
- SAP PLM 7.0 (Product Life cycle Management)

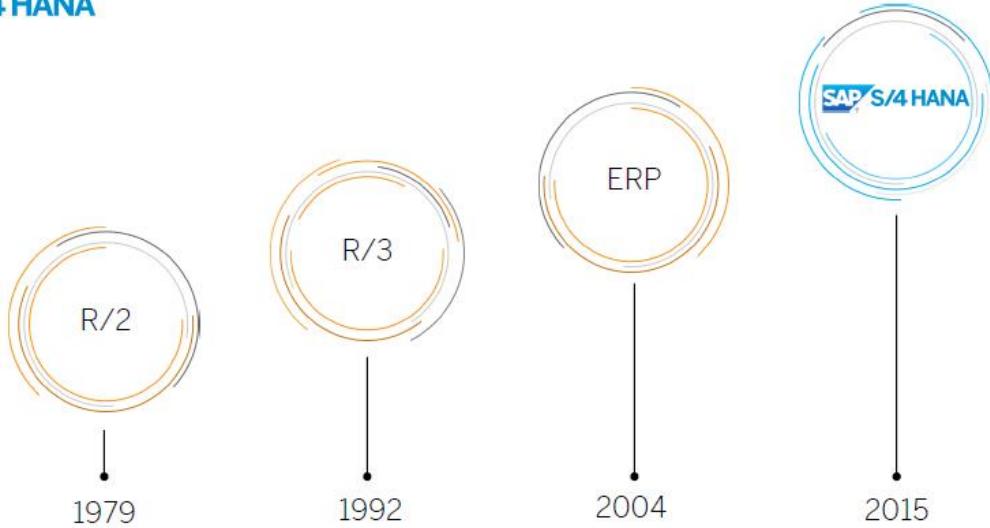
### What Are the differences between SAP ECC, HANA and S4 HANA?

- SAP ECC (ERP Central component) is the core of existing SAP Business suite. SAP Business suite has SAP ECC+SAP CRM + SAP SRM + SAP SCM + SAP PLM
- SAP ECC is part of SAP Business suite. SAP business suite can run on any Data Base Such as Oracle, MSSQL, IBM DB2 including HANA.
- SAP HANA is a RDBMS like Oracle, MSSQL, DB2
- Hana is an in-memory, column oriented database.
- HANA is SAP's own database.



## SAP S/4HANA

- SAP S/4HANA is **SAP's next generation business suite**. It's meant to replace SAP ECC/ERP, with a simplified tool designed specifically to work with SAP HANA.
- SAP S/4HANA is short for SAP Business Suite 4 SAP HANA, meaning that it is the fourth version of SAP Business Suite, but is designed to run only on SAP HANA.
- S/4 HANA stands for **SAP Business Suite 4 SAP HANA** - The backend application layer runs on only HANA DB **and front end will be developed with SAPUI5( Fiori)**. In the 3 Tier architecture of SAP system, HANA is the database layer, S/4 HANA is the application layer, Fiori is the presentation layer
- S/4 HANA is the next SAP Business suit. SAP ERP evolution: R/2->R/3 ->ECC and now S/4 HANA
- This ERP financial software runs on the in-memory platform of SAP HANA, and supports financial planning and **accounting, accounting and financial close, treasury and cash management, accounts payable and receivable, risk management, and more**
- SAP S/4HANA is an ERP business suite based on **the SAP HANA in-memory database** that allows companies to perform transactions and analyze business data in real-time
- S/4 HANA is called the SAP Next Gen Business Suite. Concept of SAP ECC is not here. Instead modules like Simple Finance, simple logistics etc +SAP CRM + SAP SRM + SAP SCM + SAP PLM . It is an on going project and different modules will be optimized to run exclusively on HANA



### ADVANTAGES OF S/4 HANA

- Faster Performance.
- Data directly requests from Application Presentation layer.
- In SAP HANA, CPU will fetch data directly from RAM.
- SAP HANA supports Column-oriented table
- Real-time data analysis
- Elimination of unnecessary complexity of hardware
- In-memory database
- Column store supports calculations on the run
- Parallel processing
- Data compression

### WHAT IS FIORI

- SAP Fiori 2.0 is the **latest evolution of the user experience** for SAP S/4HANA. The user-centered design concept focuses on the way employees work and offers a variety of business benefits:
- **Increased productivity** – faster and direct access to relevant information and applications
- **Transparency** on items needing your attention – timely notifications

- 
- Helps users decide what needs to be done next
  - Allows users to take quick and informed actions
  - **user satisfaction increased**
  - One of the keys to S/4HANA is that it uses the SAP Fiori UI rather than **the traditional SAP GUI**.
  - SAP Fiori is a collection of commonly used S/4HANA functions that are displayed in a **simple, consumer-ready tile design and that can be accessed across various devices, including desktops, tablets and mobile**.
  - It provides a set of applications that are used in regular business functions like work approvals, **financial apps, calculation apps and various self-service apps**.
  - SAP Fiori provides 300+ role-based applications like **HR, Manufacturing, finance, etc.**
  - Fiori Means Flowers in Italian, when we open FIORI App we can see flowers in home screen.

### **SAP Fiori Apps:**

Sap Fiori apps categorized into three types

- Transactional
- Fact Sheet
- Analytical

#### **Transactional**

These applications are designed for interacting with individual business objects such as **customers or sales orders, managing lists of business objects** or carrying out a specific business process such as posting of financial documents.

#### **Analytical**

These applications are meant to analyze a business question or visualize a business process or **set of key performance indicators (KPIs)** at a higher level.

#### **Fact Sheets**

**These applications are designed to display all the relevant information** regarding a specific business object in one place.

Fact sheets also allow you to navigate to **Transactional apps** to run SAP transactions

### **BENEFITS OF UPGRADING TO S/4 HANA**

- Simplification, 31%
- Performance, 26%
- Finance Enhancement, 13%
- Fiori /Mobile support, 12%
- The HANA database was built for speed – it is lightning fast compared to other database
- 1350x faster reporting
- 1000x faster analytic
- 200x faster response time
- 70% savings when buying software
- 15% savings when buying hardware
- 20% savings on labor

### **S/4 HANA CUSTOMERS**

- Only about 10000 of SAP customers are now using S/4 HANA. What about the rest of the companies using SAP?
- 51% plan to migrate into S4 HANA in the next 5 years
- 29% are keeping SAP ECC as it is now
- 19% are still undecided
- 1% plan to migrate to a different ERP vendor

### **ARE SAP HANA and S/4 HANA both SAME**

#### **NO they are not same**

- SAP HANA is a RDBMS
- S/4 HANA stands for SAP Business Suite 4 SAP HANA - The back-end application layer runs on only HANA DB and front end will be developed with SAPUI5 (Fiori).

- HANA is a new type of database, S/4HANA is a suite of enterprise resource planning (ERP) software run on top of that in-memory database
- It is important to note that SAP's HANA data store -- which was first release in 2010 -- is a fundamentally different architecture to your classic relational database. It runs in-memory, meaning data is stored in columns instead of rows, allowing for faster, near to real-time analytic and compute capabilities.
- Both of these solutions can be run on SAP's managed private cloud platform, in the public cloud with AWS, Azure or Google Cloud, or a customer's own on-premise data centre.
- SAP HANA is an in-memory, column oriented, relational database management system which allows data analysts to query large volumes of data at instant time while SAP S/4HANA is the digital core that connects the enterprise with people, business networks, IOT, big data

## HANA

**Hana stands for Highly Performed Analytical Appliance it is RDBMS (Data Base)**

SAP S/4 HANA BUSINESS SUITE DESIGNED TO RUN EXCLUSIVELY ON HANA DB

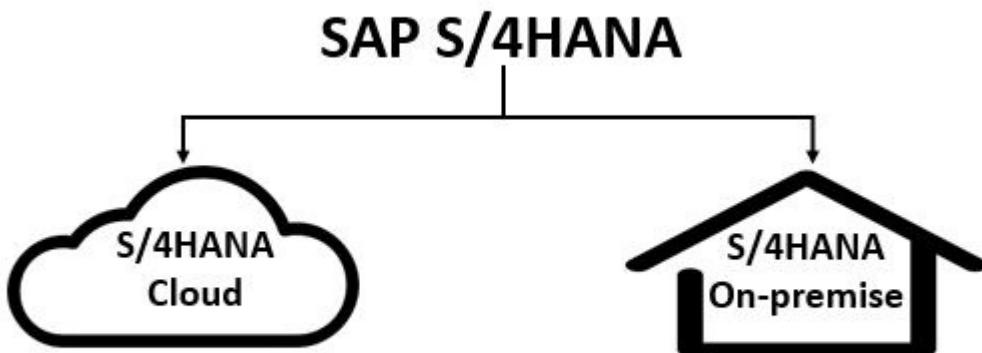
SAP S/4 HANA Back-end application Layer Runs only on HANA DB and Front end will be developed with SAP FIORI

HANA : Data Base Layer

S4 HANA : Application Layer

FIORI/Easy Access : Presentation Layer

## SAP S/4 HANA ON-PREMISES VERSION VS CLOUD VERSION



#### *SAP S/4 HANA On-Premise Edition*

SAP S/4HANA on-premises is the **ERP business suite based on the SAP HANA** in-memory database. With on premises, the customer manages everything, including the HANA database, applications, data centers, OS, middleware, servers, virtualization and networking

#### *SAP S/4 HANA Cloud Edition*

SAP S/4HANA Cloud is the **SaaS version of S/4HANA**. SaaS deployment means that users can take advantage of much of on-premises S/4HANA's functionality without needing the hardware, databases or IT staff required for the on-premises version.

In S/4HANA Cloud, SAP provides and manages almost everything for customer.

#### Licensing Model

Cloud: **Subscription licensing**

On Premise: **Traditional licensing**

- SAP HANA can be deployed on two delivery platforms: on-premise for maximum control, and in the cloud for fast time-to-value. Both have their pros and cons.
- Although, there is one more option: a hybrid delivery model that supports both on-premise and on-cloud scenarios.
- SAP S/4HANA on-premise edition is an internal platform, located on your own servers, maintained by your company
- SAP upgrades are released annually but have to be implemented and tested by your own team.
- The SAP S/4HANA, on-premise edition is the best fit for enterprises in any industry that need the full spectrum of functionality combined with a high degree of flexibility in customization.
- Typically, these will be larger enterprises with very well-established processes that they are not interested in changing.
- The SAP S/4HANA, cloud edition is the best fit for companies that need a highly agile offering that covers their core business scenarios, yet offers more flexibility and a faster innovation cycle (quarterly as opposed to yearly).
- It's perfect for businesses that are changing or growing rapidly and want a platform that can grow and change with them.

## Implementation

**Cloud:** The implementation is faster than S/4HANA on premises since the cloud version uses a ready-made platform that has already been provisioned, implemented and tested by the cloud provider.

**On Premise:** Implementation takes time, cost, effort and the right personnel to set up a new environment. There may also be a need to purchase additional hardware or software to implement new features.

## Customization

**Cloud:** Although able to be customized to some extent, there is far less flexibility compared to on premises.

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**On Premise:** There is far more **flexibility with and control of customization** since the company manages all customization in-house.

### **Integration's**

**Cloud:** Integration among various corporate **systems can be complex** and involves greater **security risks** due to data being sent over the internet.

**On Premise:** Data transfer among systems is **faster**, and integration over the internet is relatively simpler

### **SAP S/4HANA hybrid model**

There is one more deployment option for customers who are interested in **rapid business transformation with reduced initial cost**.

### **On-Premises Versions:**

SAP S/4HANA Finance 1503: March 2015

SAP S/4HANA 1511: November 2015

SAP S/4HANA Finance 1605: May 2016

SAP S/4HANA 1610: October 2016

SAP S/4HANA 1709: September 2017

**SAP S/4HANA 1809: September 2018**

### **SAP S/4HANA Cloud versions**

SAP S/4HANA Cloud 1603: March 2016

SAP S/4HANA Cloud 1605: May 2016

SAP S/4HANA Cloud 1608: August 2016

SAP S/4HANA Cloud 1611: November 2016

SAP S/4HANA Cloud 1702: February 2017

SAP S/4HANA Cloud 1705: May 2017

SAP S/4HANA Cloud 1708: August 2017

SAP S/4HANA Cloud 1711: November 2017

SAP S/4HANA Cloud 1802: February 2018

SAP S/4HANA Cloud 1805: May 2018

SAP S/4HANA Cloud 1808: August 2018

SAP S/4HANA Cloud 1811: November 2018

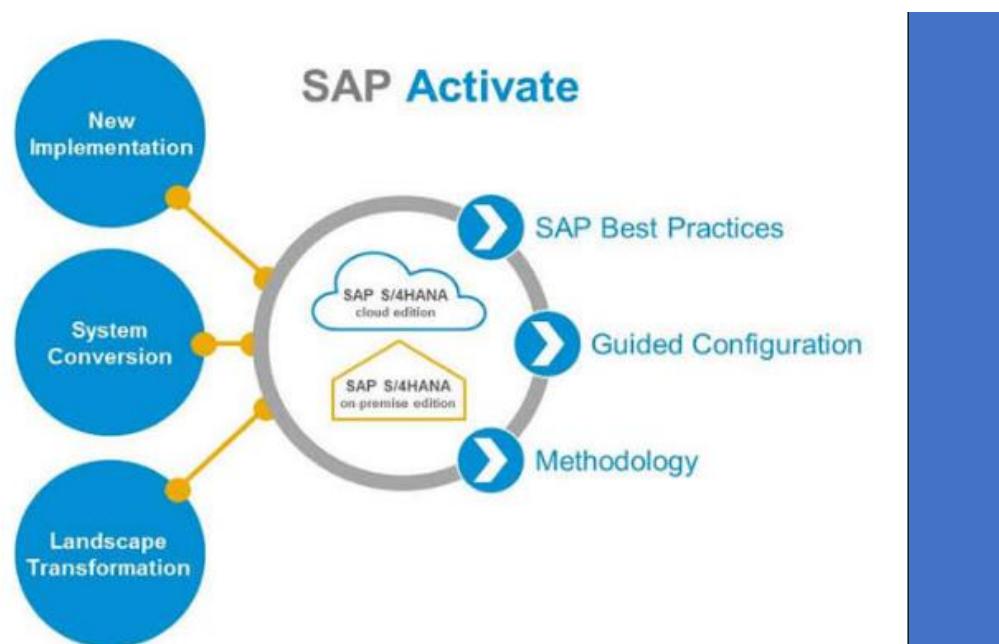
### **SAP Hana Hybrid Model**

The SAP S/4HANA hybrid model is the expedient deployment option for companies who want to get **two in one**: flexible IT solutions and **innovative business transformation** under full control of core business applications

**New implementation** - This is a new implementation of SAP S/4HANA (**green field methodology**): customers who are migrating from a non-SAP legacy system or from an SAP ERP system and implementing a fresh system that requires an initial data load. In this scenario, the SAP S/4HANA system is implemented, and **master and transactional data are migrated from the legacy system**, thus standard data migration tools and content has to be used.

**System conversion** - This is a complete conversion of an existing SAP Business Suite system to SAP S/4HANA (lift & shift): customers who want to change their current SAP ERP system to SAP S/4HANA. (Brown field methodology) This scenario is technically based on Software Update Manager (SUM) with Database Migration Option (DMO) in case the customer is not yet on SAP HANA as the underlying database.

**Landscape transformation** - This is a consolidation of current regional SAP systems into one global SAP S/4HANA system or a split out of different parts of a system: customers who want to consolidate their landscape or carve out selected entities (such as a company code) or processes into a single SAP S/4HANA system.



MODUL REPLACED

ECC 6.0 -

➤ FICO (Finance & Control)

S/4 HANA :

- SIMPLE FINANCE
- CENTRAL FINANCE
- HANA FINANCE

#### **MODULES IN S/4 HANA:**

- SIMPLE FINANCE/HANA FINANCE, SIMPLE LOGISTICS, SAP CRM, SAP SRM, SAP SCM, SAP PLM
- Different modules have been optimized to run exclusively on HANA DB
- SAP S/4 HANA BUSINESS SUITE DESIGNED TO RUN EXCLUSIVELY ON HANA DB
- SAP S/4 HANA Back-end application Layer Runs only on HANA DB and Front end will be developed with SAP FIORI

#### **Implementation Methodology ECC VS S/4 HANA**

##### **ECC:**

- ASAP METHODOLOGY

##### **S/4 HANA :**

- GREEN FIELD METHODOLOGY ( First time Implementation)
- BROWN FIELD METHODOLOGY ( Upgrading to S/4 Hana from ECC Versions)

#### **S/4 HANA CHANGES COMPARED TO ECC**

##### **Chart of Accounts level:**

##### **Cost Element Creation : In ECC Two ways**

**Manual**

**Automatic**

##### **In S/4 Hana:**

**Only Automatic, Here cost elements can be create directly in FS00 GL Master Data.**

**In ECC We can create Cost element through FS00 GL Master Edit also we can use the T-Code KA01 to create Cost Element**

**In S/4 Hana**

- Chart of accounts integration for controlling tab in S4HANA is automatically integrated. That option has been removed from the screen.
- In ECC Chart of accounts Integration for Controlling tab in ECC has to be assigned. Here we need to select manual creation of cost elements or Automatic creation of cost elements option.
- In ECC 13 Columns available, In S/4 Hana Additional 3 columns have given for Controlling related docs
- With S4 Finance, the GL Master Data and Cost Element Master Data have merged. The duplication of creation and inconsistencies in GL Master Data and cost element, hitherto, is now eliminated.

#### **GL Account Type**

There are now 4 options in Account Type. Previously, Account Type was either Balance Sheet or Profit & Loss type. Profit & Loss Type is now split to below:

- Non Operating Expense or Income
- Primary Costs or Revenue

Secondary Cost

#### **Differences in Posting Period configuration**

Additional column appears in S4HANA opening & Closing periods configuration to posting from controlling to finance

➤ No additional Column in ECC version for the configuration of Opening & closing periods

## Transaction code OB52

- GL Master Data changes in S4HANA With S4 Finance, the GL Master Data and Cost Element Master Data have merged. The duplication of creation and inconsistencies in GL Master Data and cost element, hitherto, is now eliminated. Below are the changes to GL Master Data: **GL Account Type** There are now 4 options in Account Type. Previously, Account Type was either Balance Sheet or Profit & Loss type. Profit & Loss Type is now split to below:
  - **N Non Operating Expense or Income**
  - **P Primary Costs or Revenue**

Secondary Costs Selecting the option will influence the screen layout under Controlling Area (of cost-element)

The screenshot shows the SAP OB52 transaction screen for GL Account setup. At the top, there are fields for G/L Account (2000 Cash) and Company Code (2500 PN Group). Below this is a navigation bar with tabs: Type/Description, Control Data, Create/bank/interest, Key word/translation, and others. The 'Type/Description' tab is active. In the main area, there is a section titled 'Control in Chart of Accounts ANDE Andersons chart of accounts'. Under 'G/L Account Type', the value 'X Balance Sheet Account' is selected. A dropdown menu is open, showing four options: X Balance Sheet Account, N Nonoperating Expense or Income, P Primary Costs or Revenue, and S Secondary Costs. The 'S Secondary Costs' option is highlighted with a red circle. Other sections visible include 'Account Group' (with a dropdown menu), 'Description', 'Short Text' (Cash), 'G/L Acct Long Text' (Cash), and 'Consolidation Data in Chart of Accounts ANDE Andersons chart of accounts' (Trading partner).

**Clearing specific to Ledger Groups** In the —Control Data|| tab there is a new indicator for —Clearing specific to Ledger Groups||. To understand more about Ledger Groups,. If you select this indicator, the account is managed on an open-item basis . Clearing can be performed within the same ledger group

G/L Account 2000 Cash  
Company Code 2500 PN Group

Type/Description Control Data Create/bank/interest Key word/translation I...

Alternative Account No.   
Acct Managed in Ext. System   
Inflation key   
Tolerance Group

**Account Management in Company Code**

Open Item Management   
**Clearing Specific to Ledger Groups**  (highlighted by a red circle)  
Sort key 001 Posting date  
Authorization Group   
Clerk Abbreviation

**Multi Currency Accounting**

MCA Key

**Joint venture data in company code**

Recovery Indicator

- General Ledger Account and Cost Element got merged
- Secondary Cost Element is also considered as GL
- Secondary cost elements are also created through transaction code FS00
- Transaction code FS00 has been extended and changed to cater the changes all the changes in S/4 HANA in regard to GL
- Transaction code such as KA01, KA02, KA03, KA06 have been removed. If you try to use them, you will be redirected to FS00

### Business Partner

- In S4 HANA both customer and vendor get created with Transaction BP

- A Business Partner can be a person, organization, group of people, or a group of organizations, in which a company has a business interest.
- It is the single point of entry to create, edit, and display the master data for business partners, customers and vendors.

A Business Partner consists of general data like name, address, bank information, etc. as well as role specific information i.e. customer/vendor/employee data

### Why Business Partner

**Data Redundancy** A person can be a Vendor as well as customer, in traditional ERP we have to create two objects. With business partner single object is only required. **Multiple Transactions:** To create vendor or customer we have to go to different transactions. With Business Partner single transaction “BP” is required both objects. **Centrally managing master data for business partners, customers, and vendors.** **Customer and Vendor Integration to Business Partner:** Customer Vendor

Transactions not available in SAP S/4HANA On-Premise Edition

FD01,FD02,FD03,FD06 FK01,FK02,FK03,FK06 MAP1,MAP2,MAP3  
MK01,MK02,MK03,MK06,MK12,MK18,MK19 VD01,VD02,VD03,VD06 XD01,XD02,XD03,XD06,XD07  
XK01,XK02,XK03,XK06,XK07

### Principles of the Business Partner (BP) concept:

- General data is shared across different roles.
- BP has a category: Organization, Person or Group.
- One BP can perform multiple roles (e.g. Customer and Vendor).
- One BP can have multiple time-dependent addresses with corresponding address usages.

- Maintenance of multiple relationships to the same BP

## BP TABLES

<b>BP000</b>	<b>Business partner master (general data)</b>
<b>BUT000</b>	<b>General data I</b>
<b>BUT001</b>	<b>General data II</b>
<b>BP001</b>	<b>F-Specific attributes</b>
<b>BUT0BANK</b>	<b>Bank details</b>
<b>BD001</b>	<b>Assign customer – partner</b>
<b>BP030</b>	<b>Address</b>
<b>BC001</b>	<b>Assign vendor – partner</b>
<b>BUT020</b>	<b>BP: addresses</b>
<b>BUT021</b>	<b>BP: address usage</b>
<b>BP1000</b>	<b>Roles</b>

## Line Item Reports

The old reports such as FBL1N, FBL5N, and FAGLL03 still exist along with FBL1H, FBL3H & FBL5H.

**FI Line Item Browsers** The Line Item Browsers include the following transaction codes: FAGLL03H – G/L Line Item Browser (G/L View) FBL3H – G/L Account Line Item Browser\* FBL1H – Vendor Line Item Browser FBL5H – Customer Line Item Browser KE5ZH – PCA Line Item Browser HDBC – ERP Accelerators: Settings

- The Line Item Browsers initially display aggregated data, based on a layout of selected fields, and are optimized to do that. The old line item display transactions always displayed detailed document-level data, and this often caused performance/out of memory/timeout issues unless your selection was very narrow. Moreover, they have no aggregation capability, they can only produce detail listings. Even under HANA, the old line item transactions can still cause performance issues and have rather limited usefulness since all you can do is dump document details.
  
- With the new Line Item Browsers, leveraging HANA, if you start with an aggregated layout you can retrieve millions of document records and the aggregation performance will be amazingly fast

#### UNIVERSAL JOURNAL IN S/4 HANA

- There has been a lot of **buzz** around the term ‘Universal Journal’ and the concept of the single source of truth with the S/4 HANA Finance ERP.
- The Universal Journal **brings together** the once separate components of Financial Accounting (FI) and Controlling (CO) in one place and in one line item table referred to as the **ACDOCA**.
- In the legacy system before S/4 HANA came into existence, Fixed Assets, Controlling, Profitability Analysis, Material Ledger and General Ledger all existed as **separate components for finance in SAP**.
- This meant **multiple sources of truth** existed that required **huge reconciliation efforts** to eliminate **data redundancies**.

- There were about 10 challenges because the components were structured differently with different fields and entities.
- These components also had different capabilities and there was a **need to move the data** to the appropriate table for reporting. **Multiple BI extractors were needed** to cover the complete truth in BI.

#### How's the Universal Journal changing finance in SAP?

- With the single ACDOCA line item table, data is presented in a common structure making comparison easier
- Thereby it's based on a Single Source of Truth with no reconciliation needed by design and architecture
- Complies with legal requirements from a local and global perspective and provides all required currencies
- The Universal Journal has made business life much easier for users, allowing fast decisions based on a holistic financial and management accounting picture – for example by accelerating period end-closing activities through the elimination of tedious reconciliation work.
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- Technically speaking, the Universal Journal combines the most important fields from these components within a single line item table, which enables the components to read and process the data required for their business processes from a single location.

- The advantages of having all this information in one place are evident: No reconciliation activities are needed, data redundancies are eliminated, and line items are entered only once. All of this reduces the memory footprint and increases the throughput of the system. Overall, companies can even benefit from lower TCO thanks to the Universal Journal.
- The universal journal is the book of original entry for business transactions in Financial Accounting (FI) and Controlling (CO). It contains the journal entries generated by these transactions and thus represents the single source of truth in SAP Simple Finance. Integrity of financial data is guaranteed by design, eliminating reconciliation effort between FI and CO and ensuring that everyone can always access the most current data

A Universal Journal entry consists of a header and respective items and in some scenarios it is possible to have item entries without a header value. Universal Journal is a one-line item table with full detail for all the components. No reconciliation is required and data is stored only once.

- Header Table – BKPF
- Respective Item Table – ACDOCA
- Respective item table ACDOCA consists of all the fields required for General Ledger, Asset Accounting, and Material Ledger, etc.
- Universal Journal contains 6-digit line item numbering
- Universal Journal contains 23-digit currency fields

The universal journal optimizes the reporting and financial analysis process since **no time-consuming** reconciliation activities are necessary. **The enhanced reporting** features include:

#### Flexible analysis of financial statements

You can drill down from any balance sheet item to entities such as fixed assets or materials.

For each business transaction in one of the application components, a journal entry is created –

- General Ledger Accounting
- Asset Accounting
- Controlling
- Material Ledger
- Profitability Analysis

The Journal Entry removes the separation between Financial Accounting and Controlling hence there is no need for any reconciliation between FI and CO, or between FI - General Ledger and FI - Asset Accounting

Income statements can be broken down based on any dimension available in the journal entry. Market segment analysis is possible for any item of the income statement. The income statement is fully reconciled with profitability reports.

If any data is not entered when a transaction is recorded in the journal, the data is derived automatically. This enables you to analyze data using characteristics from different components. For example, you can create a balance sheet at the segment level.

#### Real-time profitability analysis

- Market segments are included in journal entries as additional attributes, allowing you to continually analyze profitability rather than having to wait for settlement runs at period close.
- For example, when salary costs are posted to a cost center, the corresponding market segment can be derived instantaneously and is immediately available for analysis.

- Profitability attributes are provided for [each income statement item](#), ensuring that the profitability data is always reconciled with the income statement. Market segment fields are filled through derivation of profitability attributes (for example, a posting to cost center derives the product group). Attributes can be enriched by further processes such as settlement or allocations.

#### Comparability of costs

Costs in the income statement can be compared directly with the costs in a CO report since both are based on the same underlying data. There is no need to map G/L accounts to cost elements or ensure that the ledger in G/L is adapted to the CO version.

#### Easier to meet financial reporting requirements

The integration of financial and management reporting enhances your ability to meet financial regulations, such as the requirement to include operating segments in statutory reports.

#### Merge of OLTP and OLAP

Replication of data to an OLAP system is not necessary in most cases, since SAP HANA provides multidimensional access to line items almost instantaneously. Even in cases where data is needed in an OLAP system, the data only has to be extracted from one data source rather than different data sources in each component.

The list of tables that were part of this structure and are merged with the ACDOCA table now includes the following:

### **Index tables removed:**

BSIS, BSAS, BSID, BSAD, BSIK, BSAK, BSIM, FAGLBSIS, and FAGLBSSAS

### **Aggregate tables removed:**

GLTO, GLT3, FAGLFEXT, KNC1, LFC1, KNC3, KFC3, COSS, and COSIP

### **Tables removed:**

FAGLFLEXA, COEP, ANEP, ANEA, ANLC, ANLP, and MLIT

### **Material Ledger:**

Contents of MLIT, MLPP, MLPPF, MLCR, MLCRF, MLCD, CKMII, and BSIM are now stored in ACD0CA; MLHD data is stored in BKPF

- Respective item table ACD0CA consists of all the fields required for General Ledger, Asset Accounting, and Material Ledger, etc.
- Universal Journal contains 6-digit line item numbering
- Universal Journal contains 23-digit currency fields
- Enhanced Reporting

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