

SAP General Ledger Configuration

SAP R/3 ENTERPRISE ECC6

Published by Team of SAP Consultants
at SAPTOPJOBS

Visit us at www.sap-topjobs.com

Copyright 2009-11@SAPTOPJOBS

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form, or by any means electronic or mechanical including photocopying, recording or any information storage and retrieval system without permission in writing from SAPTOPJOBS.

Hello Everyone,

A Warm Welcome To You All! We are really excited to offer the complete SAP FICO Configuration pack to the SAP community. This was a much-awaited pack and we are happy to present that to you... As you are aware that our SAP SD, PP/QM ,MM/WM,PS, and HR packages have already achieved the best selling status and have received lots of accolades and really helped the consultants take their SAP knowledge and career to the next level ...I am very confident that FICO configuration package will go a step forward and do much more than that.....

For those who have been on our list and who have bought from us earlier you all know that we have over-delivered on each of our configuration packs and we want to do the same thing with SAP FICO config pack too... For those who have visited our site for the first time I would like to welcome you to our site and promise you that we would do our best to ensure that your life at the clients place would be very comfortable...

What I have done here is given you a brief of around 172+ pages of content in FICO pack so that you can have a feel of what it would be like in terms of structure. The whole pack is extremely voluminous, step by step guide this is just a feeler... So I hope you enjoy this.... So lets dive right in....

One more thing this configuration pack is compatible with version 4.7, version 5.0 and 6.0 So you really do have to worry about the version at all.. We have taken care of that... Also all future version changes will be provided as free updates to you. So you can sit back relax and play the music The main changes in 5.0 and 6.0 has been New Ledger Configuration and Consolidation and we have covered that in detail in our complete FICO Configuration packs. So you don't need to worry.

The entire FICO configuration pack comes in 11 voluminous power packed CDS full of meaty content and each sub module in SAP FICO is broken into Configuration, End user and Power point. There are tons of bonuses which you get along with this pack including IntegrationCheat sheets, FICO Interview Questions and a boatload of step by step guides. You can take advantage of the special offer by visiting the site below

<http://www.sap-topjobs.com/SpecialPP/8431654231.html>

All our packs are shipped thru FedEx and reaches you in three days time.

What I want from you now is to do yourself a favour by bringing the brains and wisdom of SAP FICO Experts with more than 12+yrs of implementation experience to your drawing room today. Do it right now my dear friend and take your SAP career to the next level.... You will love it I promise you....

<http://www.sap-topjobs.com/SpecialPP/8431654231.html>

TABLE OF CONTENTS

1.	INTRODUCTION	6
2.	COMPANY CODE CONFIGURATION	8
2.1	Define Company	8
2.2	Creating a Company Code in SAP	10
2.3	Assign Company Code to company	15
2.4	Create Chart of Accounts in SAP	17
2.5	Assign Company code to Chart of accounts	20
2.6	Define Business Area	22
2.7	Define Account Group	25
2.8	Define Retained Earnings Account in SAP	28
2.9	Maintain Fiscal Year Variant	31
2.10	Assign Company Code to a Fiscal Year Variant	33
2.11	Define Posting period Variant	36
2.12	Open and Close Posting Periods	38
2.13	Assign Posting period Variant to Company code	41
2.14	Create document number ranges for company code	44
2.15	Copy document number ranges to fiscal year	48
2.16	Define document type and assign document number range	51
2.17	Enable Fiscal Year Default	52
2.18	Enable Default Value date	53
2.19	Maintain Field Status Variants	54
2.20	Assign Company Code to Field Status Variants	58
2.21	Screen variants for document entry	59
2.22	Define Tolerance Groups for Employees in SAP	61
2.23	Assign User/Tolerance Groups	66

2.24	Maximum Exchange Rate Difference	68
2.25	Check Company Code settings in Global parameters	70
2.26	Define Additional Local currencies (Optional)	74
2.27	Define Additional Local currencies for Ledgers (Optional)	79
2.28	Check Calculation Procedure	84
2.29	Assign Country to Calculation Procedure	89
2.30	Define Tax Codes for Sales and Purchases	91
3.	CREATING G L ACCOUNT CODES IN THE CHART OF ACCOUNTS	99
3.1	Create GL account in Chart accounts and company code	99
4.	CONFIGURATION FOR GL AUTOMATIC CLEARING: -	106
4.1	Automatic Clearing	106
4.2	Define Tolerance Groups for G/L Accounts	109
4.3	Assigning accounts for GL Clearing Differences	111
5.	CONFIGURATION FOR FOREIGN CURRENCY VALUATION	114
5.1	Define Valuation methods	115
5.2	Assign GL accounts for Foreign Currency valuation	120
6.	CONFIGURATION FOR REGROUPING POSTINGS	126
6.1	Define Adjustment Accounts for GR/IR clearing	126
7.	CREATING BALANCE SHEET AND PROFIT AND LOSS ACCOUNT	131
7.1	Define Financial Statement Version (FSV)	131
8.	FI INTEGRATION WITH OTHER MODULES	152
8.1	Integration with Overhead Cost Controlling	152
8.2	Integration with Materials Management	154
8.3	Integration with Sales and Distribution	172

1. INTRODUCTION

Let's get started. First we will go through a bit of introduction about the SAP Finance Module before we grind in further:

SAP FI(Financial Accounting) is the basic module and very important module in SAP. SAP FI module receives postings from various other modules such as MM(Materials Management) , SD (Sales and Distribution) and HR(Human Resource) through various integration points. All the posting from the aforesaid modules are posted real-time to FI module. FI module feeds in data to CO modules such as Cost Center Accounting, profit center accounting and the Profitability Analysis Module. SAP FI module is geared for external reporting ie legal reporting, tax reporting.

Let's also touch base on some other organizational structures, which are important

- a) The plants created in the logistics (General) module must be assigned to the company code. That means all transactions taking place in the plants are posted to the attached company code in SAP FI.
- b) The purchasing organization created in the MM module is attached to the Company code.
- c) The sales organization created in the SD module is attached to the company code.
- d) A company code created is assigned to the Controlling area.

To help you understand the SAP terminologies we will go through a relevant example which will help you configure the system more effectively.

In this SAP training, we will configure a company code 1100 (ABC Ltd) located in USA. The currency in USA is USD; therefore the currency of the company code will be USD. We consider the reporting period in that country as Jan to December. We will also in this document cover briefly the FI - MM integration, FI- SD integration.

The parent company of ABC Ltd is located in Germany. Therefore ABC Ltd is required to report figures in EURO. We would therefore need to configure parallel currencies to have such reporting possible.

2. COMPANY CODE CONFIGURATION

Let us discuss the company code configuration in the below steps.

2.1 Define Company

Menu Path

IMG → Enterprise Structure → Definition → Financial Accounting
→ Define Company

In the SAP scenario, functions involved in consolidation of financial accounting are based on companies. A company can comprise of one or more company codes.

We will create a company 1100 to which we will assign our company code.

Click on **New Entries** and update the following: -

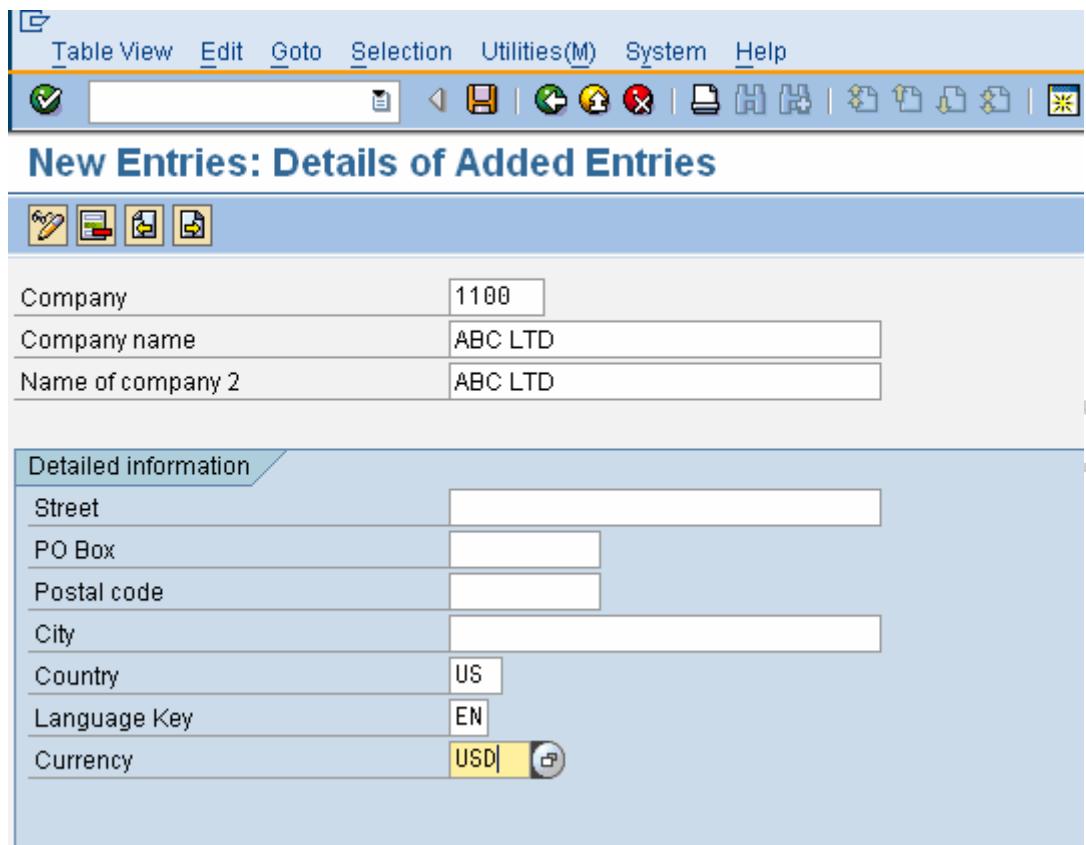
Table View Edit Goto Selection Utilities(M) System Help

New Entries: Details of Added Entries

Company 1100
Company name ABC LTD
Name of company 2 ABC LTD

Detailed information

Street
PO Box
Postal code
City
Country US
Language Key EN
Currency USD 



Click  to save entry.

2.2 Creating a Company Code in SAP

A balance sheet and profit & loss account can be extracted for a Company code which is the basic organizational unit in SAP FI (Financial accounting)

Company code is the bare minimum structure required for a SAP system. We will create company code 1100 (XYZ Ltd.) which is located in country USA.

For configuring Company code we will use the following path on the SAP application screen:-

Menu Path

SAP Menu → Tools → Customizing → IMG → SPRO - Edit Project

Transaction Code

(SPRO)

 SAP Reference IMG

Configuration for all the modules will be done here. The above path will not be referred henceforth; we will directly refer to the IMG node.

IMG → Enterprise Structure → Definition → Financial Accounting → Define, copy, delete, check company code

Double click on Edit Company Code



Whenever you select the second option Edit Company Code data you have to configure all the subsequent assignments manually.

When the first option is selected all the configuration and tables get copied automatically along with assignments. In the cases of rollouts this option can be selected.

In the Copy option you need to click on  to copy a company code from an existing company code. You can copy from existing company code delivered by SAP.

A four-character alpha-numeric key as the company code key can be selected. This key identifies the company code and must be entered when posting business transactions or creating company code-specific master data, for example.

With the help of following SAP tutorial material we will cover the Financial Accounting configuration from its roots and rather than copying it from a prevailing SAP company code.

The screenshot shows the SAP Change View "Company Code" interface. The title bar reads "Change View 'Company Code': Ov". Below the title bar is a toolbar with various icons. The main area is a table with two columns: "Company Code" and "Company Name". The table contains 14 rows of data. The first row is highlighted in yellow. The last row, 0114, is also highlighted in yellow. The table has scroll bars on the right side.

	Company Code	Company Name
0001	B P A.G.	
0002	fawad1	
0004	MBS LTD	
0005	IDES AG NEW GL	
0006	IDES US INC New GL	
0007	IDES AG NEW GL 7	
0008	IDES US INC New GL 8	
0030	AM Equity Short Sales	
0031	AM Equity Equity Sales	
0033	AM Equity Consulting	
0100	IDES Japan 0100	
0110	IDES Japan 0110	
0111	SHAN REAL ESTATE	
0112	SHAN JEWELERS	
0113	SHAN SUPER MARKET	
0114	SHAN RESTAURANT	

Click on **New Entries** and Update the following **required** fields:

The screenshot shows the SAP Fiori interface for adding new entries. The top navigation bar includes 'Table View', 'Edit', 'Goto', 'Selection', 'Utilities(M)', 'System', and 'Help'. Below the navigation is a toolbar with icons for search, refresh, and other system functions. The main title is 'New Entries: Details of Added Entries'. A sub-header indicates 'Additional data'. The form fields are as follows:

Company Code	1100
Company Name	ABC LTD
City	NEW YORK
Country	US
Currency	USD
Language	EN <input style="width: 20px; height: 20px;" type="button" value="..."/>

Ideally, In a SAP system the company code should be always kept numeric.

Country:

This field is for the purpose that where the concerned company code is located and the balance sheet and income statement which will be prepared according to that particular country's law. In our present case the company is located in USA, so we have selected the country id US (USA).

Currency:

This field represents the local reporting currency of the country. In this case it is USA (US Dollars) since the company is located in USA.

Click on **Address**  and update the following fields

 Edit address: 1100 

Name		
Title	<input type="text"/>	
Name	ABC LTD	
		
Search Terms		
Search term 1/2	ABC	
Street Address		
Street/House number	Lincon Road	
Postal Code/City	400057	NY - Central
Country	US	United States
Region	<input type="text"/>	
		
PO Box Address		
PO Box	123456	
Postal Code	<input type="text"/>	
Company postal code	<input type="text"/>	
		
Communication		
Language	English	
Telephone	11-22-12345678	 Other communication... 
Mobile Phone	<input type="text"/>	
Fax	<input type="text"/>	
E-Mail	<input type="text"/>	
Standard Comm.Method		
Comments	<input type="text"/>	
   Preview  International Versions 		

Click 

Click  to save entry.

In this way company code 1100 is created in SAP

2.3 Assign Company Code to company

Menu Path

IMG → Enterprise Structure → Assignment → Financial Accounting → Assign Company code to company

Assign company code 1100 to company 1100 in SAP.

Table View Edit Goto Selection Utilities(M) System Help

Change View "Assign Company Code > Company":

Save  Undo  Redo  Cut  Copy  Paste  Find  Filter  Sort Ascending  Sort Descending  Print  Exit 

Co...	City	Company
101	Corona	FP
1029	Frankfurt	1029
1100	NEW YORK	1100 
1112	SAN FRANCISCO	SATYAM
1127	Frankfurt	
1216	TORONT	
1499	Windsor	
1898	New York	1898
1899	Elyria	1899
1900	Columbus	P1900
1970	New York	FOCK
1982	Farmington	BELL
1984	Frankfurt	
1991	atlanta	1991
1993	warangal	
1994	Pleasanton	
1999	LOS ANGELES	
2000	London	2000
2100	Lisbon	2100
2200	Paris	2200
2201	Paris	2201
2300	Barcelona	2300
2400		2400

Click on Save 

2.4 Create Chart of Accounts in SAP

Menu Path

IMG → Financial Accounting → General Ledger Accounting → G/L Accounts → Master Records → Preparations → Edit Chart of Accounts List

Transaction Code

(OB13)

The Chart of Accounts is a variant which contains the structure and basic information about the general ledger accounts.

We have to create one chart of accounts for each company code in SAP. This chart of accounts is assigned to the company code. One chart of accounts can be used by more than one company codes. These imply that the general ledgers of these company codes can have similar GL structure.

Under here we will define just a chart of accounts code in SAP. The GL codes are not defined here.

The screenshot shows the SAP ERP interface with the title "Change View \"List of All Charts of Accounts\": Over". The menu bar includes "Table View", "Edit", "Goto", "Selection", "Utilities(M)", "System", and "Help". Below the menu is a toolbar with icons for search, refresh, and other functions. A sub-menu bar shows "New Entries" and other options. The main area displays a table with two columns: "Chart of Accts" and "Chart of accounts description". The table contains 19 rows of data. At the bottom of the table is a navigation bar with arrows for sorting.

Chart of Accts	Chart of accounts description
0020	Chart of Accounts for KOKE
1000	SAFA Inc Chart of Account
111	satyam group chart of accounts
1112	satyam chart of accounts
1216	COMMON CHART OF ACCOUNT A GROUP COS
1991	chart of accounts for 1991
1994	chart of account for 1994
1SAP	SAP Chart of Accounts
4325	Sap India COA
4326	Sap India COA
4327	SAP Consulting
666	CHART OF ACCOUNTS FOR ITL
7300	gr chart of accounts
7301	7301 chart of accounts
9999	CHART OF ACCOUNTS FOR 9999
A200	CHART OF ACCOUNTS FOR CO_CODE RMI
A300	

Click on **New entries** and update the following fields

Table View Edit Goto Selection Utilities(M) System Help

New Entries: Details of Added Entries

Chart of Accts	USCA
Description	ABC LTD Chart of Account

General specifications

Maint.language	English
Length of G/L account number	6

Integration

Controlling integration	Manual creation of cost elements
-------------------------	----------------------------------

Consolidation

Group Chart of Accts	
----------------------	--

Status

<input type="checkbox"/> Blocked

We can have controlling integration i.e.

- a) Manual creation of cost elements or
- b) Automatic creation of cost elements.

It is preferable to have manual creation of cost elements in SAP Financial Accounting.

We have to keep in mind that whenever we create a GL code (expense or revenue account) in Financial Accounting, at the same time we have to create the cost element (type 1 or 11) in the Controlling module of SAP system.

This allows cost to be flown from FI to CO on a cost object in realtime.

Click  to save entry.

This way USCA chart of accounts is created in SAP.

2.5 Assign Company code to Chart of accounts

Menu Path

IMG → Financial Accounting → General Ledger Accounting → G/L Accounts → Master Records → Preparations → Assign Company Code to Chart of Accounts

Transaction Code

(OB62)

Co...	Company Name	City	Chrt/Accts	Cty ch/act
1100	ABC LTD	NEW YORK		
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	1112	
1127	IDES AG	Frankfurt	INT	GKR
1216	ABC	TORONT	1216	
1499	Asees Sahib	Windsor	AS	
1898	Elyria Company	New York	CAUS	
1899	Lowes Company	Elyria	CAUS	
1900	Ohio HITEK Computers Inc.	Columbus	OCIO	
1970	Fock Software Ltd	New York	CAUS	
1982	Bell Soft	Farmington		
1984	IDES AG	Frankfurt	INT	GKR
1991	shree & co pvt ltd	atlanta	1991	
1993	roopa	warangal		
1994	SOWMIT	Pleasanton	CAUS	
1999	bofors ltd	LOS ANGELES	BOFR	
2000	IDES UK	London	INT	CAGB
2100	IDES Portugal	Lisbon	INT	

Assign **USCA** in the Chrt/accts field to company code 1100.

Co.	Company Name	City	ChrtAccts	Cty ch/act
1100	ABC LTD	NEW YORK	USCA	
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	1112	
1127	IDES AG	Frankfurt	INT	GKR
1216	ABC	TORONT	1216	
1499	Asees Sahib	Windsor	AS	
1898	Elyria Company	New York	CAUS	
1899	Lowes Company	Elyria	CAUS	
1900	Ohio HITEK Computers Inc.	Columbus	OCIO	
1970	Fock Software Ltd	New York	CAUS	
1982	Bell Soft	Farmington		
1984	IDES AG	Frankfurt	INT	GKR
1991	shree & co pvt ltd	atlanta	1991	
1993	roopa	warangal		
1994	SOWMIT	Pleasanton	CAUS	
1999	bofors ltd	LOS ANGELES	BOFR	
2000	IDES UK	London	INT	CAGB
2100	IDES Portugal	Lisbon	INT	

Click to save entry.

Thus Company code 1100 is assigned to USCA chart of accounts in SAP.

2.6 Define Business Area

Menu Path

IMG → Enterprise Structure → Definition → Financial Accounting
→ Define Business Area.

In order to organize and manage different divisions or segments, e.g. geographically or product wise etc. in better way in SAP, they can be defined and maintained as Business Areas which helps to serve the internal as well as external reporting.

(For example this can help you to serve a report as required by the Segmental Reporting as required by the International Accounting Standards – 14)

Table View Edit Goto Selection Utilities(M) System Help

New Entries

Business Area	Description
0001	Business area 0001
1000	Mechanical engineering
1111	Business area for 1991
1234	Real Estate management
1500	Consumer Products: Food
1898	Business Area of Elyria
2000	Plant engineering & construct.
2222	Mechanical engineering1991
2700	Mechanical engineering
3000	Automotive
3333	Consumer Products: Food1991
3400	Metal, Wood and Paper
3500	Aerospace & Defence
4000	Chemicals
4444	Automotive1991
4500	Engineering & Construction
5000	Consumer Products: Non-Food

Click on **New entries** and update the following fields.

The screenshot shows a SAP Fiori application interface. The top navigation bar includes 'Table View', 'Edit', 'Goto', 'Selection', 'Utilities(M)', 'System', and 'Help'. Below the navigation is a toolbar with icons for search, refresh, and other functions. The main title is 'New Entries: Overview of Added Entries'. A toolbar below the title contains icons for edit, add, delete, and search. The table has two columns: 'Business Area' and 'Description'. One row is visible, showing '1100' in the Business Area column and 'US Software Products' in the Description column. The table includes standard SAP UI controls like scroll bars and header row selection.

Business Area	Description
1100	US Software Products

Click to save entry.

2.7 Define Account Group

Menu Path

IMG → Financial Accounting → General Ledger Accounting → G/L Accounts → Master Records → Preparations → Define Account Group

Transaction Code

(OBD4)

Since a chart of accounts contains many types of accounts, all these accounts can be bundled into different account groups.

Those accounts which have got similar kinds of business functions can be clubbed together under one account group. For example, one can have an account group for cash accounts, one for expense accounts, one for revenue accounts, and one for other balance sheet accounts, etc.

Moreover we can control the number range and the creation of the GL codes within the specified number range.

We can copy from the account group delivered by SAP for INT chart of accounts or we can create new account group required as per customer requirement.

To copy from other account group we need to mark the chart of accounts in the following manner: -

Change View "G/L Account Groups": Overview					
	Chrt/Accts	Acct Group	Name	From acct	To account
	INT	AE00	P&L accounts		9999999999
	INT	AN60	AR60/Fixed assets accounts	100000000	109999999
	INT	ANL.	Fixed assets accounts		9999999999
	INT	AS	Fixed assets accounts		9999999999
	INT	AS60	AR60/Fixed assets accounts	100000000	109999999
	INT	CASH	Liquid funds accounts		9999999999
	INT	CD00	Pagos al contado		9999999999
	INT	ER60	AR60/Income statement accounts	150000000	159999999
	INT	ERG.	P&L accounts		9999999999
	INT	FIN.	Liquid funds accounts		9999999999
	INT	GL	General G/L accounts		9999999999
	INT	GL60	AR60/General G/L accounts	100000000	109999999
	INT	MA60	AR60/Materials manag.accounts	100000000	109999999
	INT	MAT	Materials management accounts		9999999999
	INT	MAT.	Materials management accounts		9999999999
	INT	PL	P&L accounts		9999999999
	INT	PL60	AR60/Income statement accounts	150000000	159999999
	INT	RECN	Recon.account ready for input		9999999999
	INT	SA60	AR60/General G/L accounts	100000000	159999999
	INT	SAKO	General G/L accounts		9999999999
	INT	SEM	PL III		ZZZZZZZZZZ
	INT1	ANL.	Fixed assets accounts		9999999999
	INT1	AS	Fixed assets accounts		9999999999

Thereafter click on the copy icon  and change the Chart of accounts description to USCA.

If you want to create from scratch in SAP you need to click on **New entries** and update the following fields.

Click  to save entry.

This way Account groups are created for chart of accounts USCA in SAP.

2.8 Define Retained Earnings Account in SAP

Menu Path

IMG → Financial Accounting → General Ledger Accounting → G/L Accounts → Master Records → Preparations → Define Retained Earnings Account

Transaction Code

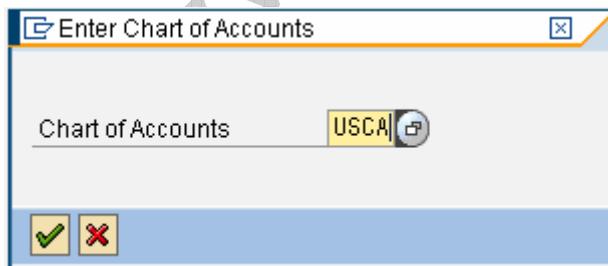
(OB53)

We have to assign a retained earnings account to each P&L account by specifying a P&L statement account type in the chart of accounts area of each P&L account in SAP.

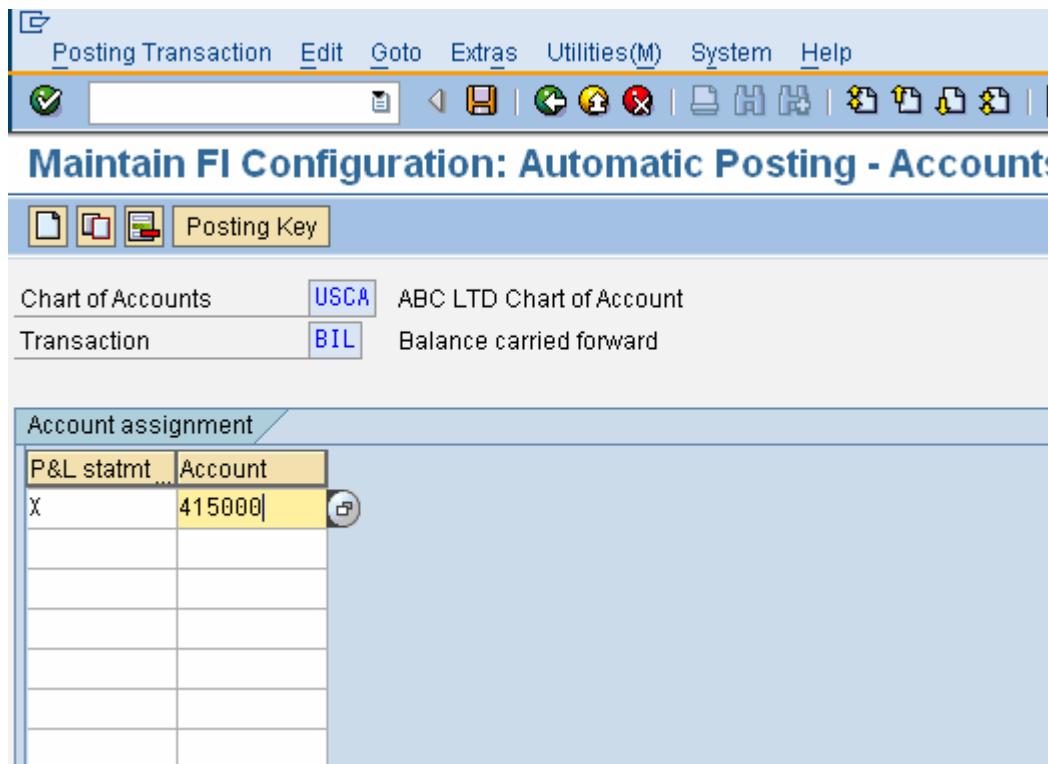
We must have minimum one retained earnings account.

The system carries forward the balance of the P&L account to the retained earnings account in SAP at the end of a fiscal year. We can define one or more P&L statement account types per chart of accounts and assign them to retained earnings accounts.

We have to update chart of accounts USCA in the given field



Update the following fields



Enter X in P& L statmt

Enter the account code for Retained earnings account.

Click

We will get a message “Account not created in chart of accounts USCA”, ignore it by pressing enter.

Click to save entry.

In this way Retained-earning account is created for chart of accounts USCA in SAP. We need to create this GL code later on at the GL code creation stage.

We can create multiple retained earnings accounts in SAP, where in We need to enter different key such as Y or Z and different GL codes.

We also create another retained earnings account with a key Y and GL code 315095 – Retained earnings account (Local – Parent)

This retained earnings account is required to carry on the difference between the local reporting and parent reporting. For example:- As per the local law the depreciation is calculated at 10% Straight line method (works out to 20000 USD) whereas as per the parent companies reporting the depreciation rate is 15% SLM (works out to 22000 USD). Thus the depreciation calculated will be different for local and parent. Thus the profit reported will be different and the profit carried forward to the balance sheet will be different.

In a SAP system we can take care of this difference which has occurred due to the different methods of calculating depreciation by creating different GL codes.

Example:

The local depreciation is posted to GL code 460001 Depreciation Local 2000 USD

The depreciation for the parent is posted as a difference between local and parent ($22000 \text{ USD} - 20000 \text{ USD} = 2000 \text{ USD}$) to GL code 460002 Depreciation local – parent 2,000 USD

The GL code 460001 is mapped to retained earnings account X and the GL code 460002 is mapped to retained earnings account Y in SAP.

2.9 Maintain Fiscal Year Variant

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Fiscal Year → Maintain Fiscal Year Variant (Maintain Shortened Fiscal Year)

Transaction Code

(OB29)

We can define the following characteristics for a fiscal year variant in SAP.

To separate business transactions into different periods, a fiscal year with posting periods has to be defined.

The fiscal year variant defines the number of posting periods a fiscal year can have, along with the special periods we need, this helps the system to determine the posting periods when postings are done.

When defining the fiscal year, we can choose out of the following options:

- The fiscal year is the calendar year
In this case, we must only select the *Calendar year* field.
- the fiscal year is not the same as the calendar year and is not year dependent
In this case, we first enter the number of the posting periods in the *Number posting per.* field. To define the posting periods, select our fiscal year variant and select *Periods* on the navigation screen. On this screen, enter the month and the day of the period end and the period in each case.

- The fiscal year is not the same as the calendar year and is year-dependent.

We can enter the number of posting periods in the field *Number posting periods* and select the field *Year-dependent*. To define Our posting periods, select Our fiscal year variant and select *Periods* on the navigation screen. The system asks for which calendar year Our year-dependent fiscal year variant is valid. We then enter the month and day of the period end for each of Our periods, and the periods themselves.

We can use the standard fiscal year variant **K4** in SAP where the financial accounting year corresponds to January to December.

In case the financial accounting year is April to March, We can use the standard fiscal year variant **V3** in SAP

We can copy and create new variants, but we should keep in mind that it should start with Z as the starting character.

In our example we will use the standard fiscal year variant K4

2.10 Assign Company Code to a Fiscal Year Variant

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Fiscal Year → Assign Company Code to a Fiscal Year Variant

Transaction Code

(OB37)

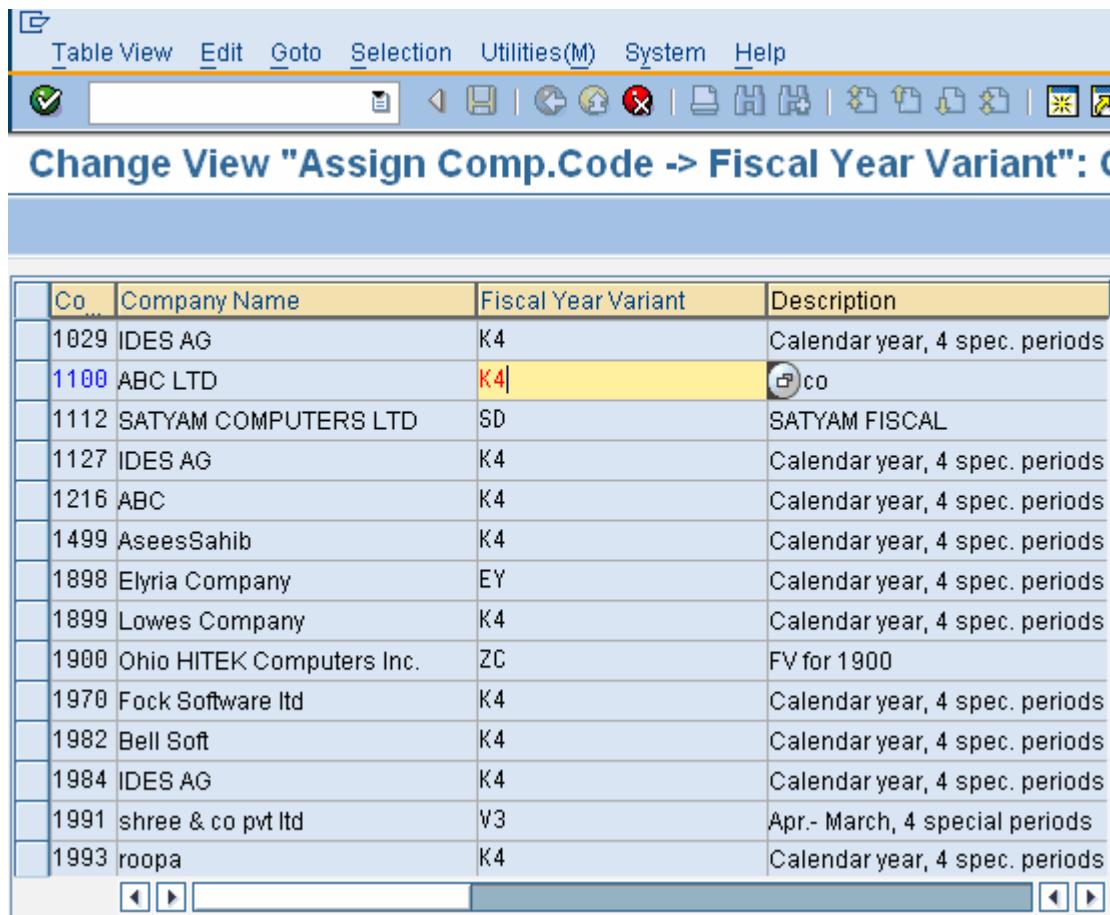
The company code 1100 needs to be assigned to a Fiscal Year variant. This controls which periods the company code will post data.

Table View Edit Goto Selection Utilities(M) System Help

The screenshot shows a SAP application window titled "Change View 'Assign Comp.Code -> Fiscal Year Variant': C". The table lists company codes (Co.) and their assigned fiscal year variants (Fiscal Year Variant) and descriptions. The row for company code 1100 is selected, highlighted in yellow.

Co...	Company Name	Fiscal Year Variant	Description
1029	IDES AG	K4	Calendar year, 4 spec. periods
1100	ABC LTD		Shree & co
1112	SATYAM COMPUTERS LTD	SD	SATYAM FISCAL
1127	IDES AG	K4	Calendar year, 4 spec. periods
1216	ABC	K4	Calendar year, 4 spec. periods
1499	AseesSahib	K4	Calendar year, 4 spec. periods
1898	Elyria Company	EY	Calendar year, 4 spec. periods
1899	Lowes Company	K4	Calendar year, 4 spec. periods
1900	Ohio HITEK Computers Inc.	ZC	FV for 1900
1970	Fock Software ltd	K4	Calendar year, 4 spec. periods
1982	Bell Soft	K4	Calendar year, 4 spec. periods
1984	IDES AG	K4	Calendar year, 4 spec. periods
1991	shree & co pvt ltd	V3	Apr.- March, 4 special periods
1993	roopa	K4	Calendar year, 4 spec. periods

Assign company code 1100 to K4 fiscal year variant in SAP.



The screenshot shows a SAP application window titled "Change View "Assign Comp.Code -> Fiscal Year Variant"". The menu bar includes "Table View", "Edit", "Goto", "Selection", "Utilities(M)", "System", and "Help". Below the menu is a toolbar with various icons. The main area displays a table with four columns: Company Code (Co...), Company Name, Fiscal Year Variant, and Description. The table lists 16 entries. The entry for Company Code 1100 has "K4" selected in the "Fiscal Year Variant" column. A watermark "www.Sap-Training.in" is diagonally across the table.

Co...	Company Name	Fiscal Year Variant	Description
1029	IDES AG	K4	Calendar year, 4 spec. periods
1100	ABC LTD	K4	Shree & co
1112	SATYAM COMPUTERS LTD	SD	SATYAM FISCAL
1127	IDES AG	K4	Calendar year, 4 spec. periods
1216	ABC	K4	Calendar year, 4 spec. periods
1499	AseesSahib	K4	Calendar year, 4 spec. periods
1898	Elyria Company	EY	Calendar year, 4 spec. periods
1899	Lowes Company	K4	Calendar year, 4 spec. periods
1900	Ohio HITEK Computers Inc.	ZC	FV for 1900
1970	Fock Software ltd	K4	Calendar year, 4 spec. periods
1982	Bell Soft	K4	Calendar year, 4 spec. periods
1984	IDES AG	K4	Calendar year, 4 spec. periods
1991	shree & co pvt ltd	V3	Apr.- March, 4 special periods
1993	roopa	K4	Calendar year, 4 spec. periods

Click  to save entry.

Thus Company code 1100 is assigned to fiscal year variant K4 in SAP.

2.11 Define Posting period Variant

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Posting Periods → Define Variants for Open Posting Periods

To separate business transactions into different periods, a posting period variant has to be defined so that transactions entered or posted are reflected in specific periods only.

For this firstly we need to define opening posting period.

Here, we can define variants for open posting periods.

In the standard setting, a separate variant for posting periods is defined for every company code. The name of this variant is identical to the company Code name. Every company code is allocated to this variant with the same name.

In our example we will have posting period variant which is identical to the company code i.e. 1100

Click on **New entries** and update the following fields.

Click to save entry.

Thus posting period variant 1100 is created.

2.12 Open and Close Posting Periods

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Posting Periods → Open and Close Posting Periods

Transaction Code

OB52

Here we specify for each variant which posting periods are open for posting in SAP. Two intervals are available for doing this (period 1 and period 2). For every interval, enter a lower period limit, an upper period limit and the fiscal year.

We close periods by selecting the period specifications so that the periods to be closed are no longer contained.

We can copy the settings from existing company codes delivered by SAP as follows:-

Select the area



Table View Edit Goto Selection Utilities(M) System Help

New Entries

Change View "Posting Periods: Specify Time Intervals": Overview

Var.	A	From acct	To account	From per.1	Year	To period	Year	From per.2	Year	To period	Year	AuGr
0001 +				1	2005	12	2008	13	2005	16	2010	
0001 A			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2010	
0001 D				1	2005	12	2008	13	2005	16	2005	
0001 D			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
0001 K			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
0001 S			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
0004 +				1	2005	12	2008	13	2005	16	2010	
0004 A			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2010	
0004 D			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2010	
0004 K			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
0004 M			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2010	
0004 S			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
1000 +				1	2005	12	2008	13	2005	16	2005	
1000 A			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
1000 D			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
1000 K			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
1000 M			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
1000 A			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	
1009 A		50		1	2000	10	2005	5	2002	11	2006	
1111 +				1	2008	12	9999	13	2008	16	9999	
1212 +				1	2008	12	9999	13	2005	16	9999	
1216 +				1	2005	12	2008	13	2005	16	2005	
1216 A			ZZZZZZZZZZZ	1	2005	12	2008	13	2005	16	2005	

Click the **Copy** button.

Replace all 1000 with 1100

Click  to save entry.

Thus posting periods time intervals for various account types are created for variant 1100 in SAP

Standard Account Types in SAP are as follows:-

(We can have more number of Account Types depending upon the nature of the activities)

- A** – Assets
 - D** – Debtors
 - K** – Creditors
 - M** – Material
 - S** – GL

2.13 Assign Posting period Variant to Company code

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Posting Periods → Assign Variants to Company Code

The posting period variant 1100 needs to be assigned to company code 1100

Assign 1100 to company code 1100

Table View Edit Goto Selection Utilities(M) System Help

Change View "Assign Comp.Code -> Posting Period \

Co... City Variant

Co...	City	Variant
1100	NEW YORK	
1112	SAN FRANCISCO	SC
1127	Frankfurt	1000
1216	TORONT	1216
1499	Windsor	
1898	New York	0001
1899	Elyria	1898
1900	Columbus	1900
1970	New York	3000
1982	Farmington	
1984	Frankfurt	1000
1991	atlanta	1991
1993	warangal	
1994	Pleasanton	1994
1999	LOS ANGELES	1999
2000	London	2000
2100	Lisbon	2100

Table View Edit Goto Selection Utilities(M) System Help

Change View "Assign Comp.Code -> Posting Period V

Co...	City	Variant
1100	NEW YORK	1100
1112	SAN FRANCISCO	SC
1127	Frankfurt	1000
1216	TORONT	1216
1499	Windsor	
1898	New York	0001
1899	Elyria	1898
1900	Columbus	1900
1970	New York	3000
1982	Farmington	
1984	Frankfurt	1000
1991	atlanta	1991
1993	warangal	
1994	Pleasanton	1994
1999	LOS ANGELES	1999
2000	London	2000
2100	Lisbon	2100

Click to save entry.

Thus posting period variant 1100 is assigned to company code 1100 in SAP.

2.14 Create document number ranges for company code

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Document Number Ranges → Define Document Number Ranges.

Transaction Code

(FBN1)

We have to create the number ranges for each and every document type.

For each number range created for the document type we can specify the following,

- a) a number interval from which document numbers are selected
- b) the type of number assignment (internal or external)

One or more document types can be assigned to each number range. The number range becomes effective via the document type specified in document entry and posting.

Number ranges for documents are company code-dependent. We must therefore create the number ranges for each company code in which the document type is used, namely with the same number range key.

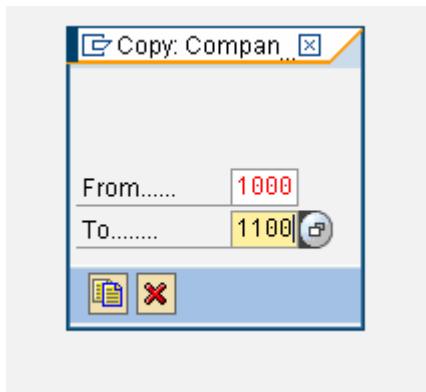
The number intervals must not overlap. If we use year-dependent number ranges, we can specify the same interval with the same key several times for different "to- fiscal years" (the limit up to which a number range is still valid). If we want to define number ranges,

which are independent of the to-fiscal year, enter 9999 in the to-fiscal year field.

For sample documents, use a number range with key X2, for recurring entry documents with key X1. These keys may not be used for other number ranges.

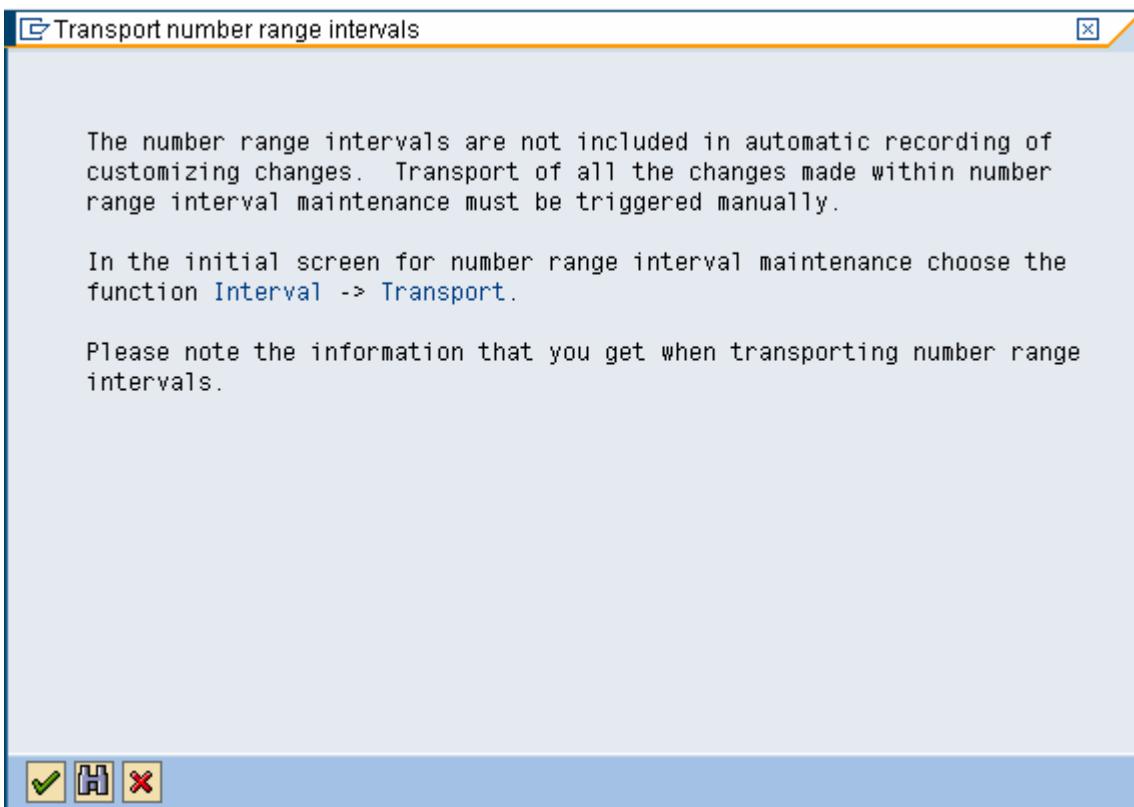
To copy from another company code:-

Click on copy  and update the company to be copied from 0001 and company to be copied to 1100.



Click 

We get the following message:-



The number ranges are not transported automatically. It is advisable that we manually maintain number ranges in each system (quality, production).

To manually create number range proceeds as follows:-

Click on Intervals

Click on Interval and update the following fields:-

The screenshot shows the "Insert Interval" dialog box. The title bar says "Insert Interval". The main area is titled "New Interval" and contains a table with the following data:

No	Year	From number	To number	Current number	Ext
00	2008	0090000000	0094999999	0	<input type="checkbox"/>

Then click on the  button

Similarly enter number key 01 to 99, X1 and X2 with no overlaps in the number range. Number range, which is used for depreciation posting, should be defined with  tick on.

Click  to save entry.

These way Document number ranges are created for company code 1100. These number ranges are year dependent. For company codes posting the number ranges should be defined as year dependent.

We have to keep in mind that the number intervals are not included in the customizing request they need to be transported manually.

Click on **Interval → Transport**

2.15 Copy document number ranges to fiscal year

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Document Number Ranges → Copy to Fiscal Year

Transaction Code

(OBH2)

Every year we need to maintain the number ranges in Financial Accounting for our company code. This can be done by copying number ranges from earlier fiscal year.

Update the following:-

Program Edit Goto System Help

Document Number Ranges: Copy to Fiscal Year

General selections

Company code 1100
Number range number 01 to _____
to X3

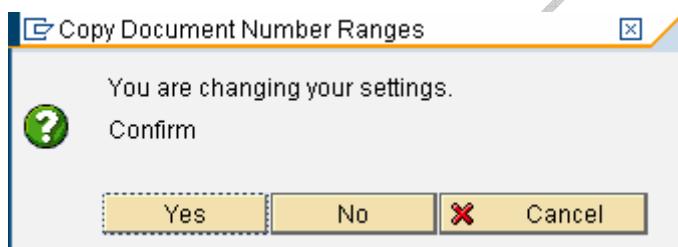
Source fiscal year details

To fiscal year 1992

Target fiscal year details

To fiscal year 2008

Click



Click

Document Number Ranges: Copy to Fiscal Year

ID05-ALE: Central FI Syst
Frankfurt - Deutschland

Copy document number ranges to fiscal year
Source FY : 1992 Target FY: 2006

No	Year	Result	Reason
		Company code	9100
01	2006	Interval added	
02	2006	Interval added	
12	2006	Interval added	
13	2006	Interval added	
14	2006	Interval added	
15	2006	Interval added	
16	2006	Interval added	
17	2006	Interval added	
18	2006	Interval added	
19	2006	Interval added	
48	2006	Interval added	
49	2006	Interval added	
50	2006	Interval added	
51	2006	Interval added	
61	2006	Interval added	
X1	2006	Interval added	
X2	2006	Interval added	
X3	2006	Interval added	

2.16 Define document type and assign document number range

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Document Header → Define Document Types

Transaction Code

(OBA7)

Standard document types can be used which is already existing in the SAP system.

We have to make sure that the number ranges are correctly assigned to the document types

Here We create document types for customer, vendor and general ledger business transactions in Financial Accounting. Document types differentiate business transactions and control document filing.

We specify a number range for each document type. Document numbers are chosen from this number range. We can use one number range for several document types.

Document types are valid for all clients. We specify a number range key for each document type. We create the desired number range intervals for each number range key based on the company code. This means that We can specify intervals of different sizes for the same number range.

2.17 Enable Fiscal Year Default

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Default Values for Document Processing → Enable Fiscal Year Default

Here We determine that a fiscal year is proposed during document display and for document change functions in SAP. The system uses the year which was last used by the user in the work session. This option is only useful for company codes working with year-dependent document number ranges.

Click the check box			
1029	IDES AG	Frankfurt	<input checked="" type="checkbox"/>
1100	ABC LTD	NEW YORK	<input type="checkbox"/>
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	<input type="checkbox"/>

Click  to save entry.

2.18 Enable Default Value date

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Default Values for Document Processing → Default Value Date

When entering line items in SAP, We may need to enter a value date. In this activity We can determine, per company code, whether the CPU date is defaulted as the value date.

Click on Propose value date check box

1029	IDES AG	Frankfurt	<input checked="" type="checkbox"/>
1100	ABC LTD	NEW YORK	<input type="checkbox"/>
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	<input type="checkbox"/>

Click  to save entry.

2.19 Maintain Field Status Variants

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Line Item → Controls → Maintain Field Status Variants

Field Status determines the appearance of each screen along with the fields inside that screen.

We can control the status of a field in the following order and manner,

S → Suppress (We can't view or operate the field)

D → Display (We can only view the field)

R → Required (The field must be present)

O → Optional (The field is open for display and operation)

We can define and edit field status variants and groups. We group several field status groups together in one field status variant. We assign the field status variants to a company code in the activity Assign Company Code to Field Status Variants . This allows us to work with the same field status groups in any number of company codes.

We can also define and process field status groups. We must define a field status group in the company code-specific area of each G/L account. The field status group determines which fields are ready for input, which are required entry fields, and which are hidden during document entry. Bear in mind that additional account assignments (i.e. cost centers or orders) are only possible if data can be entered in the corresponding fields.

Field status variant 0001 is entered for company code 0001 in the standard SAP software. Field status groups are already defined for this variant.

The field status group We enter in the reconciliation accounts affects postings to the related customer or vendor accounts. We cannot enter a field status group in the customer or vendor accounts. Field status groups are determined for customer and vendor accounts from their respective reconciliation accounts, via the G/L account number in their master records.

There are other factors, besides the field status group itself, which have an influence on the field status. Among these are:
The field status defined for the posting key.

The status "optional entry field" was assigned to posting keys 40 and 50 in the standard system. These are the standard posting keys for G/L account postings. The "optional entry field" status has no effect on the field status.

Copy the Standard Field status variant 0001 to create new field status variant 1100. The field status variant 1100 can be attached to all the group company codes of XYZ Ltd.

Select the SAP standard variant

FStV	Field status name
0001	Field status for 0001

Click on Copy 

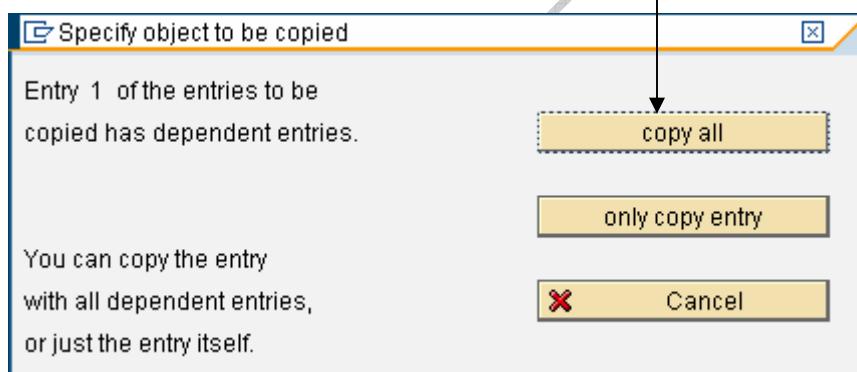
And change the field status variant from 0001 to
1100

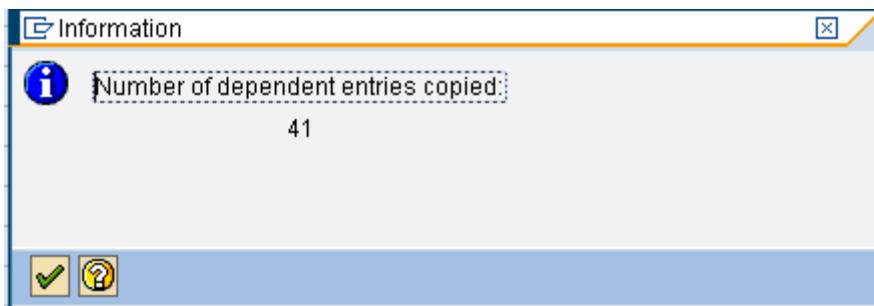
FStV	Field status name
0001	Field status for 0001

Change View "Field status variants": Overview of Selected S

FStV	Field status name
1100	Field status for 1100

Click on Copy all





Click to save entry.

Thus field status variant 1100 is created.

2.20 Assign Company Code to Field Status Variants

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Line Item → Controls → Assign Company Code to Field Status Variants

Here, we assign the company codes in which we want to use identical field status groups, to the same field status variant. Assign company code 1100 to field status variant 1100.

Enter field status variant 1100

The screenshot shows the SAP Fiori Change View interface titled "Assign Company Code > Field Status Variant". The interface includes a toolbar with various icons for navigation and data entry. A callout box labeled "Enter field status variant 1100" points to the "Fld stat.var." column in the table. The table lists company codes, names, cities, and assigned field status variants. An arrow points from the "Fld stat.var." column to the value "1100" in the row for company code 1100.

Co	Company Name	City	Fld stat.var.
0115	SHAN CONSULTING	PARIS	
032	AM Equity Prop Mgmt	Los Angeles	
0571	SHV ENERGY PVT LTD	Hyderabad	
0770	SHV Energy LPG Infra	Hyderabad	
100	A Ltd	Mumbai	
1000	IDES AG	Frankfurt	1000
1001	R Ltd	Bangalore	
1002	Singapore Company	Singapore	
1009	PLtd	mumbai	1009
101	FawadPoonawala	Corona	
1029	IDES AG	Frankfurt	1000
1100	ABC LTD	NEW YORK	1100
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	
1127	IDES AG	Frankfurt	1000

Click to save entry.

2.21 Screen variants for document entry

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Line Item → Controls → Screen Variants for Document Entry

We determine the screen variant dependent on the company code.

The screen variant, which we specify for each company code, addresses special screen appearance for documents for several specific functions in SAP.

For Example: In an USA company code, for example, a screen with fields for withholding tax is required when entering a vendor item. We therefore have to select a special screen variant for US company codes.

Select the option, which is required.

In our example we will select the standard version only

Company Code Variant (Screen) (1) 4 Entries	
Var.	Short text
	Standard version
1	For Austria and Switzerland
2	For France and countries with withholding tax
3	For countries with classic withholding tax

Co...	City	Screen variant
0115	PARIS	
032	Los Angeles	
0571	Hyderabad	
0770	Hyderabad	
100	Mumbai	
1000	Frankfurt	
1001	Bangalore	
1002	Singapore	
1009	mumbai	
101	Corona	
1029	Frankfurt	
1100	NEW YORK	
1112	SAN FRANCISCO	
1127	Frankfurt	
1216	TORONT	
1499	Windsor	
1898	New York	2

The screen variant field is already blank, so no need of saving entry.

2.22 Define Tolerance Groups for Employees in SAP

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Line Item → Define Tolerance Groups for Employees

The tolerance groups can be defined as predefined limits in amounts or percentages by which receivables may be underpaid or overpaid.

In the SAP system we can specify in advance various monetary limits for our employees with which we determine:

- a) the maximum document amount the employee is authorized to post
- b) the maximum amount the employee can enter as a line item in a customer or vendor account
- c) the maximum cash discount percentage the employee can grant in a line item
- d) the maximum acceptable tolerance for payment differences for the employee.

Payment differences are posted automatically within certain tolerance groups. This way the system can post the difference by correcting the cash discount or by posting to a separate expense or revenue account.

In this respect we define:

- the amounts or percentage rates up to which the system is to automatically post to a separate expense or revenue account if it is not possible to correct the cash discount or

- up to which difference amounts the system is to correct the cash discount. In this case the cash discount is automatically increased or decreased by the difference. Using tolerance groups.

We can also additionally differentiate these settings by company code. Since the same rules usually apply to a group of employees, enter the values for employee groups. We can then enter amount limits and tolerances per employee group and company code.

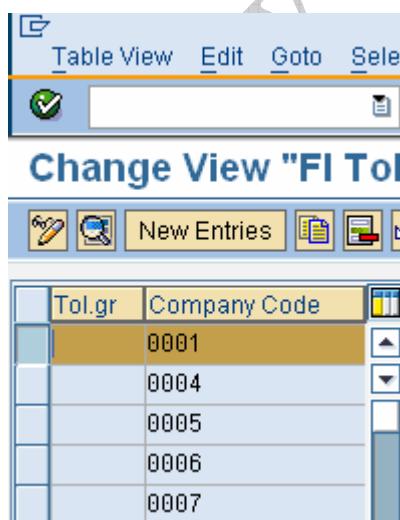
We can also define tolerances without specifying a tolerance group. Leave the field Grp empty in this case. The stored tolerances are then valid for all employees who are not allocated to a group. There must be at least one entry for every company code.

We can also specify tolerances for clearing procedures depending on Wer customers or vendors. The lower limits from the customer/vendor specifications and employee group are taken in each case during clearing.

In our example we will define a blank tolerance group for company code 1100.

We can use existing tolerance group from the sample company code.

Select company code



and click on Copy 

Table View Edit Goto Selection Utilities(M) System Help

Change View "FI Tolerance Groups For Users"

Group

Company code SAP A.G. Walldorf

Currency

Upper limits for posting procedures

Amount per document	511,291,881,196.22
Amount per open item account item	511,291,881.20
Cash discount per line item	5.000 %

Permitted payment differences

	Amount	Percent	Cash discnt adj.to
Revenue	511.29	10.0 %	5.11
Expense	511.29	10.0 %	5.11

and replace company code 0001 with 1100.

Table View Edit Goto Selection Utilities(M) System Help

Change View "FI Tolerance Groups For Users"

Group

Company code **1100** SAP A.G. Walldorf

Currency EUR

Upper limits for posting procedures

Amount per document	511,291,881,196.22
Amount per open item account item	511,291,881.20
Cash discount per line item	5.000 %

Permitted payment differences

	Amount	Percent	Cash discnt adj.to
Revenue	511.29	10.0 %	5.11
Expense	511.29	10.0 %	5.11

Click  to save entry.

Double click on 1100 line item

Table View Edit Goto Selection Utilities(M) System Help

|

Change View "FI Tolerance Groups For Users"

New Entries

Group	<input type="text"/>	
Company code	1100 ABC LTD	NEW YORK
Currency	USD	

Upper limits for posting procedures

Amount per document	511,291,881,196.22
Amount per open item account item	511,291,881.20
Cash discount per line item	5.000 %

Permitted payment differences

	Amount	Percent	Cash discnt adj.to
Revenue	511.29	10.0 %	5.11
Expense	511.29	10.0 %	5.11

The cash discount per line item for a user is 5% and he can post amount per document to the above limits. Further the user can per open item to the above given limit.

The permitted payment difference for revenue and expense is 511.29 USD or 10 % whichever is lower.

Thus this is a blank tolerance and applicable to all user ids. If the company wants to control posting per user id in a company code, then a tolerance group needs to be defined e.g. ZMGR, ZEXE, ZSUP, ZCL and each groups will have different limits.

The user ids in the next step have to be assigned to the tolerance group.

2.23 Assign User/Tolerance Groups

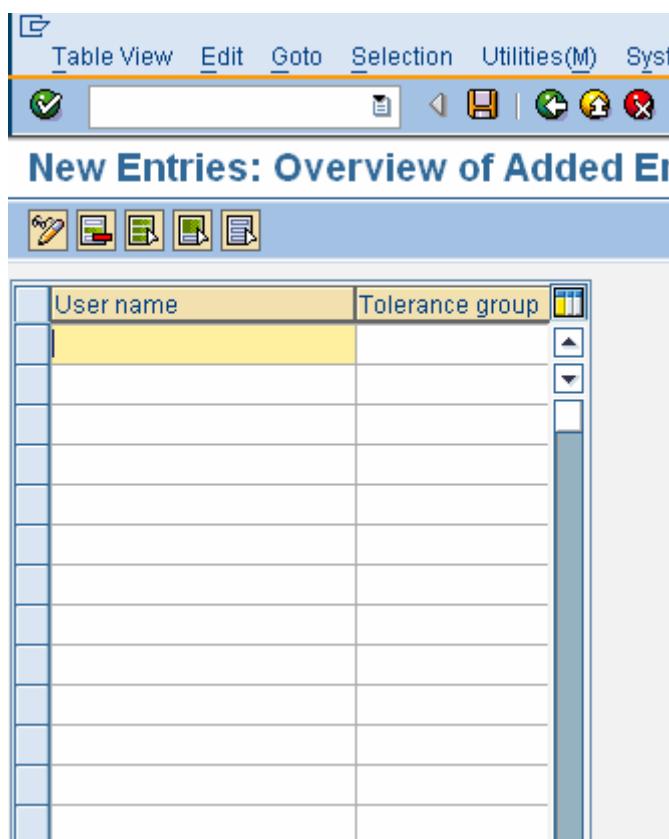
Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Line Item → Assign User/Tolerance Groups

The users have to be assigned to the tolerance group.

Click on **New entries**

And update the user id and the tolerance group



Click to save entry.

In our example we have created a blank tolerance group therefore there is no need to assign user to tolerance group.

www.sap-topjobs.com

2.24 Maximum Exchange Rate Difference

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Document → Document Header → Maximum Exchange Rate Difference → Define Maximum Exchange Rate Difference per Company Code

Exchange rate difference can be defined as the amount arising where a foreign currency amount is translated at different exchange rates.

Here, we can define for each company code, a maximum difference between exchange rates for postings in foreign currency.

For this, we mention that how much the exchange rate entered manually in the document header may differ in terms of percentage (%) from the one stored in the system.

If an exchange rate or the local and the foreign currency amount were entered manually during document entry, then a comparison is made with the exchange rates stored in the system. If any deviation occurs and it exceeds the percentage rate specified here, then a warning appears.

Update 10% in Max. exch rate dev

CoCd	Company Name	City	Max.exch
101	FawadPoonawala	Corona	10 %
1029	IDES AG	Frankfurt	10 %
1100	ABC LTD	NEW YORK	10 %
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	10 %
1127	IDES AG	Frankfurt	10 %
1216	ABC	TORONT	10 %
1499	AseesSahib	Windsor	10 %
1898	Elyria Company	New York	10 %
1899	Lowes Company	Elyria	10 %
1900	Ohio HITEK Computers Inc.	Columbus	10 %
1970	Fock Software ltd	New York	10 %

Click to save entry.

When We are done with this basic configurable settings required for Financial Accounting we can see all this settings and assignments as shown below,

2.25 Check Company Code settings in Global parameters

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Company Code → Enter Global Parameters

Transaction Code

(OBY6)

Here we can see overall view of all the configurable settings and assignment done previously above.

We can also configure the earlier assignments done through this menu.

Table view Edit Goto Choose Utilities(M) Environment System Help

Change View "Company Code Global Data": Overview

Co...	Company Name	City	Country	Crcy	Langua...
1001	R Ltd	Bangalore	IN	INR	EN
1002	Singapore Company	Singapore	SG	SGD	EN
1009	PLtd	mumbai	IN	INR	EN
101	FawadPoonawala	Corona	US	USD	EN
1029	IDES AG	Frankfurt	DE	EUR	DE
1100	ABC LTD	NEW YORK	US	USD	EN
1112	SATYAM COMPUTERS LTD	SAN FRANCISCO	US	USD	EN
1127	IDES AG	Frankfurt	DE	EUR	DE
1216	ABC	TORONT	CA	CAD	EN
1499	AseesSahib	Windsor	CA	CAD	EN
1898	Elyria Company	New York	US	USD	EN
1899	Lowes Company	Elyria	US	USD	
1900	Ohio HITEK Computers Inc.	Columbus	US	USD	EN

Double click on **1100** company code.

Table view Edit Goto Choose Utilities(M) Environment System Help

Change View "Company Code Global Data": Details

Additional Data

Company Code	1100	ABC LTD	NEW YORK
Country key	US	Currency	USD
		Language Key	EN
Accounting organization			
Chart of Accts	USCA	Country Chart/Accts	<input type="text"/>
Company	1100	FM Area	<input type="text"/>
Credit control area	<input type="text"/>	Fiscal Year Variant	K4
Ext. co. code	<input type="checkbox"/>	Global CoCde	<input type="text"/>
Company code is productive	<input type="checkbox"/>	VAT Registration No.	<input type="text"/>
Processing parameters			
Document entry screen variant	<input type="checkbox"/>	<input type="checkbox"/> Business area fin. statements	
Field status variant	1100	<input checked="" type="checkbox"/> Propose fiscal year	
Pstng period variant	1100	<input checked="" type="checkbox"/> Define default value date	
Max. exchange rate deviation	10 %	<input type="checkbox"/> No forex rate diff. when clearing in LC	
Sample acct rules var.	<input type="text"/>	<input type="checkbox"/> Tax base is net value	
Workflow variant	<input type="text"/>	<input type="checkbox"/> Discount base is net value	
Inflation Method	<input type="text"/>	<input type="checkbox"/> Financial Assets Mgmt active	
Crcy transl. for tax	<input type="checkbox"/>	<input type="checkbox"/> Purchase account processing	
CoCd->CO Area	<input type="checkbox"/>	<input type="checkbox"/> Enable amount split	
Cost of sales accounting actv.	<input type="checkbox"/>		
<input type="checkbox"/> Negative Postings Permitted			
<input type="checkbox"/> Cash Management activated			

Click on the check box No forex rate diff. when clearing in LC if We want the following:-

When items in foreign currency are cleared in local currency, the local currency amount stored in the document is used as the amount to be cleared.

Click on the check box Tax base is net value if We want the following: -
The cash discount amount is deducted from the base amount used for calculating taxes on sales/purchases.

Click on the check box Discount base is net value if We want the following:

- Tax on sales/purchases is not included in the base amount used for calculating cash discount.

The screenshot shows the SAP Fiori interface for 'Change View "Company Code Global Data": Details'. The top navigation bar includes 'Table view', 'Edit', 'Goto', 'Choose', 'Utilities(M)', 'Environment', 'System', and 'Help'. Below the navigation is a toolbar with various icons. The main area has a title 'Change View "Company Code Global Data": Details' and a sub-header 'Additional Data'. The configuration details are as follows:

Company Code	1100	ABC LTD	NEW YORK		
Country key	US	Currency	USD	Language Key	EN
Accounting organization					
Chart of Accts	USCA	Country Chart/Accts			
Company	1100	FM Area			
Credit control area		Fiscal Year Variant	K4		
Ext. co. code	<input type="checkbox"/>	Global CoCde			
Company code is productive	<input type="checkbox"/>	VAT Registration No.			
Processing parameters					
Document entry screen variant	<input type="checkbox"/>	<input type="checkbox"/> Business area fin. statements			
Field status variant	1100	<input checked="" type="checkbox"/> Propose fiscal year			
Pstng period variant	1100	<input checked="" type="checkbox"/> Define default value date			
Max. exchange rate deviation	10 %	<input checked="" type="checkbox"/> No forex rate diff. when clearing in LC			
Sample acct rules var.		<input type="checkbox"/> Tax base is net value			
Workflow variant		<input type="checkbox"/> Discount base is net value			
Inflation Method		<input type="checkbox"/> Financial Assets Mgmt active			
Crcy transl. for tax		<input type="checkbox"/> Purchase account processing			
CoCd->CO Area		<input type="checkbox"/> Enable amount split			
Cost of sales accounting activ.		<input type="checkbox"/> Negative Postings Permitted			
		<input type="checkbox"/> Cash Management activated			

Click to save entry.

The Company Code 1100 is now configured for General Ledger (GL) posting in SAP.

2.26 Define Additional Local currencies (Optional)

In total we can have 3 currencies for a company code.

We can have 2 more parallel currencies for a company code in addition to one defined above.

To configure parallel currencies for a company code the path is:-

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Company Code → Multiple Currencies → Define Additional Local Currencies

In this case, we can choose between:

- Group currency

Group currency is the currency which is specified in the client table or which is to be entered there.

- Hard currency

Hard currency is a country-specific second currency which is used in countries with high inflation.

- Index based currency

Index-based currency is a country-specific fictitious currency which is required in some countries with high inflation for external reporting (for example, tax returns).

- Global company currency

Global company currency is the currency which is used for an internal trading partner.

For the additional currencies, define the following data:

- Currency type
The currency type specifies the role of the additional currency. An example of this would be the group currency.
- Exchange rate type for translation
The exchange rate type determines which exchange rate stored in the system is used for calculating the additional amount fields. As with the local currency, We can use the exchange rate type M (average exchange rate) or any other exchange rate type.
- Base currency for translation
The amounts in the additional currencies can be calculated based on the document currency or on the local currency.
- Date for translation
For translating amounts, the exchange rate can be determined according to the translation date, the document date or the posting date

Additional activities:-

The group currency must be stored in the client definition which can be seen using transaction code **SCC4**

Table View Edit Goto Selection Utilities(M) System Help

New Entries

Change View "Additional Local Currencies For Company"

Co...	Company Name	City	Country
0005	IDES AG NEW GL	Frankfurt	DE
0006	IDES US INC New GL	New York	US
0007	IDES AG NEW GL 7	Frankfurt	DE
0008	IDES US INC New GL 8	New York	US
1000	IDES AG	Frankfurt	DE
1029	IDES AG	Frankfurt	DE
1127	IDES AG	Frankfurt	DE
1898	Elyria Company	New York	US
1899	Lowes Company	Elyria	US
1970	Fock Software Ltd	New York	US
1984	IDES AG	Frankfurt	DE
1994	SOWMIT	Pleasanton	US
2000	IDES UK	London	GB
2100	IDES Portugal	Lisbon	PT
2200	IDES France	Paris	FR
2300	IDES España	Barcelona	ES
2400	IDES Filiale 1 IT Ko.1000		IT

Click on **New entries**

Update the following: -

Enter the second and third currency

Table View Edit Goto Selection Utilities(M) System Help

New Entries: Details of Added Entries

Company Code 1100

1st local currency

Crcy type	<input type="text"/>	Currency	<input type="text"/>
Valuation	<input type="text"/> 0		
ExRateType	<input type="text"/>		
Srce curr.	<input type="text"/>		
TrsDte typ	<input type="text"/>		

2nd local currency

Crcy type	<input type="text"/> 30	Currency	<input type="text"/>
Valuation	<input type="text"/> 1		
ExRateType	<input type="text"/> M		
Srce curr.	<input type="text"/> 1		
TrsDte typ	<input type="text"/> 3		

3rd local currency

Crcy type	<input type="text"/> 30	Currency	<input type="text"/>
Valuation	<input type="text"/> 2		
ExRateType	<input type="text"/> M		
Srce curr.	<input type="text"/> 1		
TrsDte typ	<input type="text"/> 3		

Here we can select valuation 1 & 2 only if the following conditions are met:-

- 1) Controlling area has been assigned to the company code
- 2) A currency and valuation profile is defined in the controlling area
- 3) The currency and valuation profile is active which has the group and profit center valuation view

Selecting 1 and 2 leads to a greater volume of data, which will require 2 additional ledgers to store the data.

We can instead of 1 and 2 select 0 legal valuation.

Click on Save 

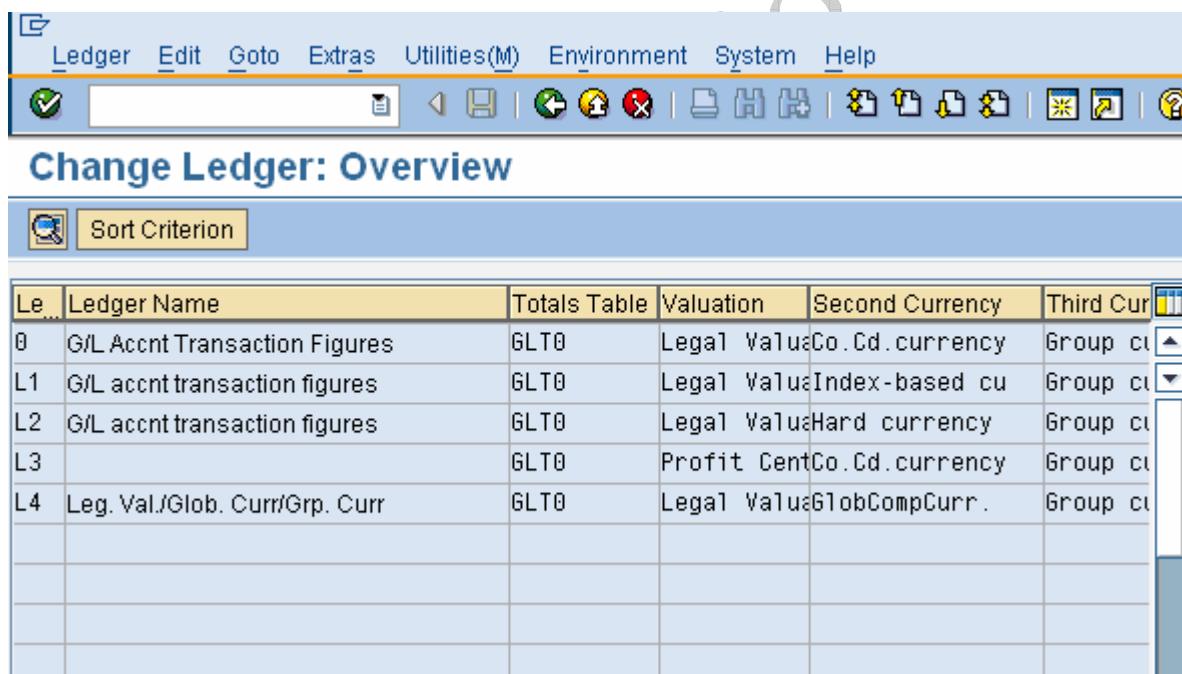
2.27 Define Additional Local currencies for Ledgers (Optional)

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Company Code → Multiple Currencies → Define Additional Local Currencies

Here, we can choose between:

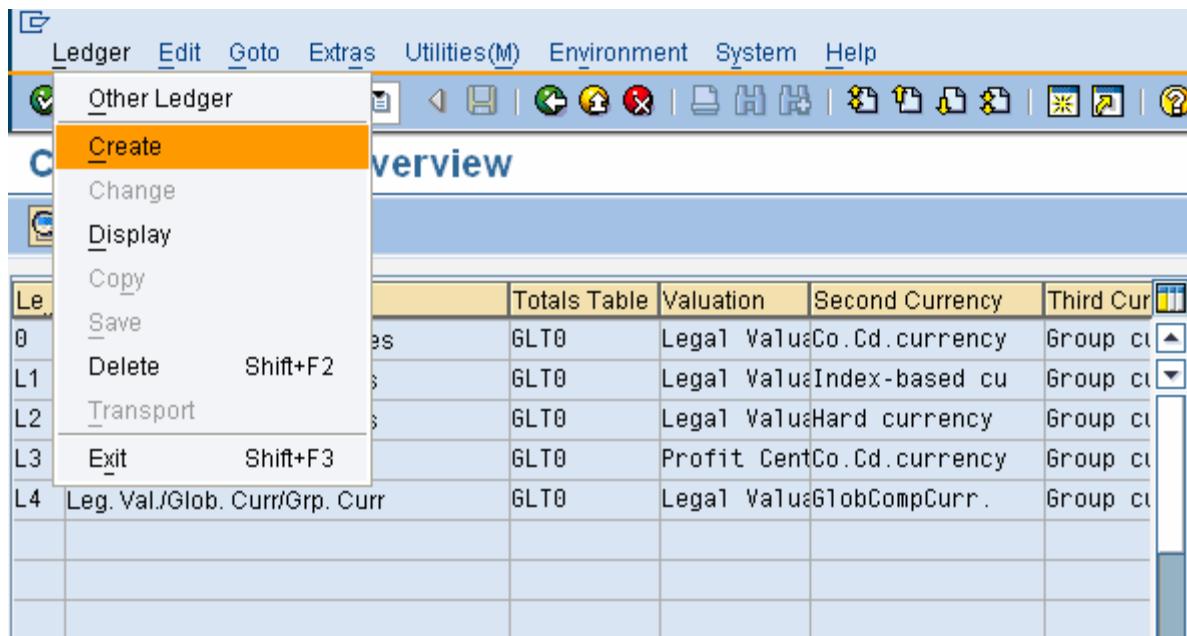
Since we have selected valuation 1 and valuation 2 in step 22 we have to configure 2 additional ledgers



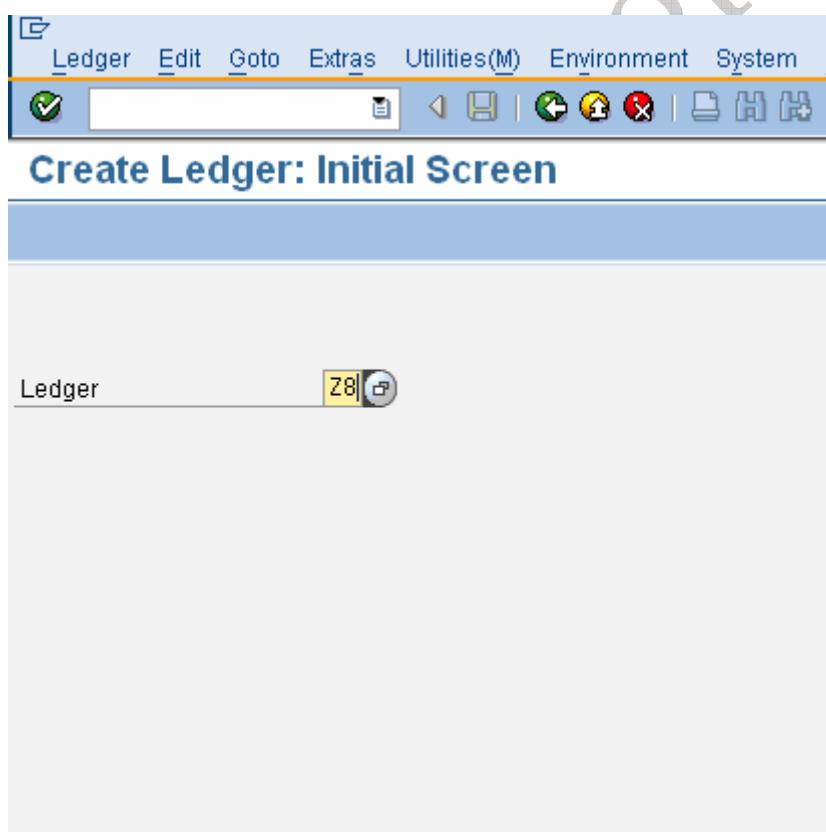
Ledger Name	Totals Table	Valuation	Second Currency	Third Cur
G/L Acct Transaction Figures	GLT0	Legal ValueCo.Cd.currency	Group currency	
G/L accnt transaction figures	GLT0	Legal ValueIndex-based cu	Group currency	
G/L accnt transaction figures	GLT0	Legal ValueHard currency	Group currency	
	GLT0	Profit CentCo.Cd.currency	Group currency	
Leg. Val/Glob. Curr/Grp. Curr	GLT0	Legal ValueGlobCompCurr.	Group currency	

Double click ledger 0

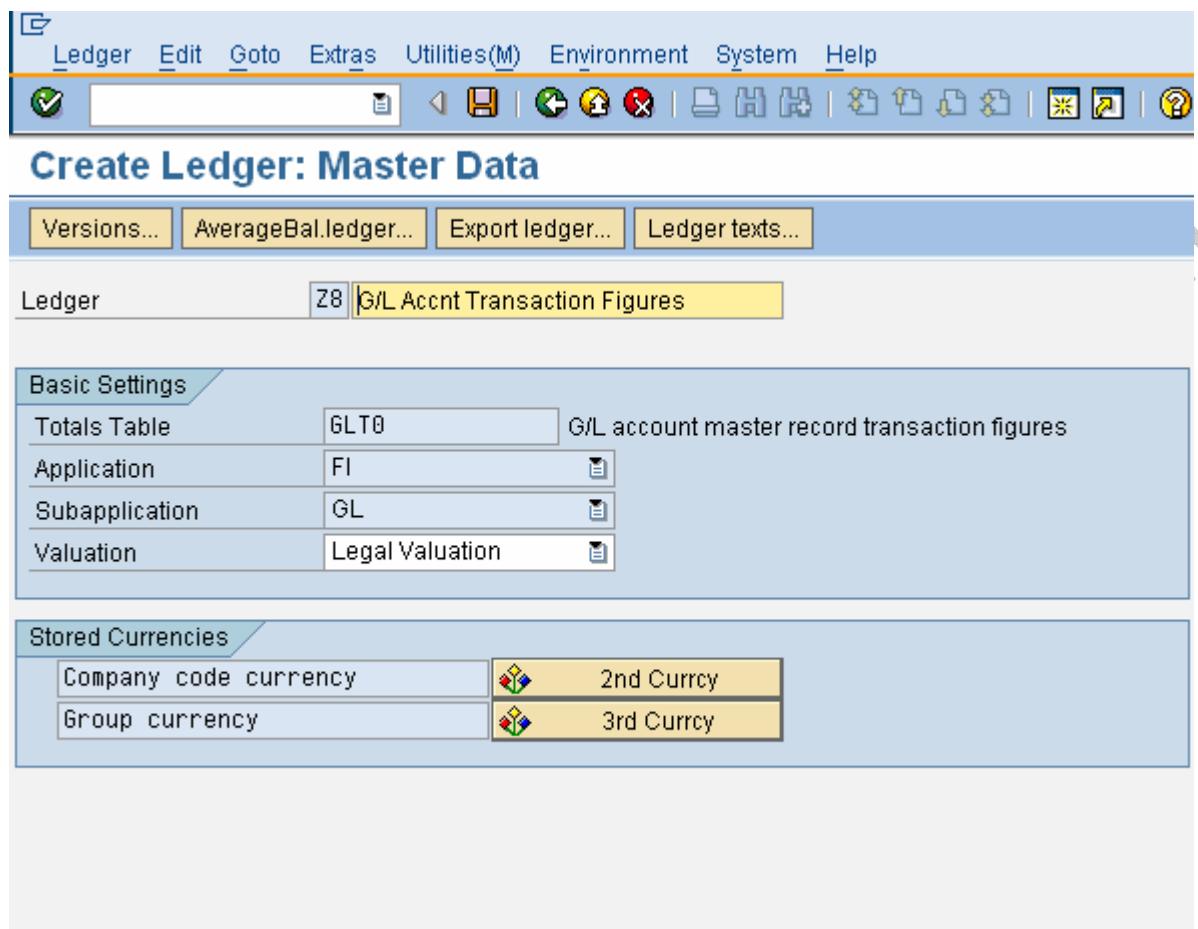
Click on Ledger → Create



Update the following



Change from legal valuation to group valuation



Ledger Edit Goto Extras Utilities(M) Environment System Help

✓ | |

Create Ledger: Master Data

Versions... AverageBal.ledger... Export ledger... Ledger texts...

Ledger Z8 G/L Acct Transaction Figures

Basic Settings

Totals Table	GLT0	G/L account master record transaction figures
Application	FI	
Subapplication	GL	
Valuation	Group Valuation	

Stored Currencies

Company code currency	2nd Currty
Group currency	3rd Currty

Click on

System automatically created a ledger for profit center valuation L3.

Maintain the text for the same

Double click

L3	GLT0	Profit Ce...Co.Cd.currency	Group cur
----	------	----------------------------	-----------

Ledger Edit Goto Extras Utilities(M) Environment System Help

Versions... AverageBal.ledger... Export ledger... Ledger texts...

Ledger L3 G/L Account TransactionFigures

Basic Settings

Totals Table	GLT0	G/L account master record transaction figures
Application	FI	
Subapplication	GL	
Valuation	Profit Center Valuation	

Stored Currencies

Company code currency	2nd Currecy
Group currency	3rd Currecy

Click on 

2.28 Check Calculation Procedure

Menu Path

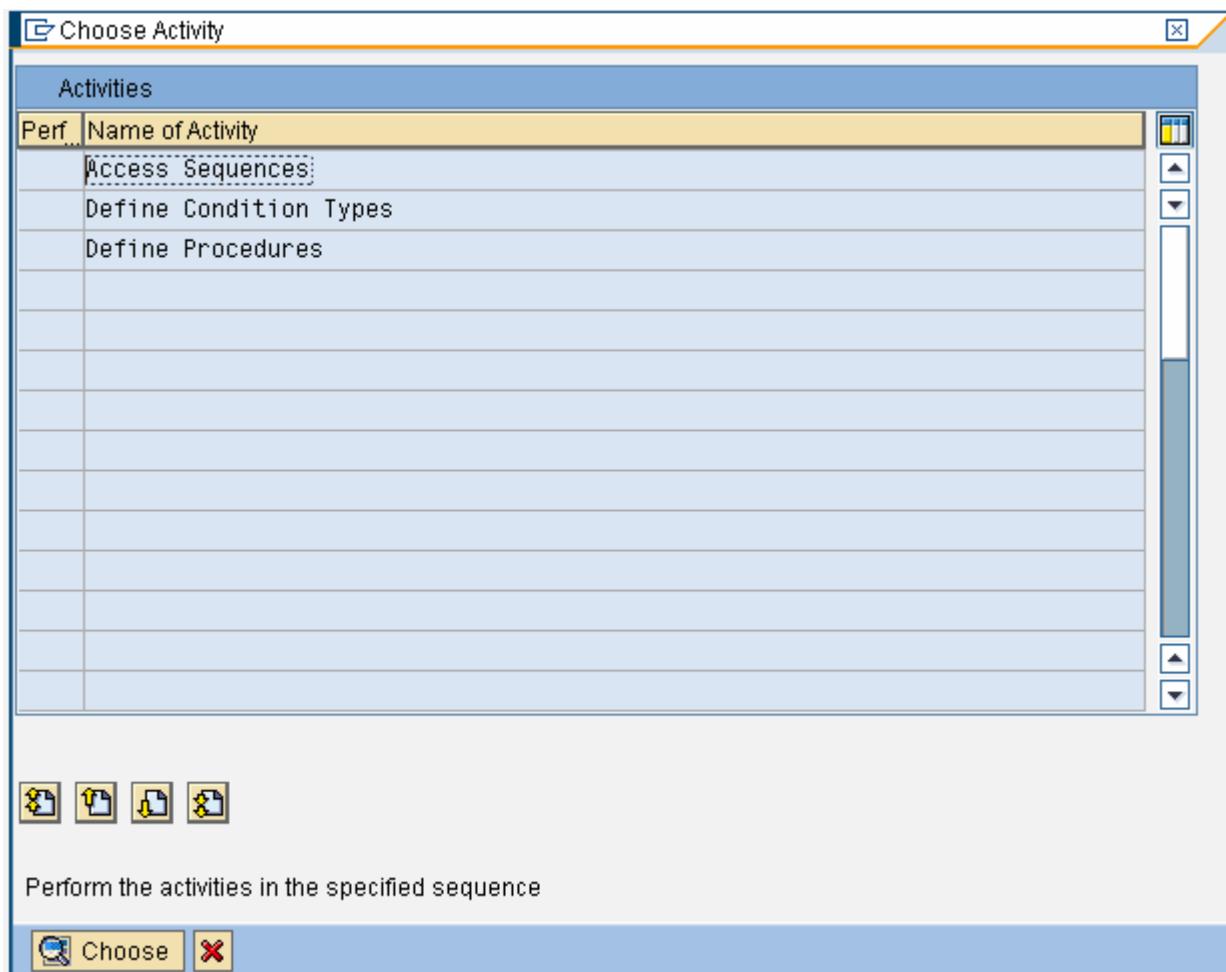
IMG → Financial Accounting → Financial Accounting Global Settings → Tax on Sales/Purchases → Basic Settings → Check Calculation Procedure

Calculation procedure for tax on sales and purchases defines the rules that how to calculate tax on sales and purchases.

Tax procedures are available in SAP for most of the countries.

Here since country for our Company Code is USA and Tax procedures are already available in SAP for USA we will see the following,

In case a tax procedure is not defined for any country proceed as follows:-



Double click [Define Procedures](#)

Table View Edit Goto Selection Utilities(M) System Help

New Entries

Dialog Structure Procedures Control Data

Usage A Application TX

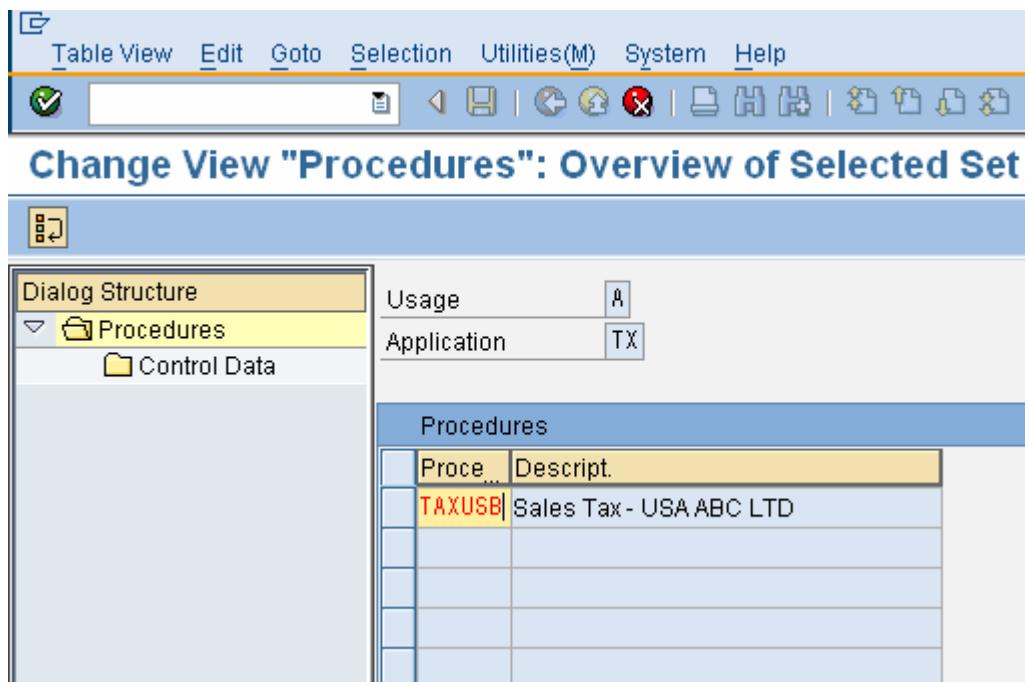
Procedures

Proce ...	Descript.
TAXFI	VAT Finland
TAXGB	Sales Tax - Great Britain
TAXHU	Sales Tax - Hungary
TAXIE	Sales Tax - Ireland
TAXIN	TAX FOR INDIA
TAXIT	Sales Tax - Italy
TAXJP	Sales tax - Japan
TAXKR	Sales Tax - Korea
TAXLU	Sales Tax - Luxemburg
TAXMX	Tax Determ. Procedure Mexico
TAXMY	Tax Procedure - Malaysia
TAXNL	Sales Tax - Netherlands
TAXNO	Sales Tax - Norway
TAXNZ	G.S.T. New Zealand
TAXPE	Sales Tax - Peru
TAXPL	Sales Tax - Poland
TAXPT	Sales Tax - Portugal
TAXRU	Sales Tax - Russia
TAXSE	Sales Tax - Sweden

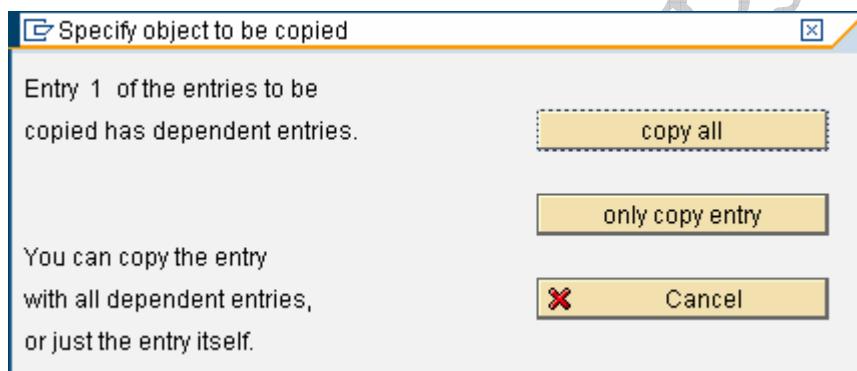
Select **TAXGB Sales Tax - Great Britain**

Click 

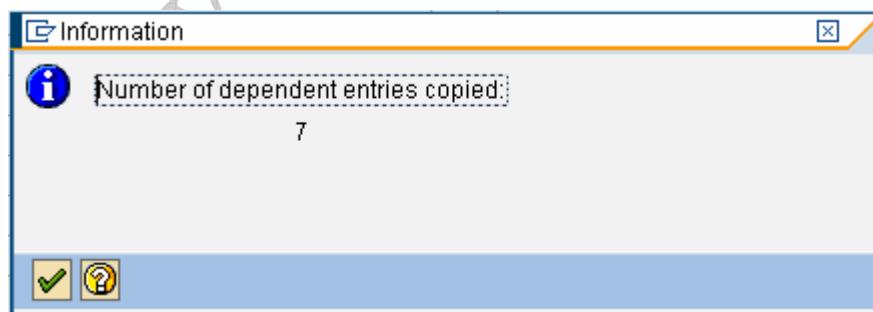
Change the existing description



Click



Click



Click

Click on 

Select  Sales Tax - INDIA

Double click 

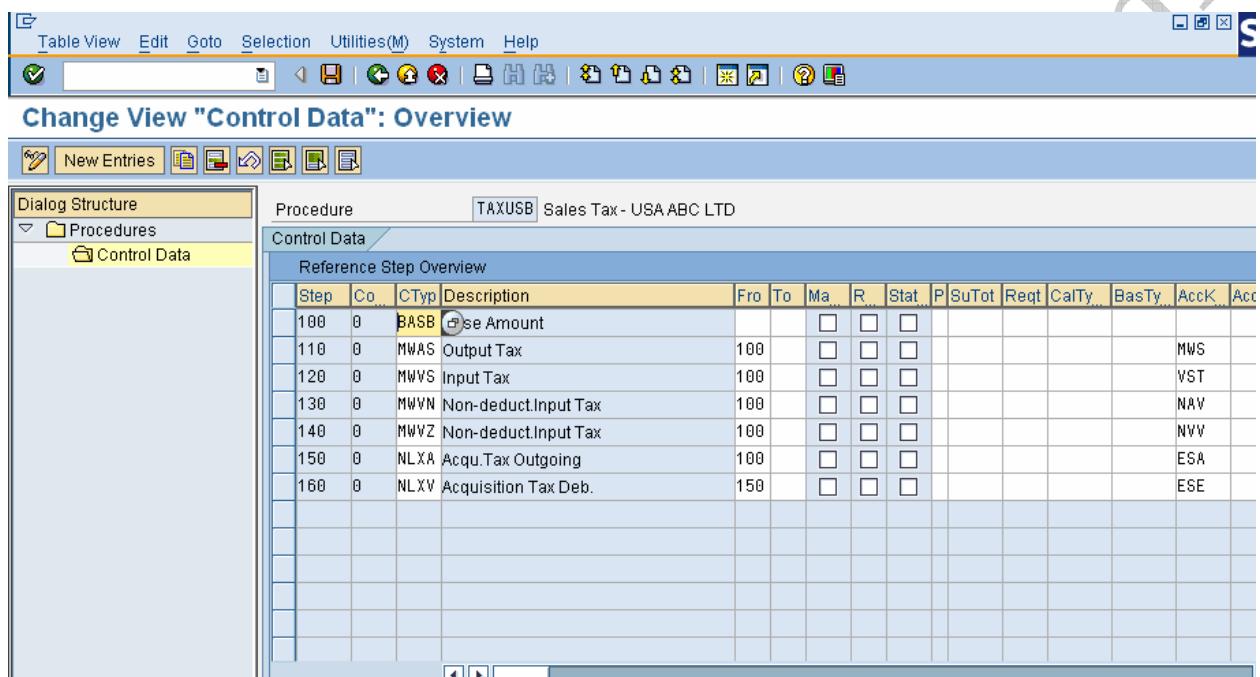


Table View Edit Goto Selection Utilities(M) System Help

New Entries                       

Change View "Control Data": Overview

Dialog Structure Procedures Control Data

Procedure TAXUSB Sales Tax - USA ABC LTD

Step	Co.	CTyp	Description	Fro	To	Ma	R	Stat	PSuTot	Req	CalTy	BasTy	AccK	Acc
100	0	BASB	Base Amount				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
110	0	MWAS	Output Tax	100			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					MWS
120	0	MWVS	Input Tax	100			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					VST
130	0	MWVN	Non-deduct.Input Tax	100			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					NAV
140	0	MWVZ	Non-deduct.Input Tax	100			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					NVV
150	0	NLXA	Acqu.Tax Outgoing	100			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					ESA
160	0	NLXV	Acquisition Tax Deb.	150			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					ESE

2.29 Assign Country to Calculation Procedure

Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Tax on Sales/Purchases → Basic Settings → Assign Country to Calculation Procedure

Here we assign the calculation procedure created in the earlier step to the country. The country is the country of the company code.

In our case the country of the company code is **India**.

The screenshot shows the SAP Fiori Change View interface for assigning calculation procedures to countries. The title bar reads "Change View 'Assign Country -> Calculation Procedure'". The table below lists countries (Cty) and their names (Name), along with the assigned calculation procedure (Proc.). The row for India (IN) has a yellow background, indicating it is selected or highlighted.

Cty	Name	Proc.
GW	Guinea-Bissau	
GY	Guyana	
HK	Hong Kong	
HM	Heard/McDon.Isl	
HN	Honduras	
HR	Croatia	
HT	Haiti	
HU	Hungary	TAXHU
ID	Indonesia	
IE	Ireland	TAXIE
IL	Israel	
IN	India	DTAX
IO	Brit.Ind.Oc.Ter	
IQ	Iraq	
IR	Iran	

Update the following:-

The screenshot shows a SAP application window titled "Change View 'Assign Country -> Calculation'". The menu bar includes "Table View", "Edit", "Goto", "Selection", "Utilities(M)", "System", and "Help". Below the menu is a toolbar with icons for search, refresh, and other functions. The main area displays a table with three columns: "Cty", "Name", and "Proc.". The "Proc." column contains process codes such as "TAXUSB" for the United States and "TAXVE" for Venezuela. The table lists the following data:

Cty	Name	Proc.
TV	Tuvalu	
TW	Taiwan	
TZ	Tanzania	
UA	Ukraine	
UG	Uganda	
UM	Minor Outl.Ins.	
US	United States	TAXUSB
UY	Uruguay	
UZ	Uzbekistan	
VA	Vatikanstadt	
VC	St. Vincent	
VE	Venezuela	TAXVE
VG	Brit.Virgin Is.	
VI	US Virgin Is.	
VN	Vietnam	

Click on

2.30 Define Tax Codes for Sales and Purchases

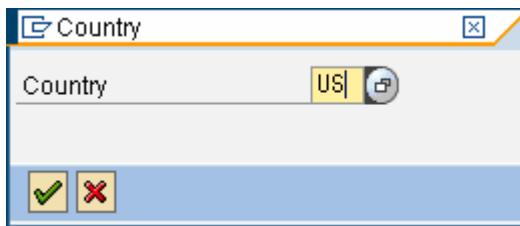
Menu Path

IMG → Financial Accounting → Financial Accounting Global Settings → Tax on Sales/Purchases → Calculation → Define Tax Codes for Sales and Purchases

Transaction Code

(FTXP)

Update the following:-



Click

Update the following:-



Click

Update the following:-

A properties dialog box is shown with the following settings:

Tax Code	V0	Exempt from input VAT
Tax type	V	
CheckID	<input type="checkbox"/>	
EU code	<input type="checkbox"/>	
Target tax code	<input type="checkbox"/>	
Tgt Tax Code: Output	<input type="checkbox"/>	
Tgt Tax Code: Input	<input type="checkbox"/>	
Tol.per.rate	0	

At the bottom of the dialog, there are navigation buttons (left, right, first, last) and a toolbar with a checkmark icon and a red X icon.

Update the following:-

Tax code Edit Goto Settings Utilities Environment System Help

| | | |

Maintain Tax Code: Tax Rates

Properties Tax accounts Deactivate line

Country Key	US	United States
Tax Code	V0	Exempt from input VAT
Procedure	TAXUSB	
Tax type	V	Input tax

Percentage rates

Tax Type	Acct Key	Tax Percent. Rate	Level	From Lvl	Cond. Type
Base Amount			100	0	BASB
Output Tax	MWS		110	100	MWAS
Input Tax	VST	0.000	120	100	MWVS
Non-deduct.Input Tax	NAV		130	100	MWVN
Non-deduct.Input Tax	NVV		140	100	MWVZ
Acqu.Tax Outgoing	ESA		150	100	NLXA
Acquisition Tax Deb.	ESE		160	150	NLXV

Follow the menu path as shown below and click on Automatic posting

Maintain Tax Code: Tax Rate

Properties	Tax accounts	Deactivate line
------------	--------------	-----------------

Country Key	US	United States
Tax Code	V0	Exempt from input VAT
Procedure	TAXUSB	
Tax type	V	Input tax

Percentage rates

Tax Type	Acct Key	Tax Percent. Rate	Level	From Lvl	Cond. Type
Base Amount			100	0	BASB
Output Tax	MWS		110	100	MWAS
Input Tax	VST	0.000	120	100	MWVS
Non-deduct.Input Tax	NAV		130	100	MWVN
Non-deduct.Input Tax	NVV		140	100	MWVZ
Acqu.Tax Outgoing	ESA		150	100	NLXA
Acquisition Tax Deb.	ESE		160	150	NLXV

Double click

Input tax VST

Enter Chart of Accounts

Chart of Accounts USCA

✓ ✘

Posting Transaction Edit Goto Extras Utilities(M) System Help

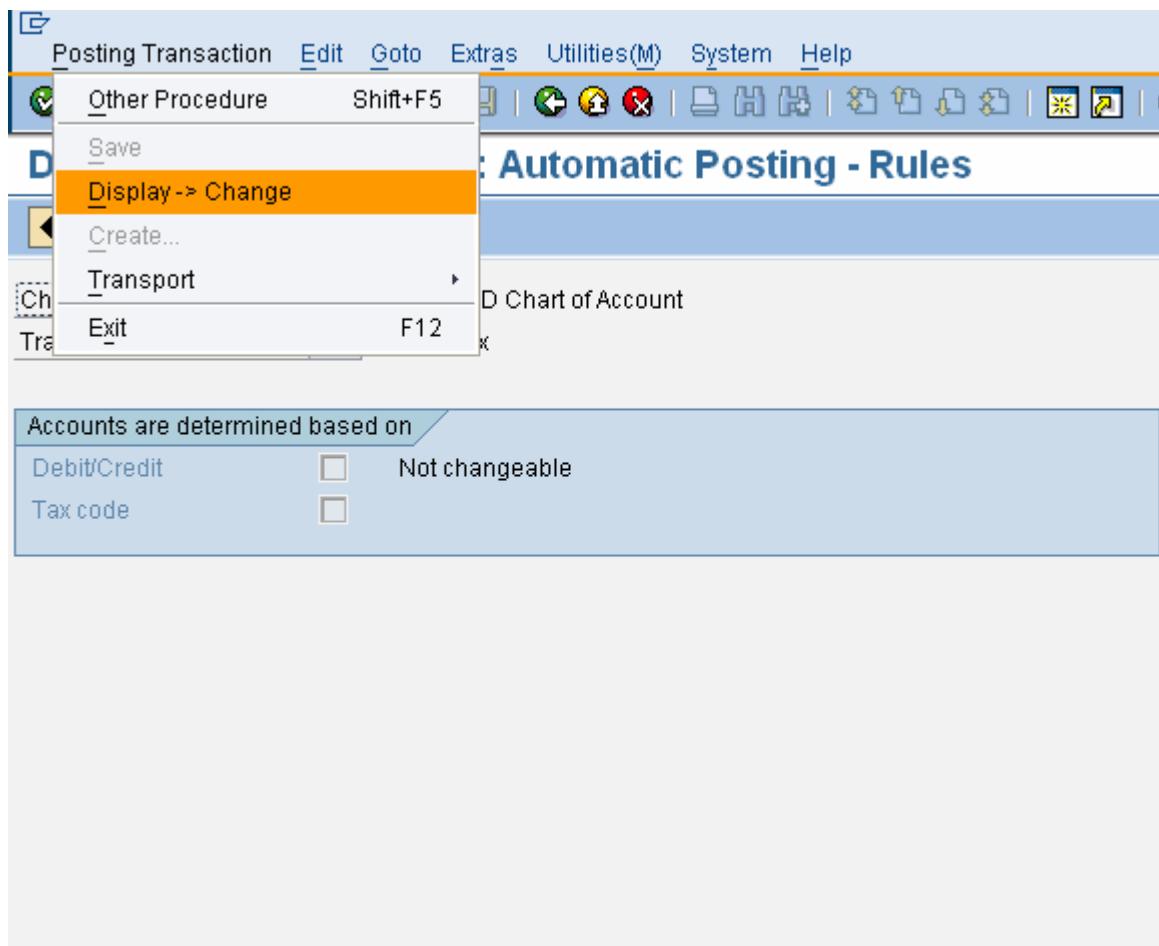
Display FI Configuration: Automatic Posting - Rules

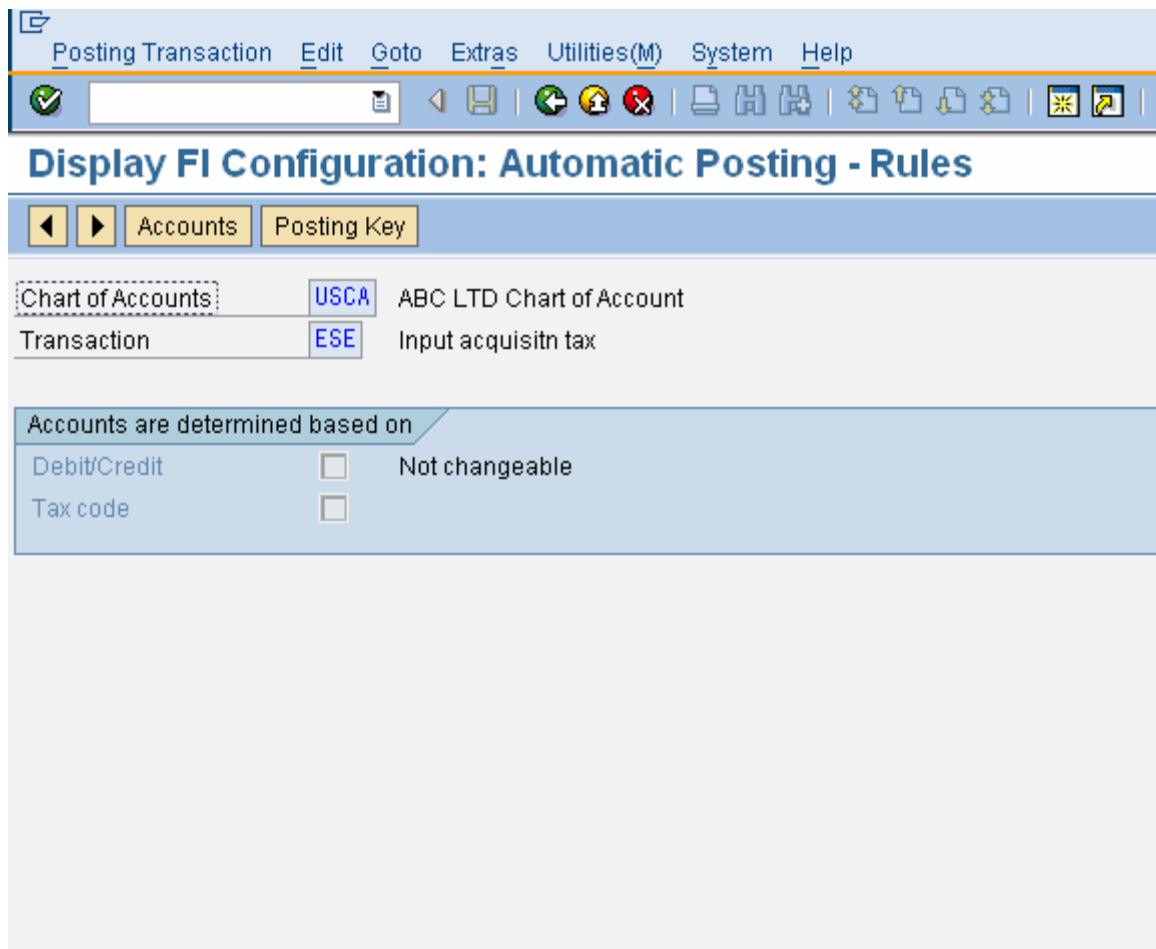
Accounts Posting Key

Chart of Accounts USCA ABC LTD Chart of Account
Transaction VST Input tax

Accounts are determined based on

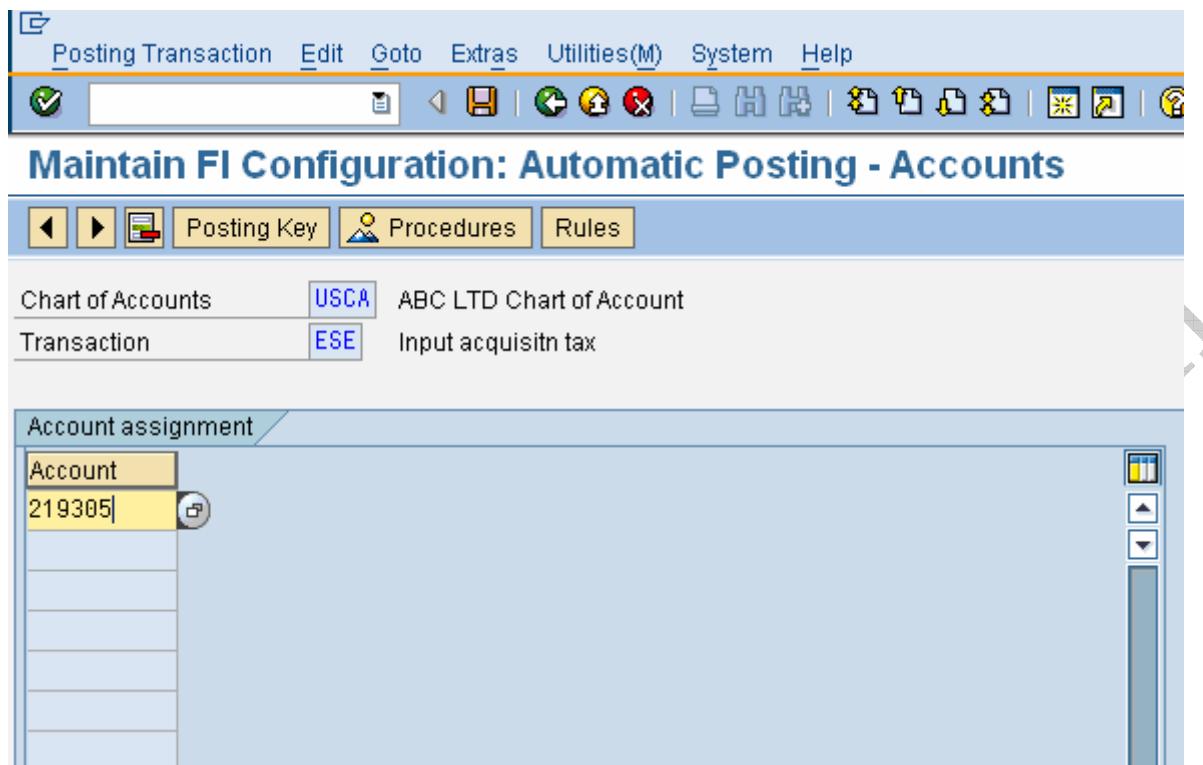
Debit/Credit Not changeable
Tax code





Click on 

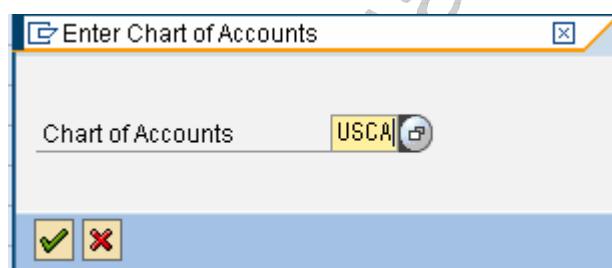
Update the following:-



Click on

Click twice

Click on Tax accounts



Now We can see the that for transaction ESE GL Account 119905 has been Assigned.

Click

Click on

3. Creating G L account codes in the Chart of accounts

3.1 Create GL account in Chart accounts and company code

GL – General Ledger

Menu Path

SAP menu → Accounting → Financial Accounting → General Ledger → Master Records → Individual Processing

Transaction Code

FS00 – Centrally (6 Tabs)

OR

FSPO - In Chart of Accounts (3Tabs)

FSS0 - In Company Code (3Tabs)

The GL Code in SAP has two segments:-

- 1) The Chart of accounts segment – The chart of account segment is at client level. Any company code wishing to use the GL code can extend it and create a company code view
- 2) The Company code segment – A company intending to use the GL code from chart of accounts has to create the company code view so that it can post to the GL code.

This way there are 2 methods of creating GL codes in SAP:-

- 1) One step creation – Here We create both the chart of accounts view as well as the company code view in one step
- 2) Two-step creation – We first create the chart of accounts view in the first step. In the second step we create the company code view.

We will see the GL code creation using the one step creation:-

Click on  and enter the following

G/L account Edit Goto Extras Environment Settings System Help

>Create G/L Account Centrally

G/L Account 401201
Company Code 1100 ABC LTD

Type/Description Control Data Create/bank/interest Key word/translation Inf...

Control in chart of accounts

Account Group

P&L statement acct
 Balance sheet account

Description

Short Text Share Capital
G/L Acct Long Text Share Capital

Consolidation data in chart of accounts

Trading Partner

G/L Account Edit Goto Extras Environment Settings System Help

>Create G/L Account Centrally

G/L Account 401201
Company Code 1100 ABC LTD

Type/Description Control Data Create/bank/interest Key word/translation Inf...

Account control in company code

Account currency	USD	American Dollar
<input type="checkbox"/> Only balances in local crcy		
Exchange rate difference key		
Valuation group		
Tax category		
<input type="checkbox"/> Posting without tax allowed		
Recon. account for acct type		
Alternative account no.		
<input type="checkbox"/> Acct managed in ext. system		
Inflation key		
Tolerance group		

Account management in company code

<input type="checkbox"/> Open item management	
<input type="checkbox"/> Line item display	
Sort key	001
Authorization Group	
Accounting clerk	

G/L account Edit Goto Extras Environment Settings System Help

Checkmark icon | Back | Forward | Refresh | Save | Cancel | Print | Exit | Help | Icons

Create G/L Account Centrally

Icons: Create, Delete, Copy, Paste, Find, Filter, Sort, Undo, Redo, Save, Cancel, Print, Exit, Help, Icons

G/L Account: 401201
Company Code: 1100 ABC LTD

Buttons: Edit financial statement version, Edit set, Edit cost element

Icons: Control, Data, Create/bank/interest, Key word/translation, Info, Print, Exit, Help, Icons

Control of document creation in company code

Field status group: G001

Post automatically only
 Supplement auto. postings
 Recon. acct ready for input

Bank/financial details in company code

Planning level

Relevant to cash flow

Commitment Item

House Bank

Account ID

Interest calculation information in company code

Interest indicator

Interest calc. frequency

Key date of last int. calc.

Date of last interest run

Click  to save GL Code

Below screen shows creation of RM consumption GL a/c.

Create G/L Account Centrally

Edit financial statement version | Edit set | Edit cost element

G/L Account Company Code ABC LTD

Type/Description Control Data Create/bank/interest Key word/translation Inf...

Control in chart of accounts

Account Group
 P&L statement acct
 Balance sheet account

Description

Short Text G/L Acct Long Text

Consolidation data in chart of accounts

Trading Partner

G/L account Edit Goto Extras Environment Settings System Help

>Create G/L Account Centrally

G/L Account 400000
Company Code 1100 ABC LTD

Type/Description Control Data Create/bank/interest Key word/translation Inf...

Account control in company code

Account currency **USD** American Dollar
 Only balances in local curr
Tax category
 Posting without tax allowed
Recon. account for acct type
Alternative account no.
 Acct managed in ext. system

Account management in company code

Open item management
 Line item display
Sort key **002** Doc.no., fiscal year
Authorization Group
Accounting clerk

Joint venture data in company code

Recovery Indicator

Click to save GL Code

G/L account Edit Goto Extras Environment Settings System Help

>Create G/L Account Centrally

G/L Account 4000000
Company Code 1100 ABC LTD

Type/Description Control Data Create/bank/interest Key word/translation Inf...

Control of document creation in company code

Field status group 6003 Material consumption accounts
 Post automatically only
 Supplement auto. postings

Bank/financial details in company code

Planning level

Interest calculation information in company code

Interest indicator
Interest calc. frequency
Key date of last int. calc.
Date of last interest run

4. Configuration for GL Automatic clearing: -

4.1 Automatic Clearing

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Open Item Clearing → Prepare Automatic Clearing

The program for clearing clears the open items that are grouped together if their total balance assigned equals to zero in local and foreign currency.

We can enter the criteria for grouping an ledger account's open items for automatic clearing.

The following standard criteria has to entered properly,

- a) Account type
- b) account number or a number interval

We can also enter a further five criteria.

We select these five additional criteria from the fields in table BSEG or BKPF. If possible, We should choose fields that are also contained in table BSIS (G/L accounts), BSID (customers), or BSIK (vendors).

Automatic clearing is required for GR/IR clearing accounts and Bank accounts; further automatic clearing is also required for Vendors and customers

Select the existing entries in SAP

Click on  enter the chart of accounts USCA

Update the following:-

The account type is D for debtors K for creditors and S for General Ledger.

The first criterion specified is the assignment field for account types.

These criteria's can be selected based on the individual company requirements. The GRIR account can be cleared using the criteria purchasing document and line item therefore also select EBELN (purchasing document)

Click 

4.2 Define Tolerance Groups for G/L Accounts

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Open Item Clearing → Clearing Differences → Define Tolerance Groups for G/L Accounts

Tolerance groups define the limits for each ledger account clearing within which differences are accepted and automatically posted to predefined accounts.

These predefined groups can be assigned in the general ledger account master record.

The screenshot shows the SAP GUI interface for defining tolerance groups. The title bar reads "Change View 'Tolerances for Groups of G/L Accounts'". The menu bar includes "Table View", "Edit", "Goto", "Selection", "Utilities(M)", "System", and "Help". The toolbar below the menu bar includes icons for "New Entries", "Search", "Print", "Copy", "Paste", "Delete", and "Exit". The main area displays a table titled "Tolerances for Groups of G/L Accounts in Local Currency". The table has columns: CoCd, Tol.group, and Name. The data rows are as follows:

CoCd	Tol.group	Name
0005	DERP	Default
0006		
0007		Default
0007	DERP	
0008		
0100		
0110		
1000		Default
1000	DERP	
1029		Default
1029	DERP	
1127		Default
1127	DERP	

Click on 

Update the following:-

 [Table View](#) [Edit](#) [Goto](#) [Selection](#) [Utilities\(M\)](#) [System](#) [Help](#)

New Entries: Details of Added Entries

Company Code	1100
Tolerance group	1100 ABC LTD

Tolerances for Groups of G/L Accounts in Local Curre

Debit posting	10.00	Percentage	1 %
Credit posting	10.00	Percentage	1 %

Click on 

4.3 Assigning accounts for GL Clearing Differences

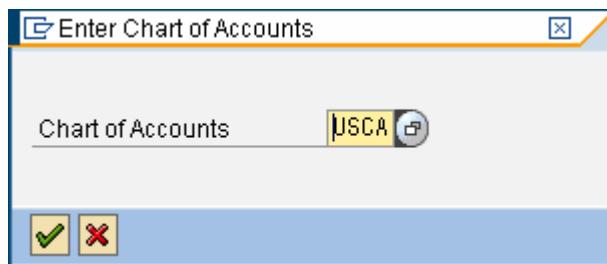
Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Open Item Clearing → Clearing Differences → Create Accounts for Clearing Differences

Here We define the accounts to which these differences should be posted.

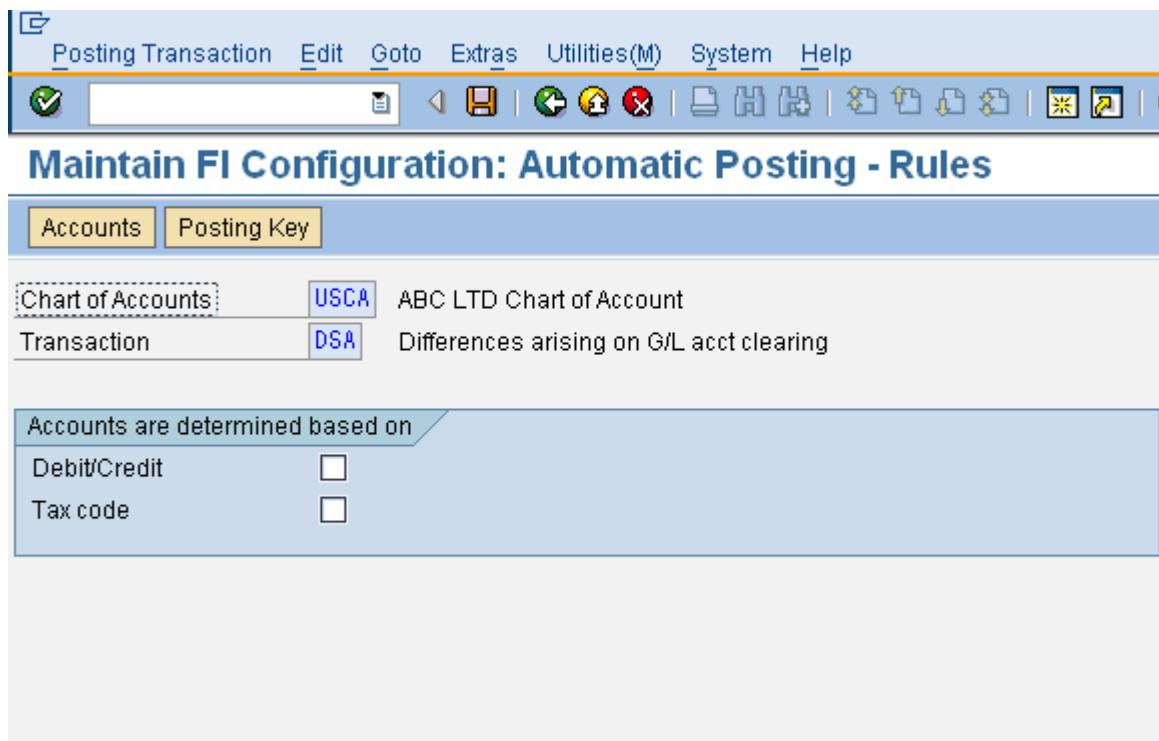
We can define the limits within which differences are accepted for G/L account clearing.

Enter chart of accounts **USCA**

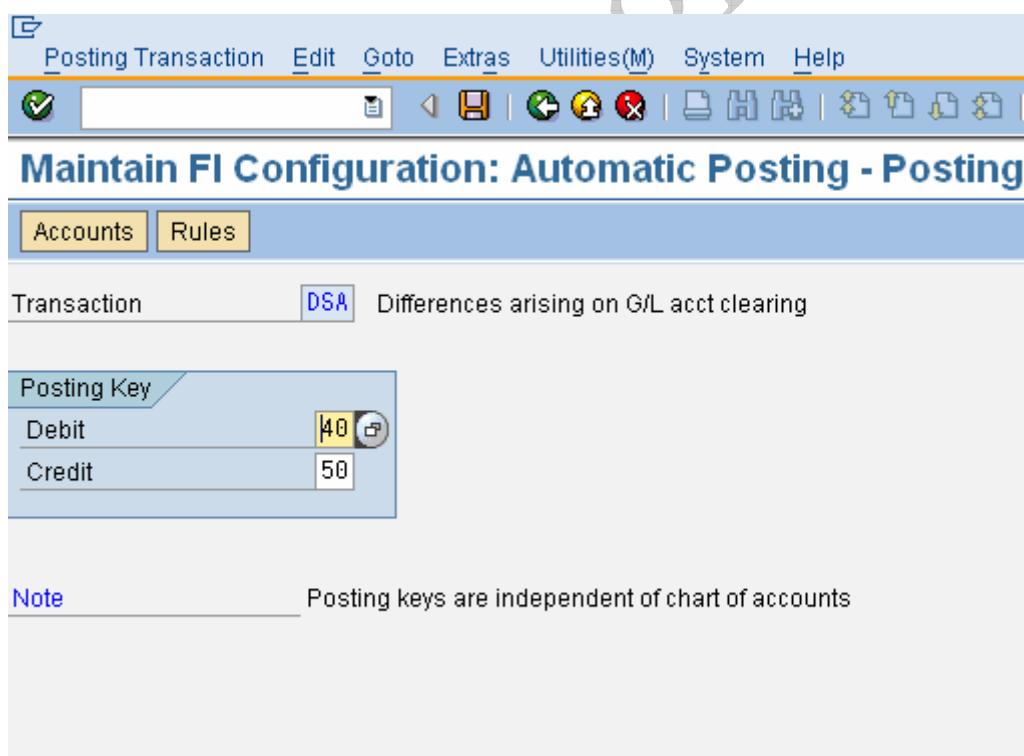


Click on to save the rules

Click on to update the posting keys

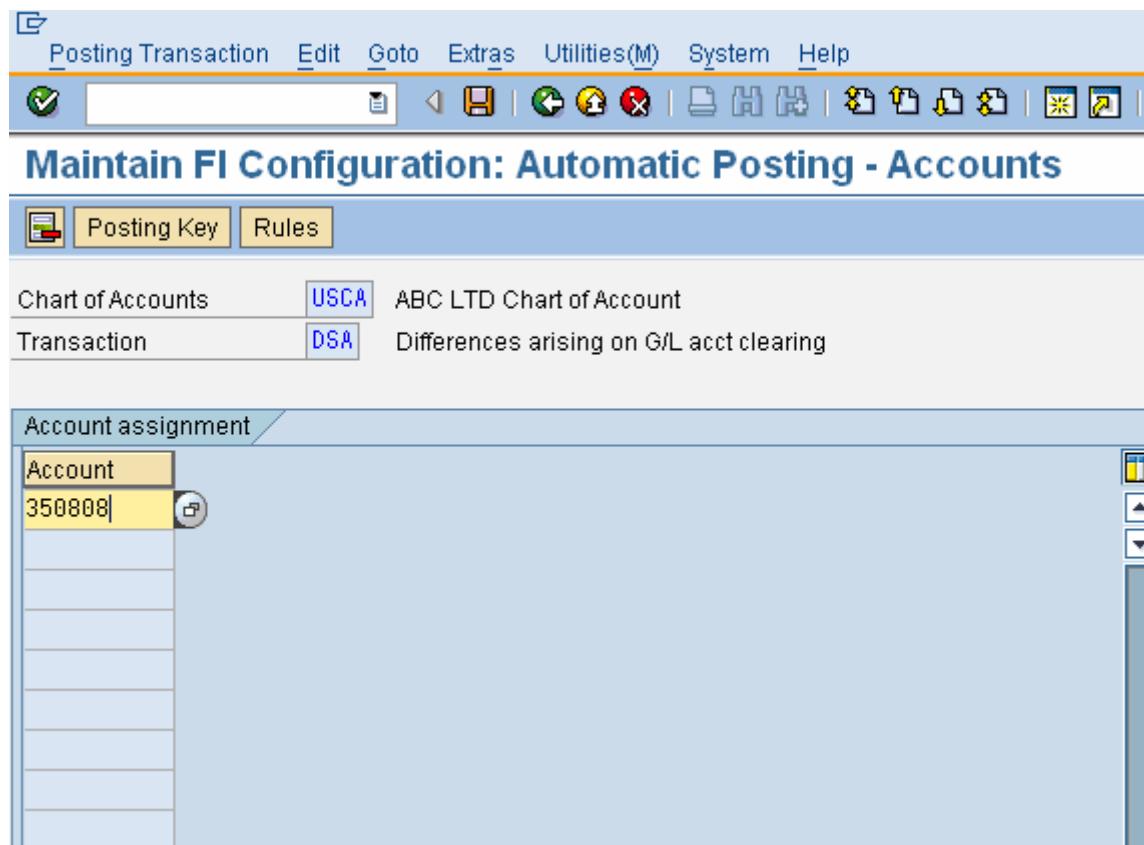
A screenshot of the SAP Fiori interface. The title bar reads "Posting Transaction Edit Goto Extras Utilities(M) System Help". Below the title bar is a toolbar with various icons. The main area has a blue header bar with tabs "Accounts" and "Posting Key", where "Accounts" is selected. The main content area shows "Chart of Accounts" set to "USCA" (ABC LTD Chart of Account) and "Transaction" set to "DSA" (Differences arising on G/L acct clearing). A note below says "Accounts are determined based on" with checkboxes for "Debit/Credit" and "Tax code", both of which are unchecked.

Update the following:-

A screenshot of the SAP Fiori interface. The title bar reads "Posting Transaction Edit Goto Extras Utilities(M) System Help". Below the title bar is a toolbar with various icons. The main area has a blue header bar with tabs "Accounts" and "Rules", where "Accounts" is selected. The main content area shows "Transaction" set to "DSA" (Differences arising on G/L acct clearing). A section titled "Posting Key" contains two rows: "Debit" with value "40" and "Credit" with value "50". A note at the bottom states "Note: Posting keys are independent of chart of accounts".

Click 

And update GL code 470706, which is clearing difference account (G/L). It is an expense account



Click

5. Configuration for Foreign currency Valuation

Here, we define the specifications required for the valuation of foreign currency balances e.g. Bank accounts holding foreign exchange and Open items in foreign currency e.g. Customers and Vendors

5.1 Define Valuation methods

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Closing → Valuating → Foreign Currency Valuation → Define valuation methods

Transaction Code

(OB59)

Foreign Currency Valuation can be defined as a procedure for determining at a key date the value of the current assets and liabilities posted in foreign currency.

Assets and liabilities are valued using the unit account method of valuation which means that the individual open items are valued.

If this is not possible (because the account is not managed on an open item basis) the balance of the account is valued instead.

Here, for unrealized gains or losses we define the valuation methods for the open items. With the valuation method, we group specifications together, which we need for the balance and individual valuation. Before every valuation run, we mention the required valuation method.

M is the average rate of any foreign currency.

SAP uses exchange rate type M to value all foreign currency items.

Various valuation methods are provided by the SAP.

We can create our own key starting with Z.

SAP provides following valuation methods: -

The screenshot shows a SAP Fiori application window titled "Change View "Foreign Currency Valuation Methods": Overview". The top menu bar includes "Table View", "Edit", "Goto", "Selection", "Utilities(M)", "System", and "Help". Below the menu is a toolbar with various icons. The main area displays a table with two columns: "Valuation method" and "Description". The table contains the following data:

Valuation method	Description
7301	7301 valuation method
AML1	FC valuation bank selling for AML
BANK	
BSK	CZ/SK valuation method
CAM	Balance Sheet Revaluation (M Rate)
DEMO	Valuation w/ Exchange Rate Type M
DRL1	FC valuation bank selling for drl
EVR	ALWAYS VALUATE
IAS1	Valuation w/ Exchange Rate Type M

Let us create our own valuation methods.

Click on **New Entries**

Update the following:-

New Entries: Details of Added Entries

Valuation method	YDCR		
Description	Valuation Method for Customer & Vendor		
Valuation procedure			
<input type="radio"/> Lowest value principle	<input type="checkbox"/> Corp.group-vendors		
<input type="radio"/> Strict lowest value principle	<input type="checkbox"/> Corp.group-cust.		
<input checked="" type="radio"/> Always evaluate	<input type="checkbox"/> G/L valuation grp		
<input type="radio"/> Revalue only	<input type="checkbox"/> Balance valuat.		
<input type="radio"/> Reset			
<input type="checkbox"/> Post per line item			
Document type	SA		
	<input type="checkbox"/> Write extract		
Exchange rate determination			
ExchRate Type for Debit Bal	B		
ExchRate Type for CreditBal	G		
<input type="checkbox"/> Determine rate type from account balance	<input checked="" type="checkbox"/> Use exchange hedging		
<input checked="" type="radio"/> Exch.rate type from invoice reference	Minimum difference		
Relevant for open items			

Exchange rate type B is Bank selling and Exchange rate G is bank buying rate.

In the valuation procedure various configuration options are available

Lowest value principle The valuation is only displayed if the valuation difference between the local currency amount and the valued

amount is negative that is an exchange loss has taken place. The valuation is carried out per item total.

Strict lowest value principle The valuation is only displayed if, as a consequence, the new valuation has a greater devaluation and/or a greater revaluation for credit entries than the previous valuation. The valuation is calculated per item total.

Always valuate If We select this procedure, revaluations are also taken into consideration.

Revalue only If We select this method system only does a revaluation if applicable but does not do devaluation where there is exchange loss.

Reset If We select this parameter then the open items are valued at the acquisition price. This way the valuation difference is set to zero. The old valuation method is reset. The account determination is reversed: The revenue that arises is posted to the expense account.

Exchange rates are types are attached to the valuation method.

Determine rate type from account balance If We select this field, the account balance/group balance in the relevant foreign currency is used to determine the exchange rate type. This is relevant for account balance revaluation

A document type SA is attached to the valuation method.

Let us configure another valuation method for Bank Balance:

Click on

Table View Edit Goto Selection Utilities(M) System Help

New Entries: Details of Added Entries

Valuation method YBAN

Description Valuation Method for Bank Balance in Curr

Valuation procedure

Lowest value principle Corp.group-vendors
 Strict lowest value principle Corp.group-cust.
 Always evaluate G/L valuation grp
 Revalue only Balance valuat.
 Reset
 Post per line item

Document type SA Write extract

Exchange rate determination

ExchRate Type for Debit Bal B Use exchange hedging
ExchRate Type for CreditBal G Minimum difference

Determine rate type from account balance
 Exch.rate type from invoice reference

Click

5.2 Assign GL accounts for Foreign Currency valuation

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Closing → Valuating → Foreign Currency Valuation → Prepare Automatic Postings for Foreign Currency Valuation

Transaction Code

(OBA1)

Exchange rate difference in foreign currency balances e.g. bank accounts held in foreign currency

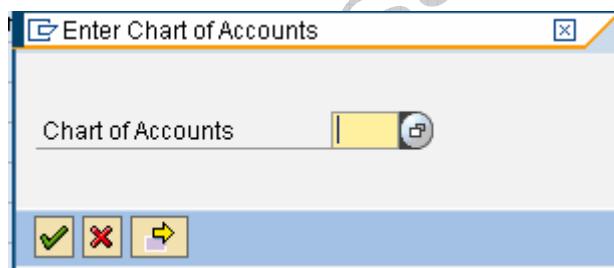
Double click on KDB Line

Maintain FI Configuration: Automatic Posting - Procedures

Group FWA Exchange rate differences

Description	Transaction	Account determ.
Document Split for Currency Exchange	CEX	<input checked="" type="checkbox"/>
Exch. Rate Diff. using Exch. Rate Key	KDB	<input checked="" type="checkbox"/>
Exchange Rate Dif.: Open Items/GL Acct	KDF	<input checked="" type="checkbox"/>
Payment difference for altern.currency	KDW	<input checked="" type="checkbox"/>
Payment diff.for altern.curr.(offset)	KDZ	<input checked="" type="checkbox"/>
Internal currencies rounding differences	RDF	<input checked="" type="checkbox"/>

Enter Chart of accounts USCA

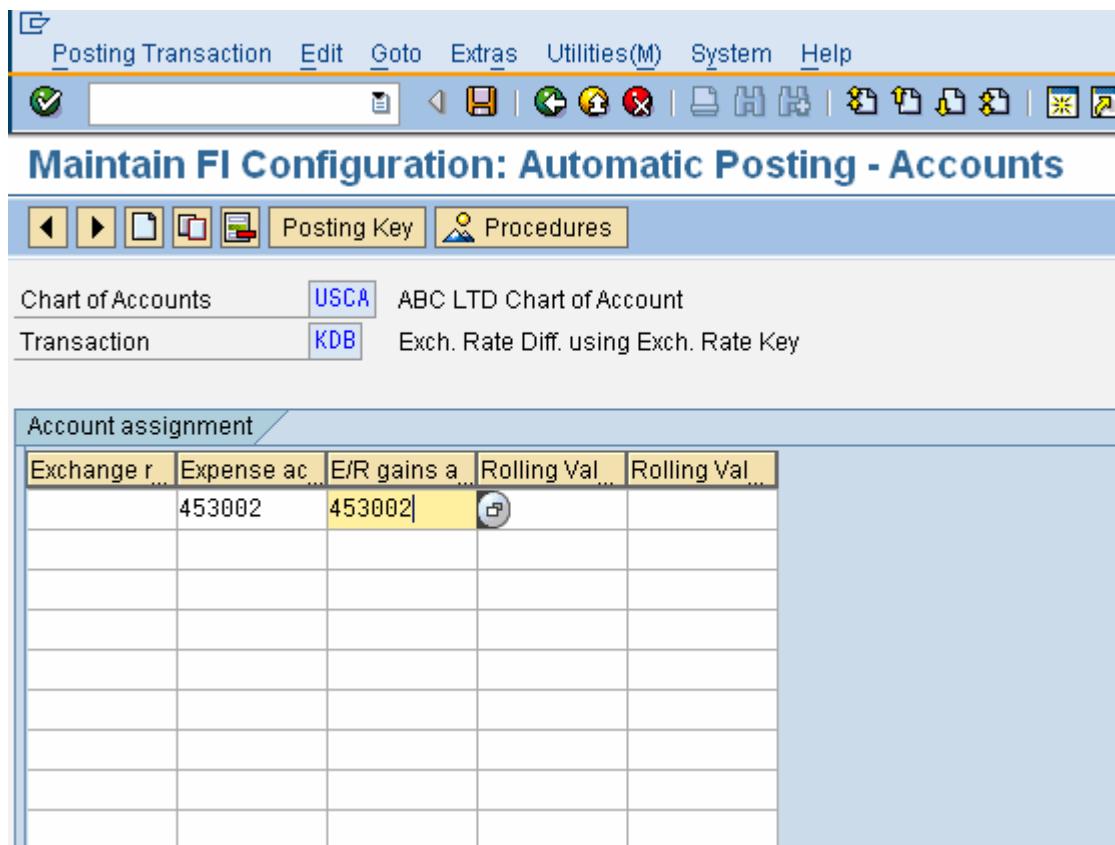


Here we will enter the following

Exchange rate difference key: Can be kept blank or we can enter a key with 4 digit e.g. 0001. In case We create this exchange rate key then the same has to be updated in the GL code of the foreign currency account i.e. control data tab which has the field exchange

rate difference key. Only when it is attached the system will revalue the foreign currency account.

Expense account: We need to enter the expense GL code for unrealized foreign exchange loss. The loss on revaluation is unrealized and will be automatically reversed in the next month e.g. 472002 Unrealized Exchange Gain/Loss – Trade



E/R gains: We need to enter the revenue GL coded for Unrealized Foreign exchange gain. The loss on revaluation is unrealized and will be automatically reversed in the next month e.g. 472002 Unrealized Exchange Gain/Loss – Trade. We can have a separate account or the same account.

Exchange rate difference in open items e.g. Accounts Receivable and Accounts Payable

Double click on KDF Line

Description	Transaction	Account determ.
Document Split for Currency Exchange	CEX	<input checked="" type="checkbox"/>
Exch. Rate Diff. using Exch. Rate Key	KDB	<input checked="" type="checkbox"/>
Exchange Rate Dif.: Open Items/GL Acc#	KDF	<input checked="" type="checkbox"/>
Payment difference for altern.currency	KDW	<input checked="" type="checkbox"/>
Payment diff.for altern.curr.(offset)	KDZ	<input checked="" type="checkbox"/>
Internal currencies rounding differences	RDF	<input checked="" type="checkbox"/>

Here We will enter the GL code for Accounts receivable or Accounts Payable (the reconciliation account). We can enter different GL codes for each currency code and currency type. Alternatively if We do not want different GL codes for each currency We can keep them blank

Enter chart of accounts USCA in the pop up

Click on **New entries** and update the following:-

Table View Edit Goto Selection Utilities(M) System Help

New Entries: Details of Added Entries

Chart of Accounts USCA
G/L Account 119020
Currency
Currency type

Exchange rate difference realized

Loss	453001
Gain	453001

Valuation

Val.loss 1	453002
Val.gain 1	453002
Bal.sheet adj.1	119812

119020 is the GL code for Account Receivables trade 3rd parties

Loss: Here We enter the GL code for exchange loss, which is realized

Gain: Here We enter the GL code for exchange gain, which is realized.

Val. loss 1: Here We enter the GL code for unrealized exchange Loss on revaluation of open items i.e. accounts receivable and accounts payable

Val. gain 1: Here We enter the GL code for unrealized exchange gain on revaluation of open items i.e. accounts receivable and accounts payable

Bal.sheet adj.1 : Here We enter the GL code to which the receivable and payables adjustment is posted during foreign currency valuation of open items.

The SAP System supports two valuation areas in parallel. This account is used during valuation of the first valuation area.

The first valuation area reflects the local view of the Company code, the second valuation area takes the corporate policy for the valuation into consideration.

6. Configuration for regrouping postings

6.1 Define Adjustment Accounts for GR/IR clearing

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Closing → Regrouping → Define Adjustment Accounts for GR/IR Clearing

Transaction Code

(OBYP)

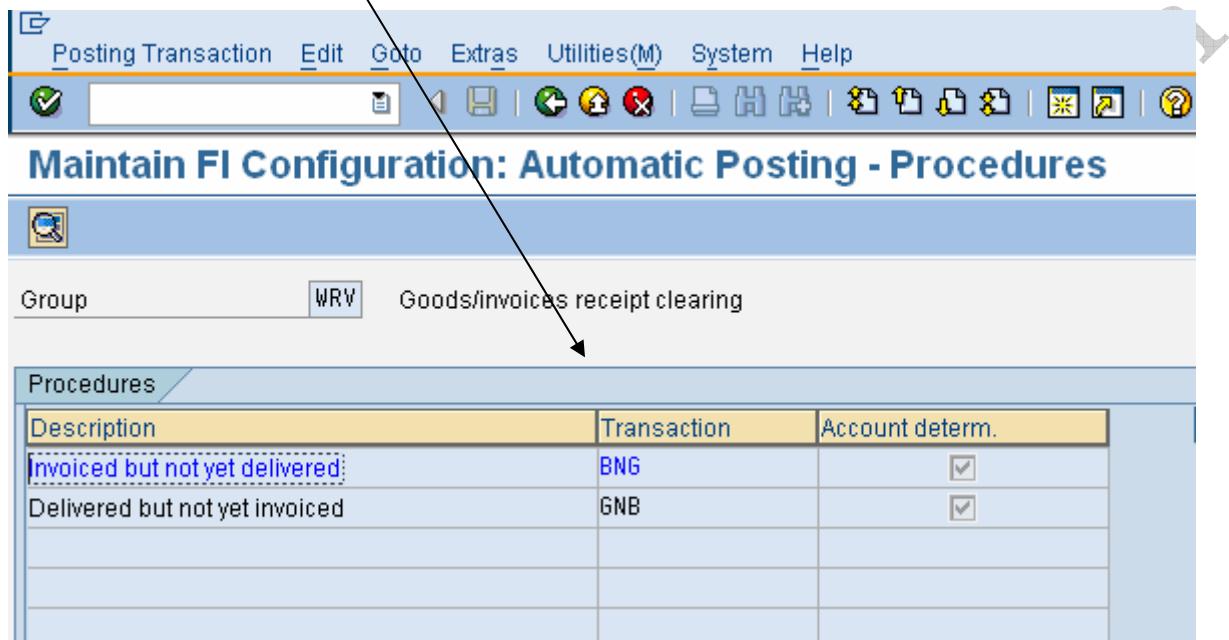
Whenever we receive goods that have not been invoiced yet or whenever we receive invoices for goods that have not been delivered yet, it is posted to the goods receipt/invoice receipt (GR/IR) clearing account.

The goods receipt/invoice receipt (GR/IR) clearing account is a **provision account**.

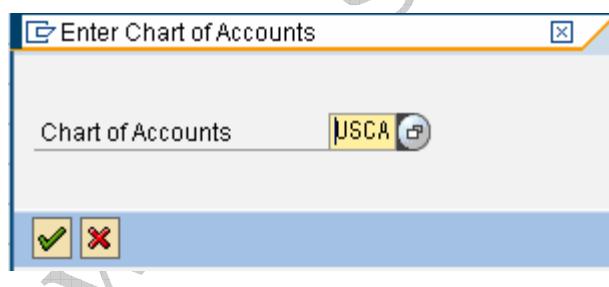
Here we define the numbers of the adjustment and target accounts for the automatic postings for the GR/IR clearing account.

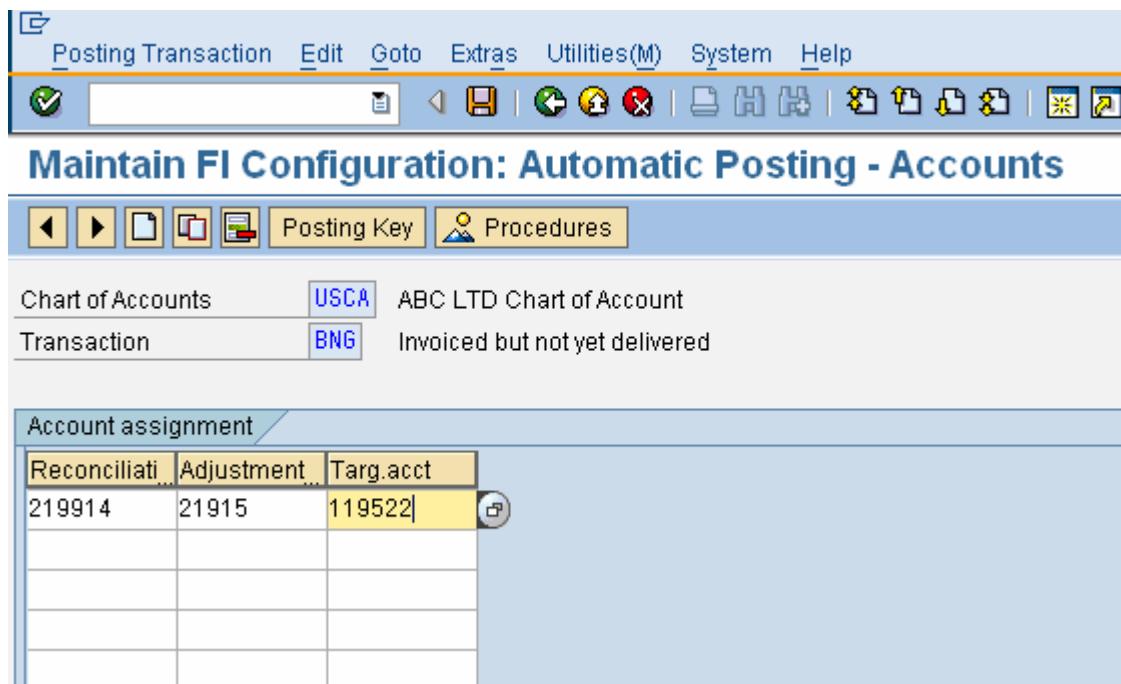
Transfer postings have to be made at the balance sheet date to reflect the goods invoiced but not delivered and the goods delivered but not invoiced. Transaction code **F.19** analyzes the GR/IR clearing account and posts adjustments entries for outstanding amounts to adjustment accounts. It makes the offsetting entry to the account for goods delivered but not invoiced or to the account for goods invoiced but not delivered (target account).

Double click BNG



Update the following:-





Update the following: -

Reconciliation account: Enter the GL code 219914 i.e. GR/IR clearing account (Goods Receipt/Invoice receipt)

Adjustment account: Enter the GL code 219915 i.e. GR/IR correction account

Targ. Acct: Enter the GL code 119522 GR/IR Invoiced but goods not yet received

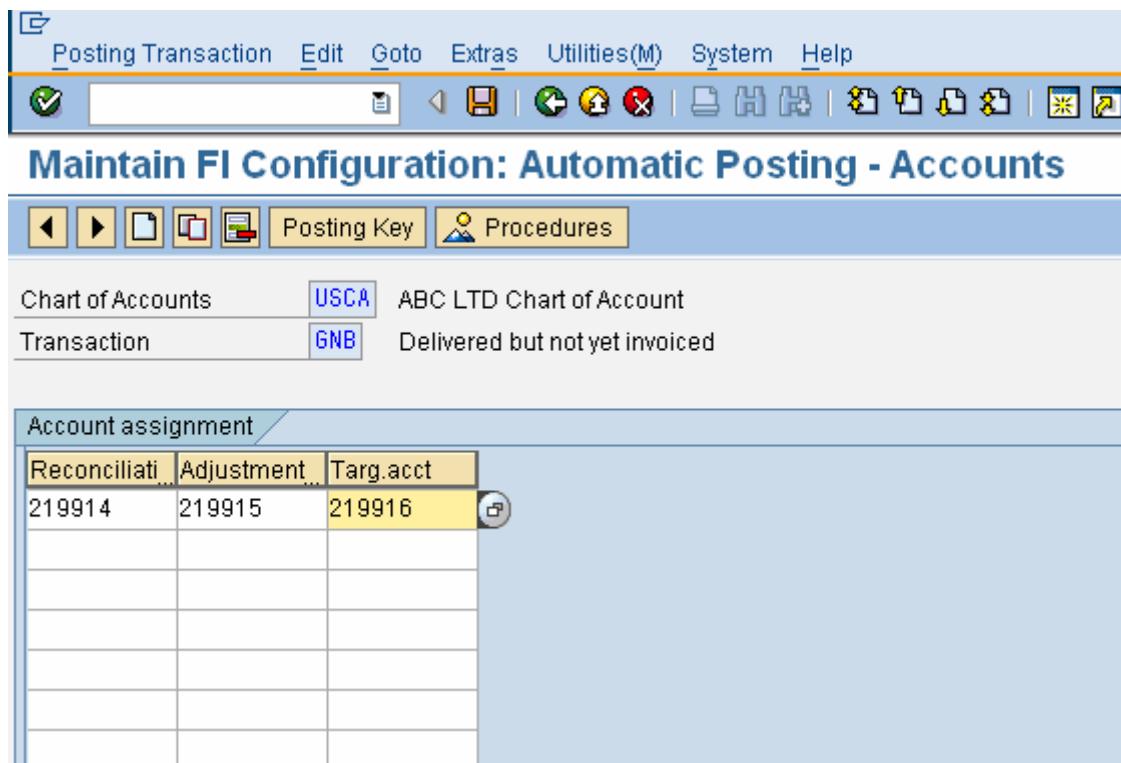
Click Save

Double click GNB

The screenshot shows the SAP Fiori interface for maintaining FI configuration. The title bar reads "Maintain FI Configuration: Automatic Posting - Procedures". Below the title bar, there is a toolbar with various icons. The main area displays a table titled "Procedures". The table has three columns: "Description", "Transaction", and "Account determ.". There are two rows in the table:

Description	Transaction	Account determ.
Invoiced but not yet delivered	BNG	<input checked="" type="checkbox"/>
Delivered but not yet invoiced	GNB	<input checked="" type="checkbox"/>

Enter chart of accounts USCA if the pop up comes



Update the following: -

Reconciliation account: Enter the GL code 219914 i.e. GR/IR clearing account (Goods Receipt/Invoice receipt)

Adjustment account: Enter the GL code 219915 i.e. GR/IR correction account

Targ. Acct: Enter the GL code 219916 GR/IR Shipped not invoiced

Click Save

7. Creating Balance sheet and Profit and Loss account

7.1 Define Financial Statement Version (FSV)

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Closing → Documenting → Define Financial Statement Versions

Financial Statement Versions means a hierarchical positioning of G/L accounts and this positioning can be based on specific legal requirements for creating financial statements.

We can create number of financial statement versions for the chart of accounts, one for the local reporting, and one for parent reporting. In each version we can group the GL codes differently as required for the reporting purpose. We define FSV because we need to represent our balance sheet and profit and loss account in a particular manner.

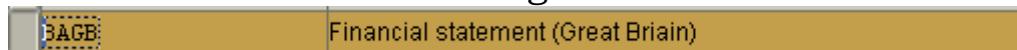
We can define versions for a specific chart of accounts, for a group chart of accounts, or without any specific assignment.

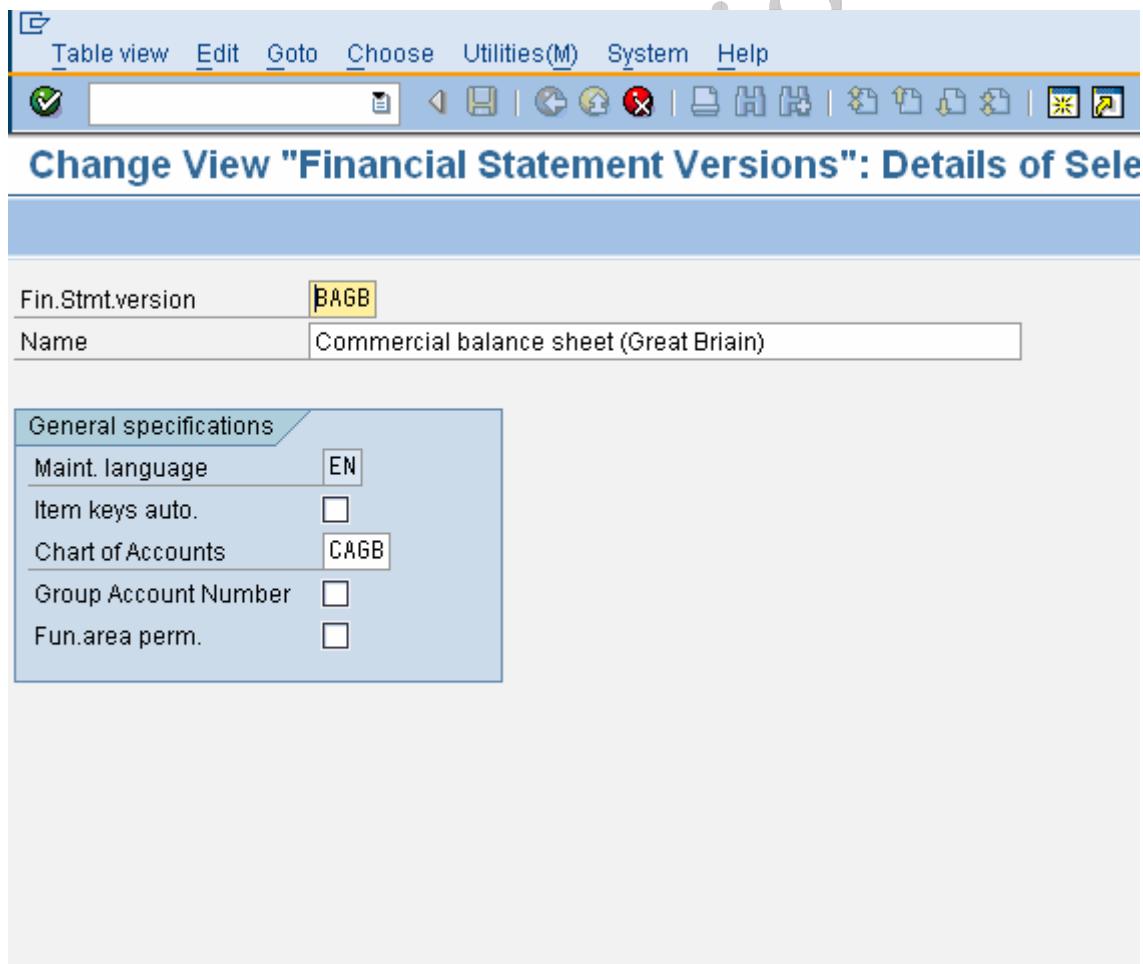
We then determine the financial statement items for the version which we have created for our company code.

We assign groups of accounts to the items at the lowest levels of the hierarchy. We can select the criteria that determine which items the accounts are displayed in. For example, accounts or groups of accounts can be assigned to particular items based on their balance.

Other way, We can also assign functional area intervals at the lowest level of the structure, instead of account intervals. Either account intervals or functional area intervals can be assigned to a financial statement item. We must explicitly define financial statement versions to which functional areas are assigned as such. We do this by setting the "Fun. area allowed" indicator. This financial statement version can then also be used by the notes to financial statement in the G/L account information system.

Click on **New entries** or to start creating FSV from scratch. In case We want to copy from existing FSV We need to position the cursor on the FSV as source FSV e.g.

 and then
click on  and update the following parameters



The screenshot shows the SAP interface for managing financial statement versions. The title bar reads "Change View "Financial Statement Versions": Details of Selection". The menu bar includes "Table view", "Edit", "Goto", "Choose", "Utilities(M)", "System", and "Help". Below the menu is a toolbar with various icons. The main area displays the following parameters:

Fin Stmt.version	BAGB
Name	Commercial balance sheet (Great Briain)

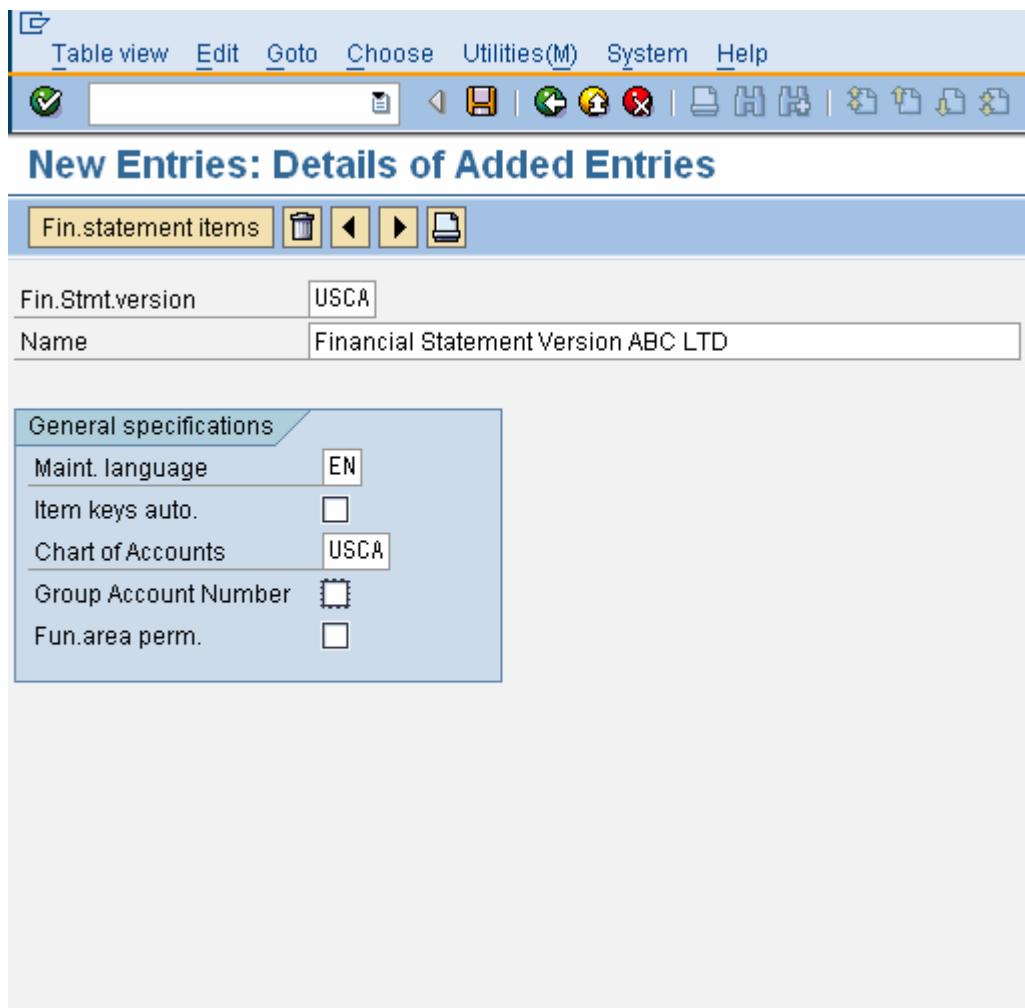
A "General specifications" section is expanded, containing the following settings:

Maint. language	EN
Item keys auto.	<input type="checkbox"/>
Chart of Accounts	CAGB
Group Account Number	<input type="checkbox"/>
Fun.area perm.	<input type="checkbox"/>

And then click on 

We will cover here Creating FSV from scratch.

Click on 



New Entries: Details of Added Entries

Fin.stmtversion	USCA
Name	Financial Statement Version ABC LTD

General specifications

Maint. language	EN
Item keys auto.	<input type="checkbox"/>
Chart of Accounts	USCA
Group Account Number	<input type="checkbox"/>
Fun.area perm.	<input type="checkbox"/>

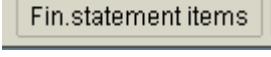
Give the code for the FSV e.g. USCA and name for the version.

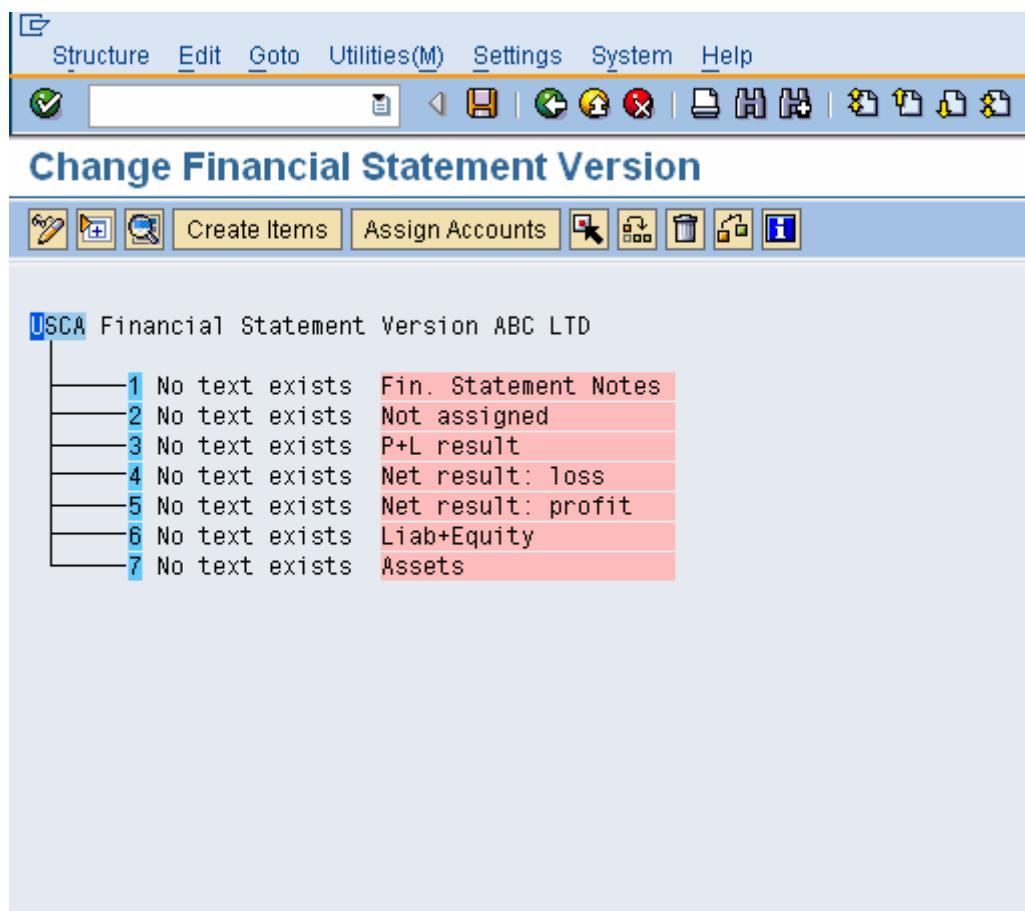
Give the maintenance language code e.g. EN (for English)

If the item keys are required automatically then We need to select, else deselect it.

Enter the chart of accounts USCA

Click on 

Click on 



The above nodes are created automatically:-

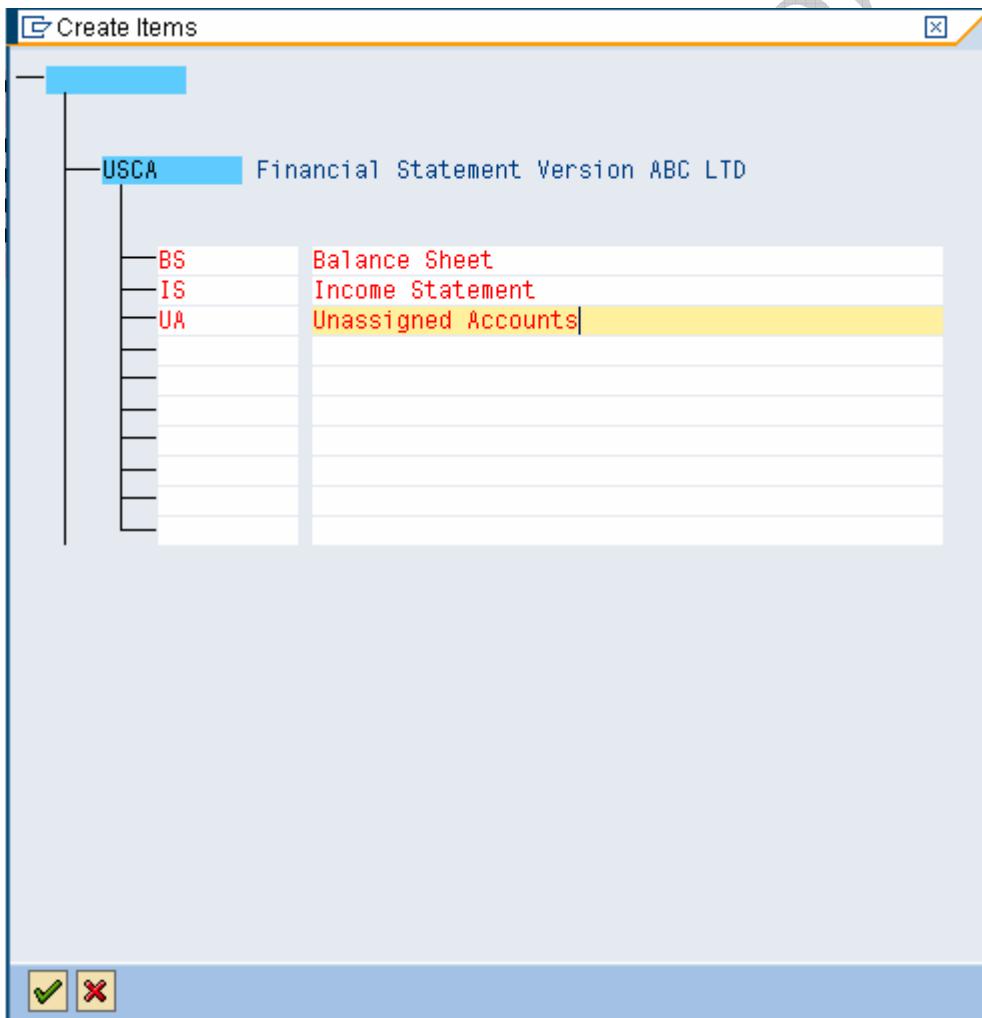
P+L Result gives profit and loss in income statement

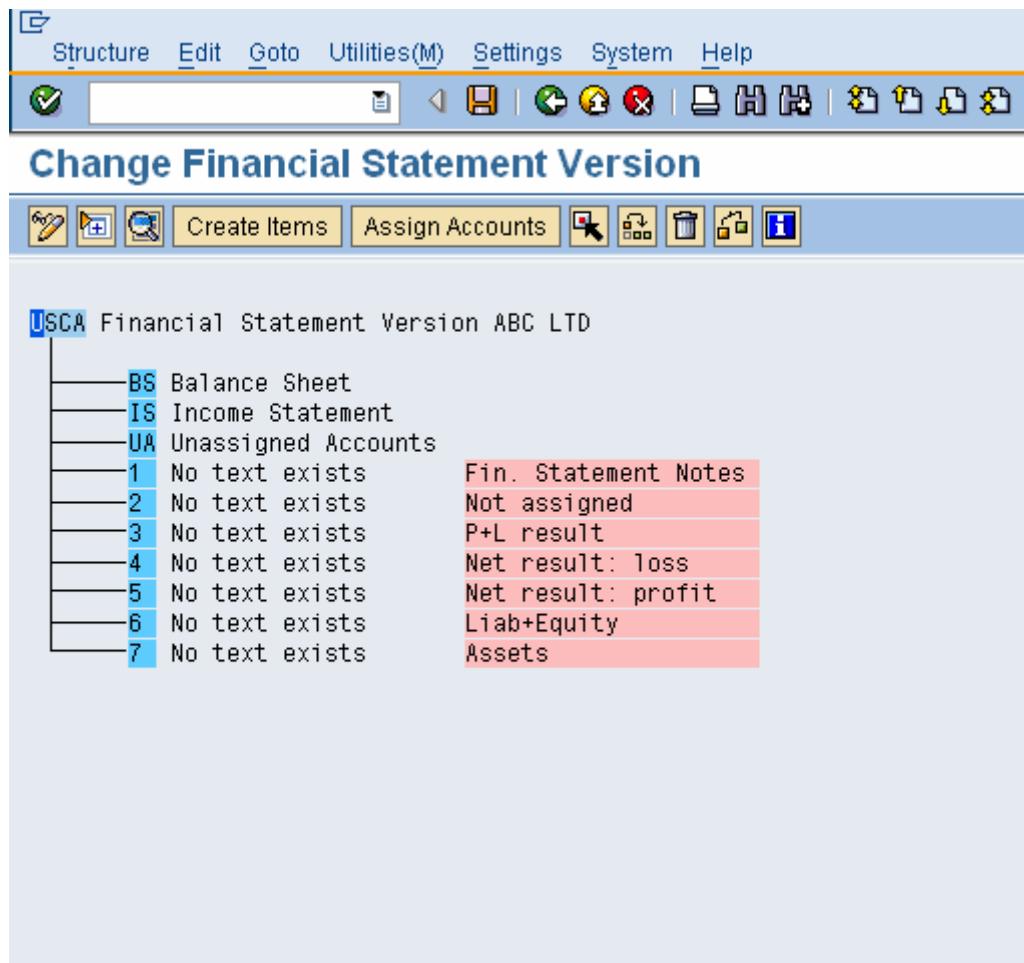
Net result: profit profit carried forward to balance sheet
Net result: loss Loss carried forward to balance sheet

Position the cursor on the node USCA and then

Click on 

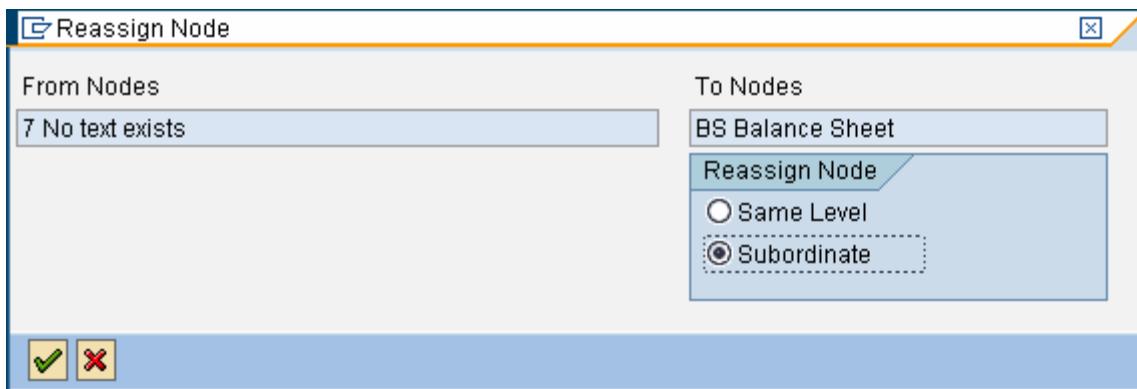
Update the following information and click the continue button



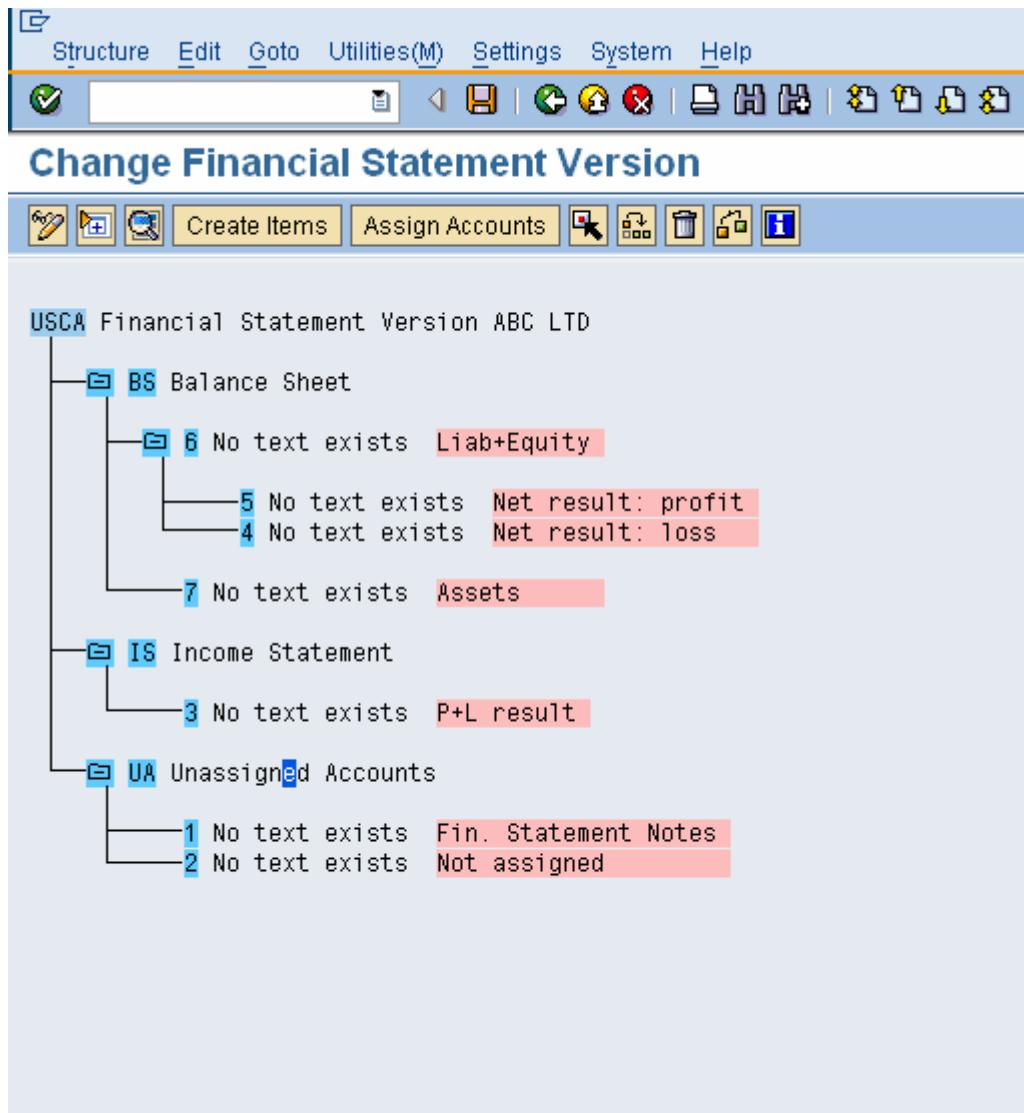


Thereafter click -7 No text exists Assets and click on
and then click on BS Balance Sheet and click on Reassign

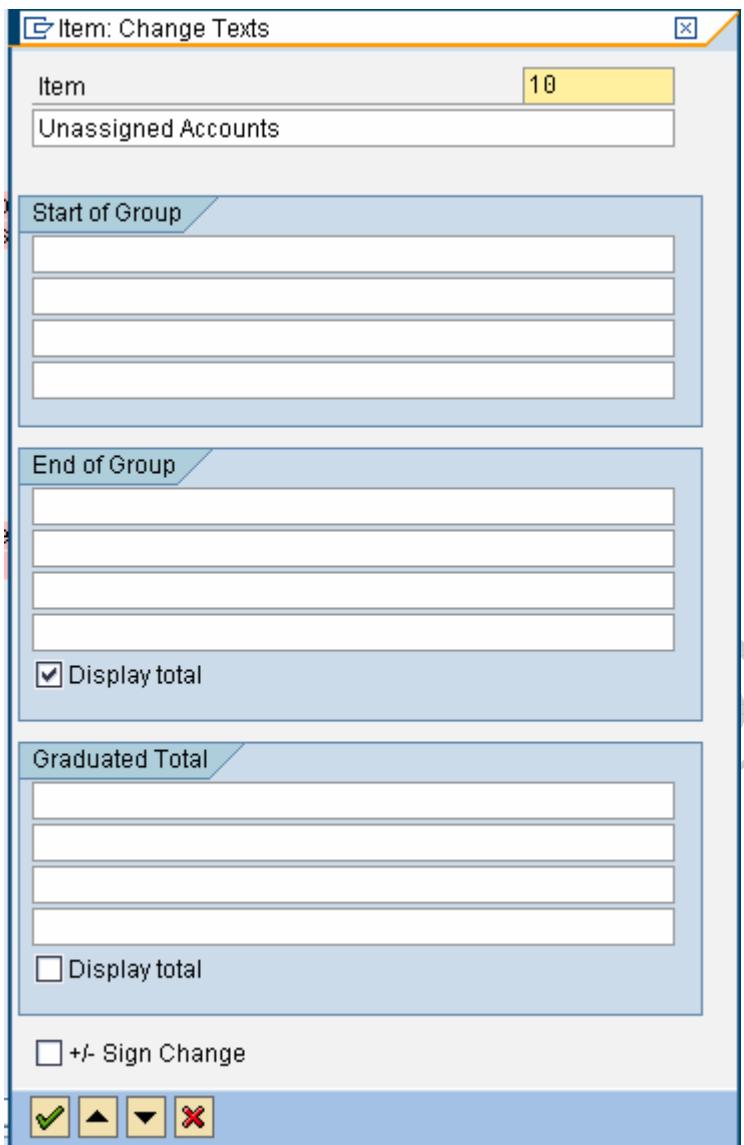
Select subordinate



Similarly assign the various nodes to the respective elements which should finally look like this.



Double click on 10 Unassigned Accounts Not assigned and update the following

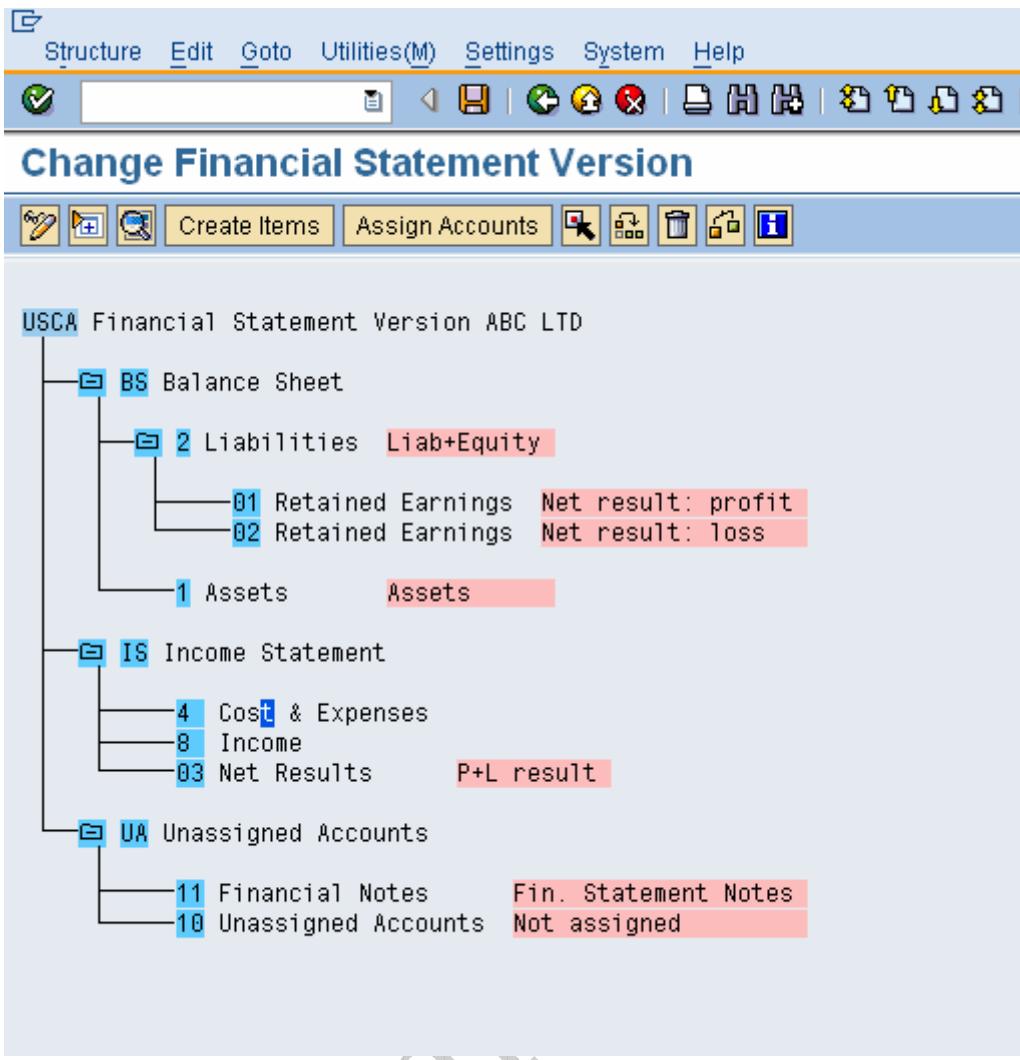


Thereafter change the description of item 6 No text exists Assets by double clicking and updating the following information

Item: Change Texts

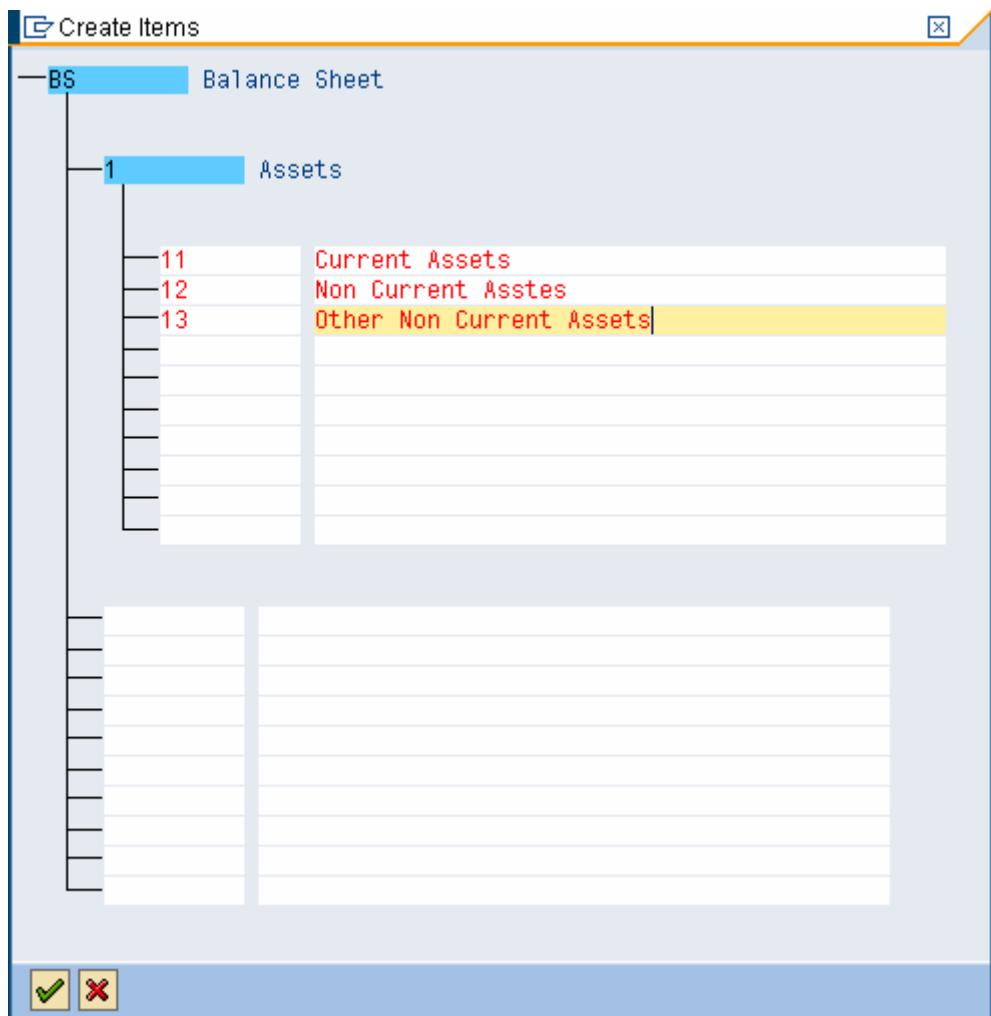
Item	<input type="text" value="7"/>
Assets	
Start of Group	
End of Group	
Total Assets	
<input checked="" type="checkbox"/> Display total	
Graduated Total	
<input type="checkbox"/> Display total	
<input type="checkbox"/> +/- Sign Change	
<input checked="" type="checkbox"/> <input type="button" value=""/> <input type="button" value=""/> <input type="button" value=""/> <input type="button" value="X"/>	

Rename everything to look like this

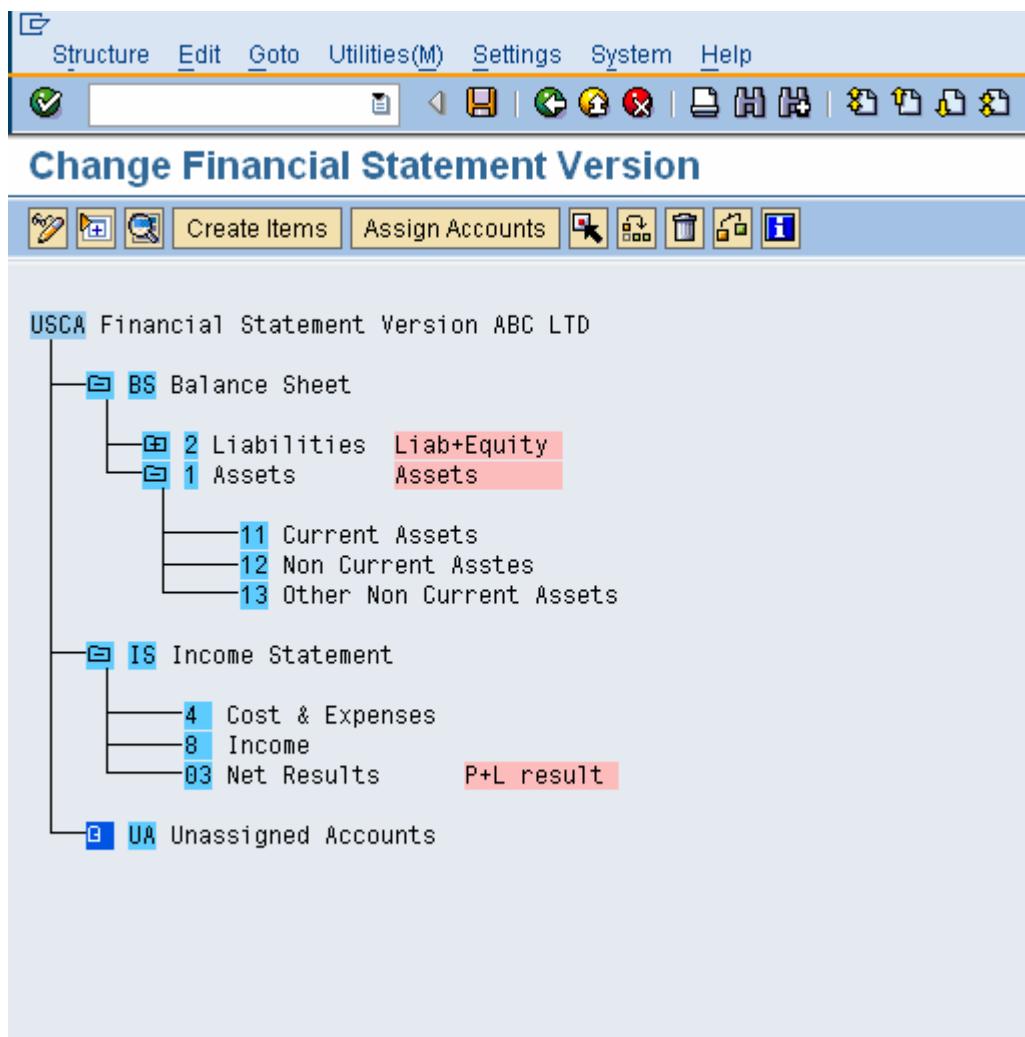


To create further nodes below Assets proceed as follows:-

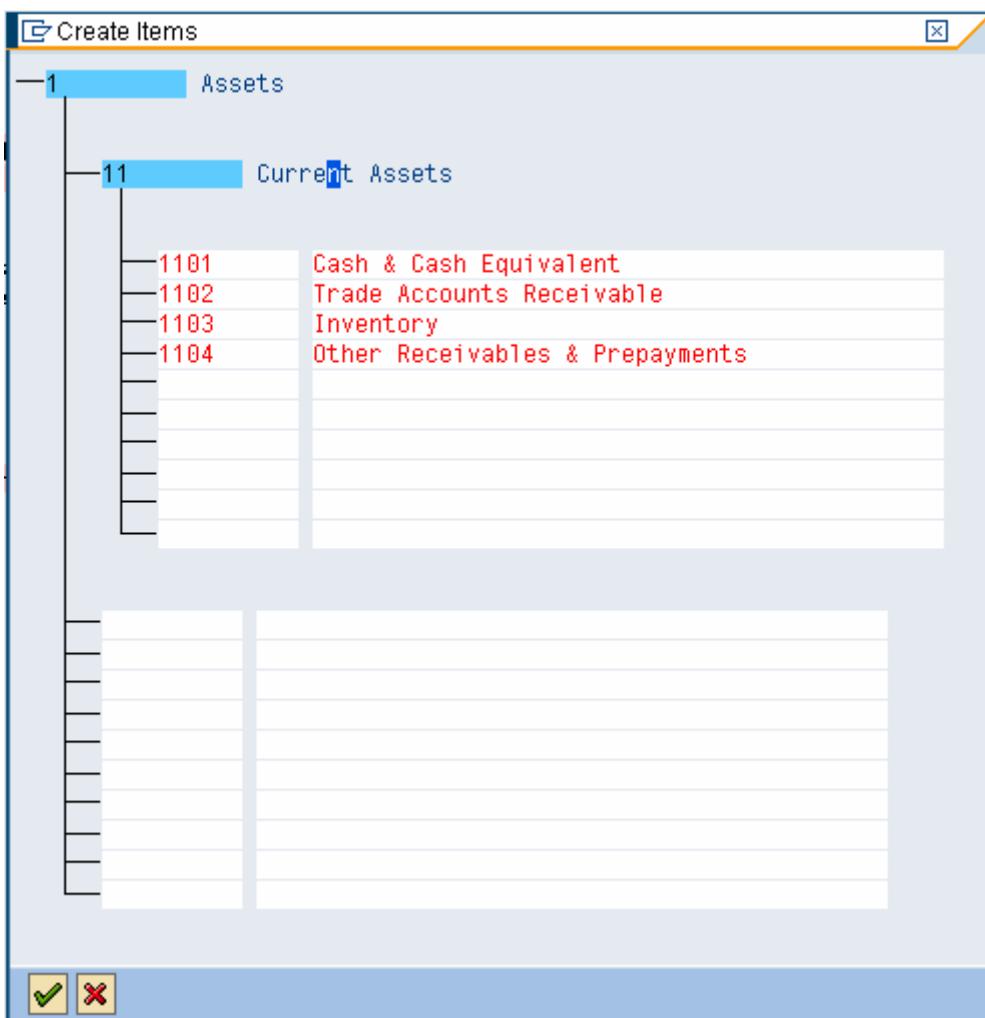
Position the cursor on **1 Assets Assets** and click on **Create items** and update the following information



After updating Wer FSV will look like this

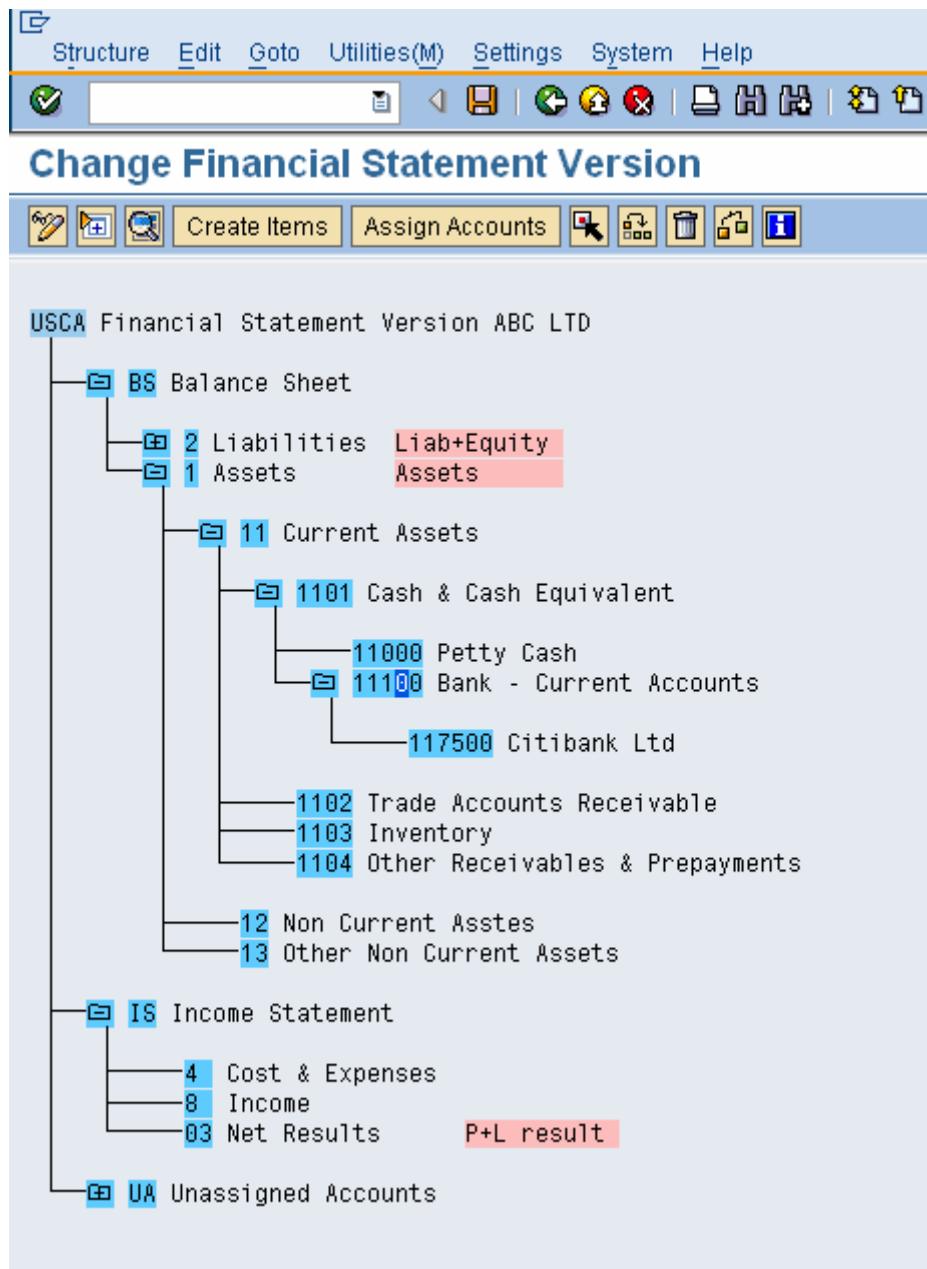


Create further nodes as follow under Current assets



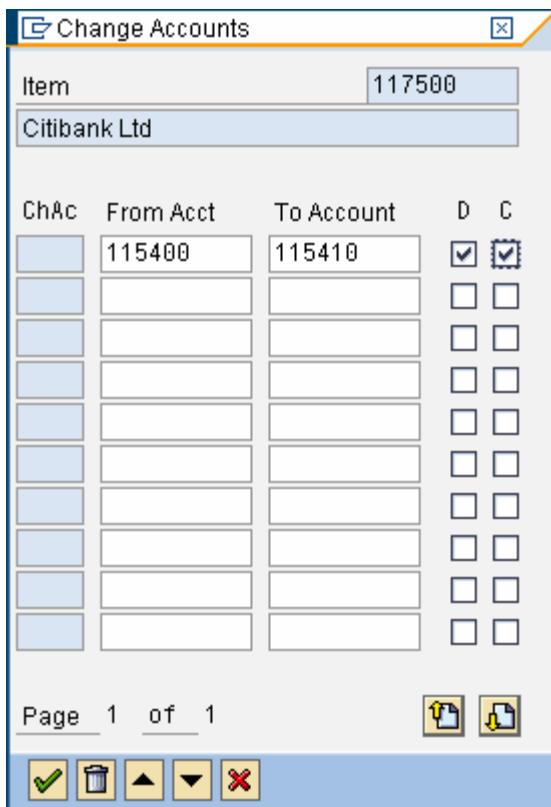
Under Cash & Cash Equivalents create further nodes 11000 Petty cash and 11100 Bank – Current accounts.

After creating all the above nodes the FSV configuration will appear like this



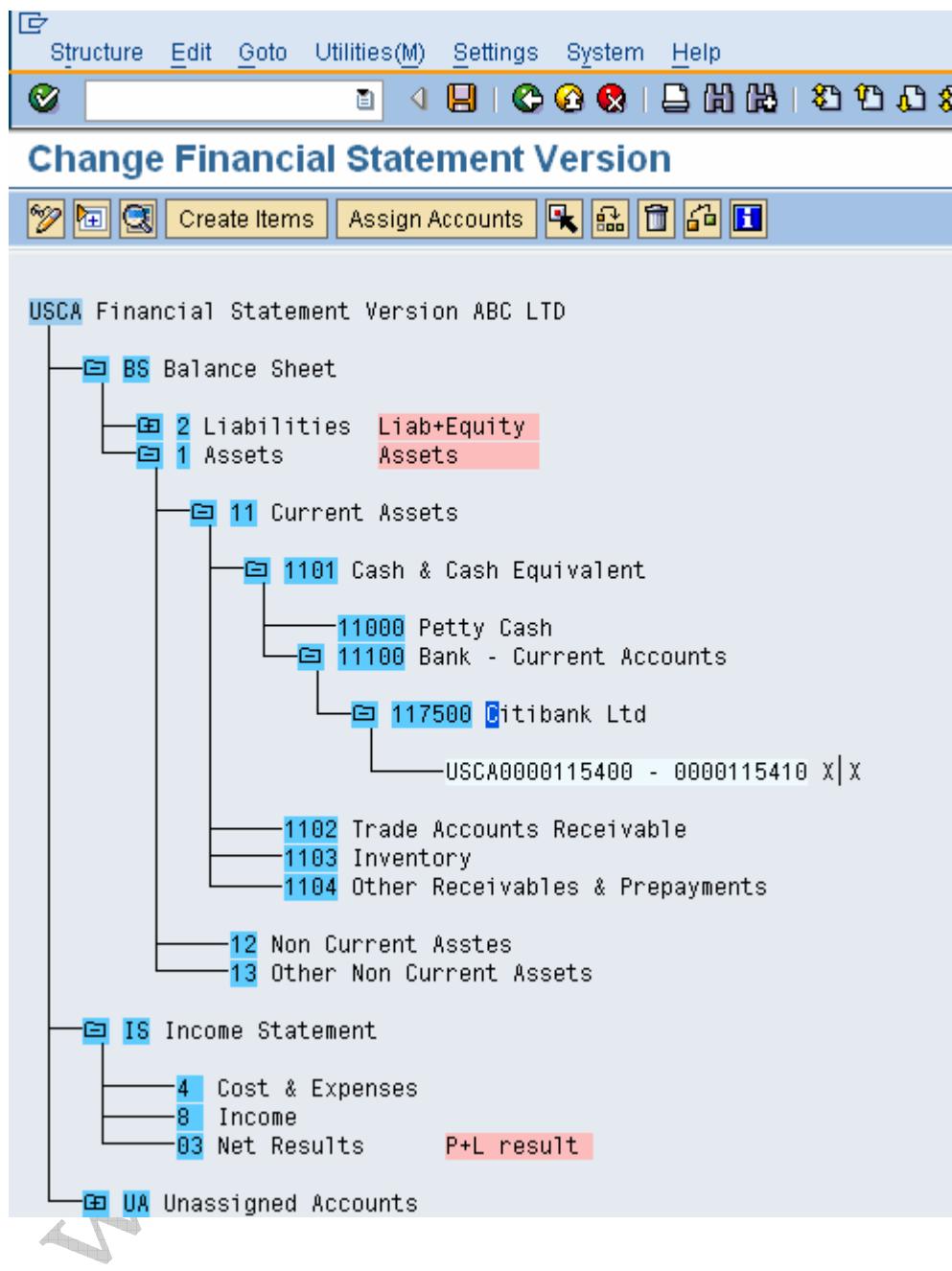
**Now we will see how to assign GL accounts to the the node
Bank – current accounts**

Place the cursor on the node —117500 Citibank Ltd and click on Assign accounts and update the bank GL codes



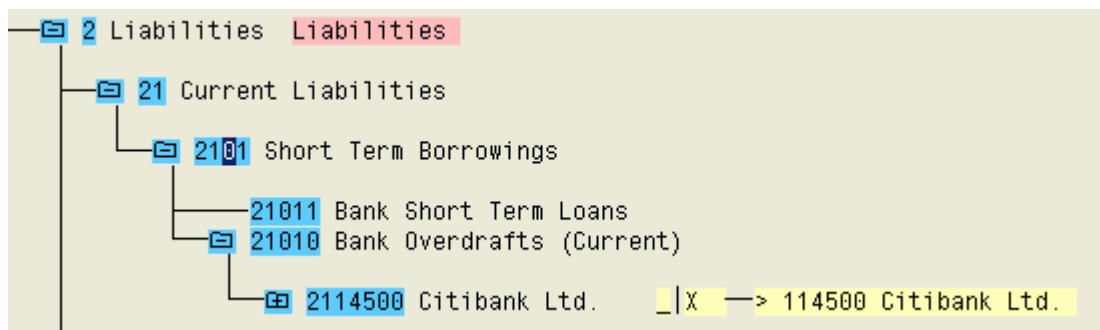
D and C are debit and credit balance of the account.

After assigning the accounts FSV will look as follows:-



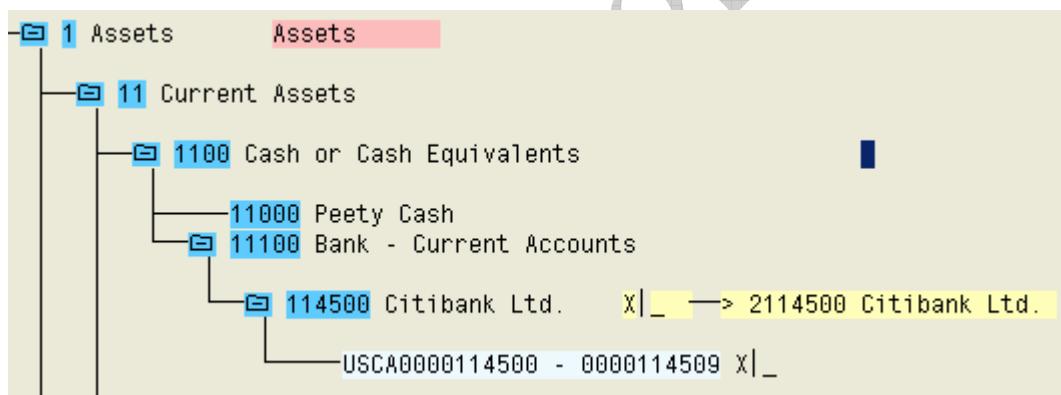
Here assuming that if this bank account is an overdraft account i.e. Bank balance can become a debit or credit balance. In case bank balance becomes credit i.e. negative then it should be regrouped to the liabilities side of balance sheet under current liabilities.

We will similarly create the various nodes under liabilities which appear as shown below:-

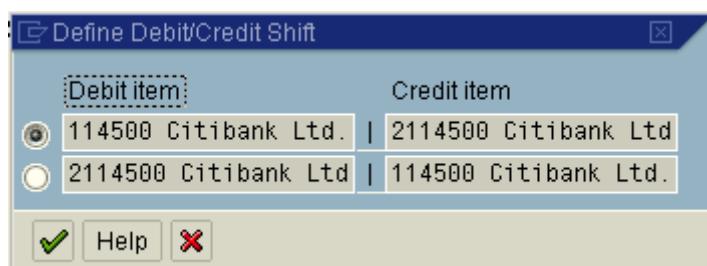


Now to regroup the balance from Bank – Current assets node to the current liabilities node we proceed as follows:-

Position the cursor on item **114500 Citibank Ltd.** in Bank -Current accounts on Current asset side and click on Select , the bank accounts get highlighted as follows:-

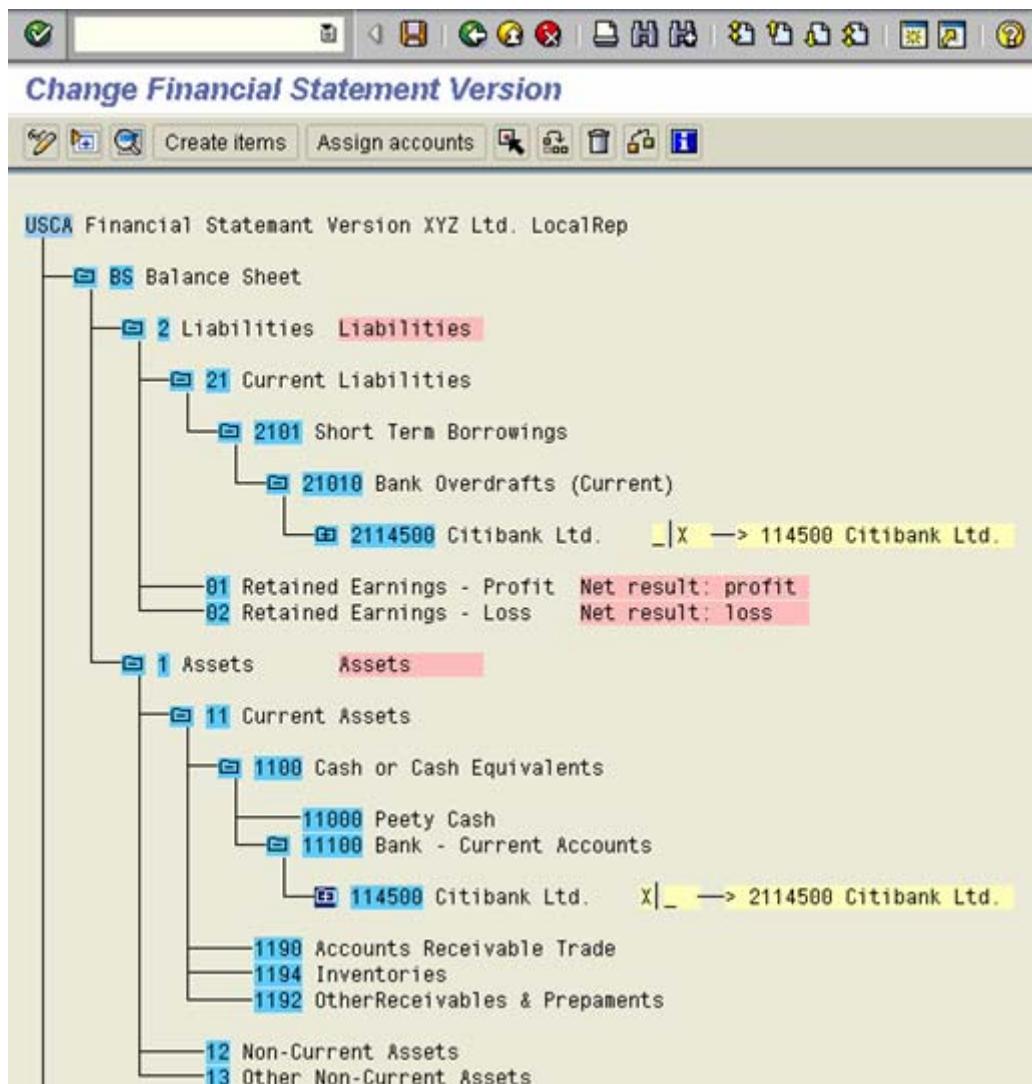


Thereafter position the cursor on the **2114500 Hongkong & Shanghai Banking corp** in bank overdraft under current liabilities and then click on Edit → Debit/credit shift → Define



Click since 114500 should be debit and 2114500 node should be credit

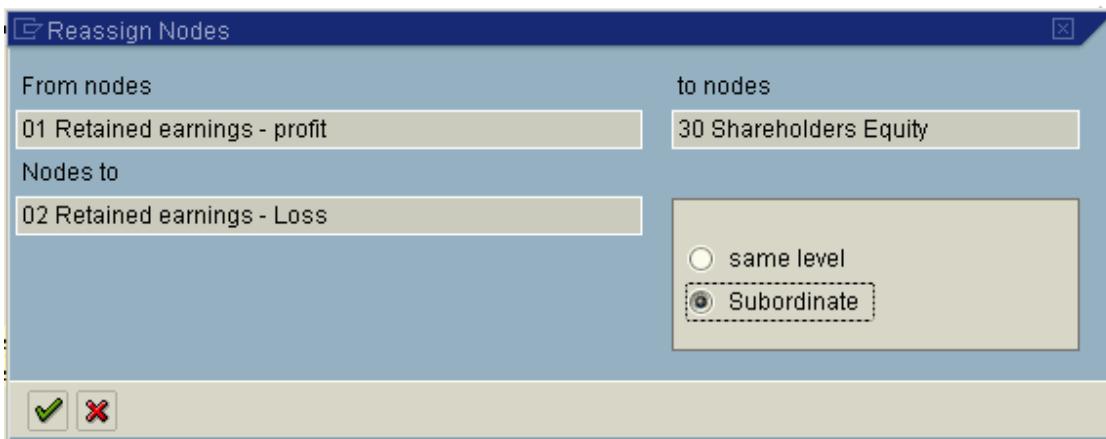
The display will appear as follows:-



The item **01 Retained earnings - profit Net result: loss** **02 Retained earnings - Loss Net result: profit** should be placed under Shareholder's Equity. To do so proceed as follows:-

Position the cursor on **01 Retained earnings - profit Net result: loss** and click on Select  and position the cursor on **02 Retained earnings - Loss Net result: profit**
 and click on Select .

Thereafter click on the item **30 Shareholders Equity** and click on Reassign  and select subordinate



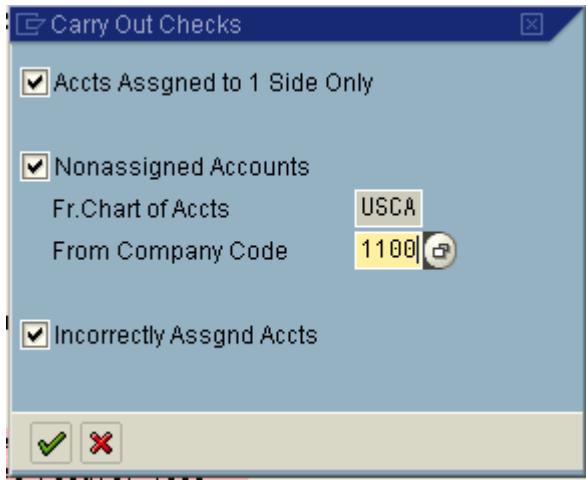
Similarly, We need to create various node under Income statement and assign GL account codes to each of the lowest level node.

Finally after assigning GL code to each node, we need check the non assignment of GL codes to our company code.

Proceed as follows:-

Click on 

And update company code 1100



This step will give We list of accounts not assigned to the various nodes

After assigning the non assigned GL codes to various nodes The FSV is ready to be used by company code 1100.

8. FI Integration with other modules

8.1 Integration with Overhead Cost Controlling

When a reconciliation ledger is implemented in the CO, We need to define this account. Postings will happen from the controlling module to the FI in order to balance FI.

Scenario:-

Let's assume controlling allocations has happened between 2 company codes. Since allocation has taken place in the controlling module, there will be no corresponding posting in FI in both the company codes.

In order that posting happens in both the company codes in FI, We need to configure this setting.

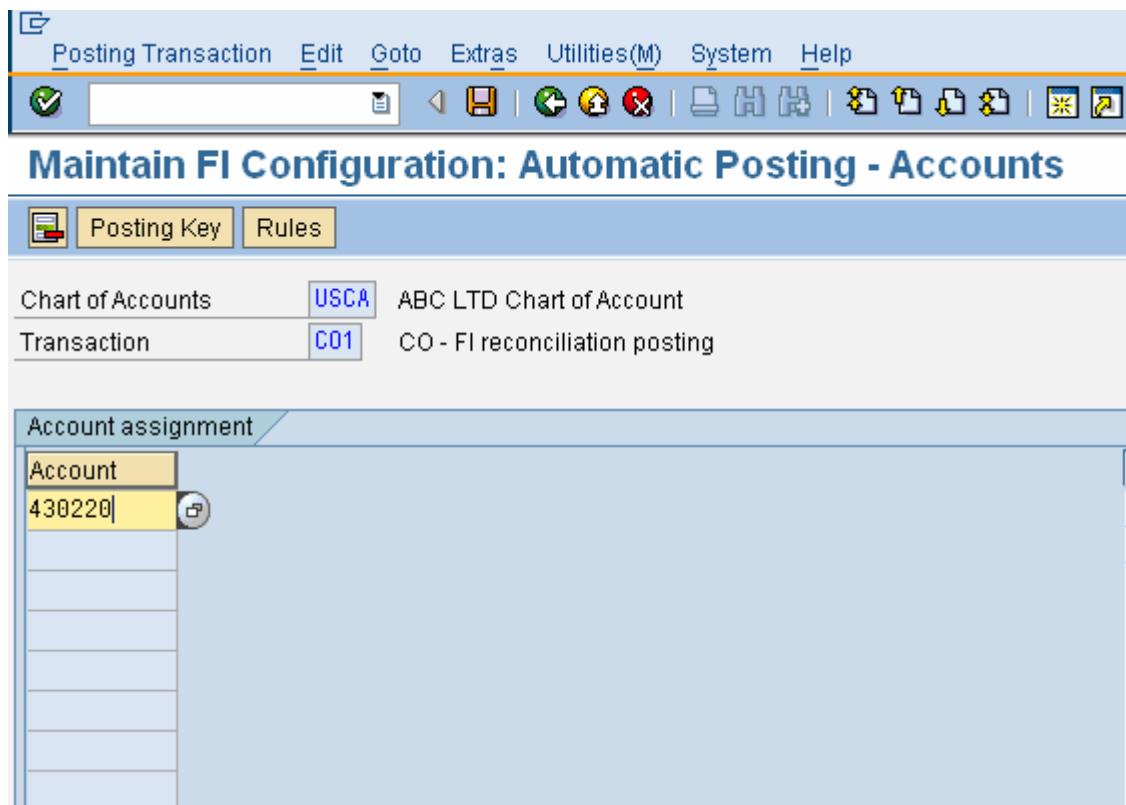
Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Integration → Overhead Cost Controlling → Define Accounts for Overhead Cost Controlling

Transaction Code

(OBYB)

Enter chart of accounts USCA and Click on Save 
Enter GL code 450020 Reconciliation Ledger Adjustment Account



Click

8.2 Integration with Materials Management

In this topic we will learn how the integration within FI MM, and SD takes place .We will also learn how accounting entries are posted automatically and how do we configure them?

There are certain simple things We need to understand to know how this integration happens.

First all Materials in SAP should have a material master.

This material master has various views right from Basic views to Purchasing views, production, sales and distribution and accounting and controlling views. We will not get into the detail of Material master at this stage but it would suffice for us to understand that Material Master is the heart of all integration.

In the accounting view of Material master amongst other values we have a **Valuation Class field**. This Valuation class is the vital link which ensures that Accounting documents are posted automatically. Every material will have a valuation class field.

We can go to transaction code mm03 put any material no and click on Accounting 1 view on which We will find the Valuation Class field.

Examples of Valuation Class could be Finished Goods,Semi Finished goods, Raw Material etc

The combination of this Valuation Class+ the Movement

Type(which I have defined below) helps in determining the GL accounts. Read this statement twice to understand how gl accounts are automatically updated

What is a Movement Type?

All Material movements in MM happen with respect to a Movement Type.

For eg Goods receipt is defined with movement type 101

Goods issue to production order is defined with movement type 261

Scrapping of goods is defined with movement type 551

Goods delivered to the customer with movement type 601

Initial upload of stock is defined with movement type 561

SAP helps us to have different gl accounts for the various movements for the same material by linking this movement type to a transaction key. So where do we go and fit in all the different Gl accounts which we require?

Before we get into that let us take an example of a movement type and see how Gl accounts are automatically updated. If We are with me till now lets move ahead. If not I suggest We read the above page once again. All right lets get going dear friends.

Quick recap.

Material Master->Valuation Class→Movement Type-Transaction key.

Stick in all the gl accounts at this place. How we do this will see very shortly.

Let us now understand a few MM transactions and its accounting integration:-

1) Goods Receipt of Raw Material against a purchase order:-

Movement type for **goods receipt against purchase order is 101.**

The accounting entry posted is as follows:-

Inventory of Raw Material **Debit**

GR/IR (Goods Receipt/Invoice Receipt) **Credit**

The GR/IR is a provision account in SAP.

The configuration to be done for this entry is as follows:-

Menu Path

IMG → Materials Management → Valuation and Account Assignment → Account Determination → Account Determination Without Wizard → Configure Automatic Postings

Transaction Code

(OMWB)

Or

Transaction Code

(OBYC)

The screenshot shows the SAP Fiori interface for maintaining FI Configuration. The title bar reads "Posting Transaction Edit Goto Extras Utilities(M) System Help". Below the title bar is a toolbar with various icons. The main header says "Maintain FI Configuration: Automatic Posting - Procedures". Underneath is a sub-header "Group RMK Materials Management postings (MM)". The main content area is a table titled "Procedures" with three columns: "Description", "Transaction", and "Account determ.". The table lists 20 different procedures, each with its corresponding transaction key and a checked box in the "Account determ." column.

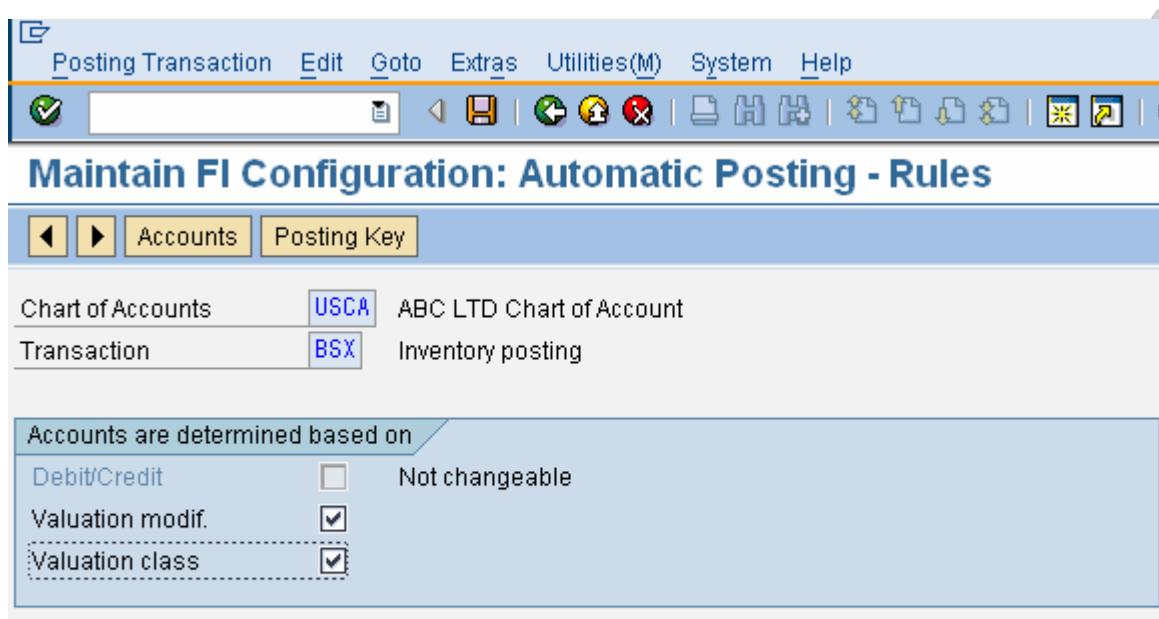
Description	Transaction	Account determ.
Rev.from agency bus.	AG1	<input checked="" type="checkbox"/>
Sales fr.agency bus.	AG2	<input checked="" type="checkbox"/>
Exp.from agency bus.	AG3	<input checked="" type="checkbox"/>
Expense/revenue from consign.mat.consum.	AK0	<input checked="" type="checkbox"/>
Expense/revenue from stock transfer	AUM	<input checked="" type="checkbox"/>
Subsequent settlement of provisions	B01	<input checked="" type="checkbox"/>
Subsequent settlement of revenues	B02	<input checked="" type="checkbox"/>
Provision differences	B03	<input checked="" type="checkbox"/>
Inventory posting	BSD	<input checked="" type="checkbox"/>
Change in stock account	BSV	<input checked="" type="checkbox"/>
Inventory posting	BSX	<input checked="" type="checkbox"/>
Revaluation of other consumables	COC	<input checked="" type="checkbox"/>
Delkredere	DEL	<input checked="" type="checkbox"/>
Materials management small differences	DIF	<input checked="" type="checkbox"/>
Purchase account	EIN	<input checked="" type="checkbox"/>
Purchase offsetting account	EKG	<input checked="" type="checkbox"/>
Freight clearing	FR1	<input checked="" type="checkbox"/>
Freight provisions	FR2	<input checked="" type="checkbox"/>
Customs clearing	FR3	<input checked="" type="checkbox"/>
Customs provisions	FR4	<input checked="" type="checkbox"/>
Purchasing freight account	FRE	<input checked="" type="checkbox"/>

As We see above the second column contains all the Transaction keys where We need to stick the GL accounts. So lets see for the goods receipt transaction what do we do.

We need to update the **BSX** transaction key with the GL code **Inventory of Raw material account**.

Double click BSX and select Valuation modif. and valuation class.

Valuation modif. - Should be selected if the valuation grouping code is active in the Materials Management module and if separate GL codes are desired plantwise. Even if it is not required currently, still it is a better option to select.



For the GR/IR account We need to update the **WRX** transaction key with the GL code GR/IR account.

A very important point from now on. Every accounting entry with respect to a material will have an impact on the inventory. So one side of the posting (either a debit or a credit) will always be taken from the BSX field We have defined above. The second side of the posting will be determined based on Wer movement type which in the above case was a GR/IR.

If We understood example 1 We will understand all the other examples. As the methodology of finding GL accounts is the same.

So dear friends if We want to learn SAP quickly We should learn how the things are integrated and not go through reams of material and keep on studying. Understand those vital areas and We will learn quickly. Alright lets move on

We will go through more examples below:

2) When Raw material is issued to the production order.

Movement type used for posting the above transaction is **261 – Goods issue to order**

The accounting entry generated in the system is:-

Raw material consumption **Debit**

Inventory of Raw Material **Credit**

The transaction Key GBB needs to be updated. GBB key is used for various offsetting posting entries. Within GBB transaction there are various account grouping (general modification). In this case We need to update general modification **VBR** with the Raw Material consumption account.

Posting Transaction Edit Goto Extras Utilities(M) System Help

Accounts Posting Key

Chart of Accounts USCA ABC LTD Chart of Account
Transaction GBB Offsetting entry for inventory posting

Accounts are determined based on

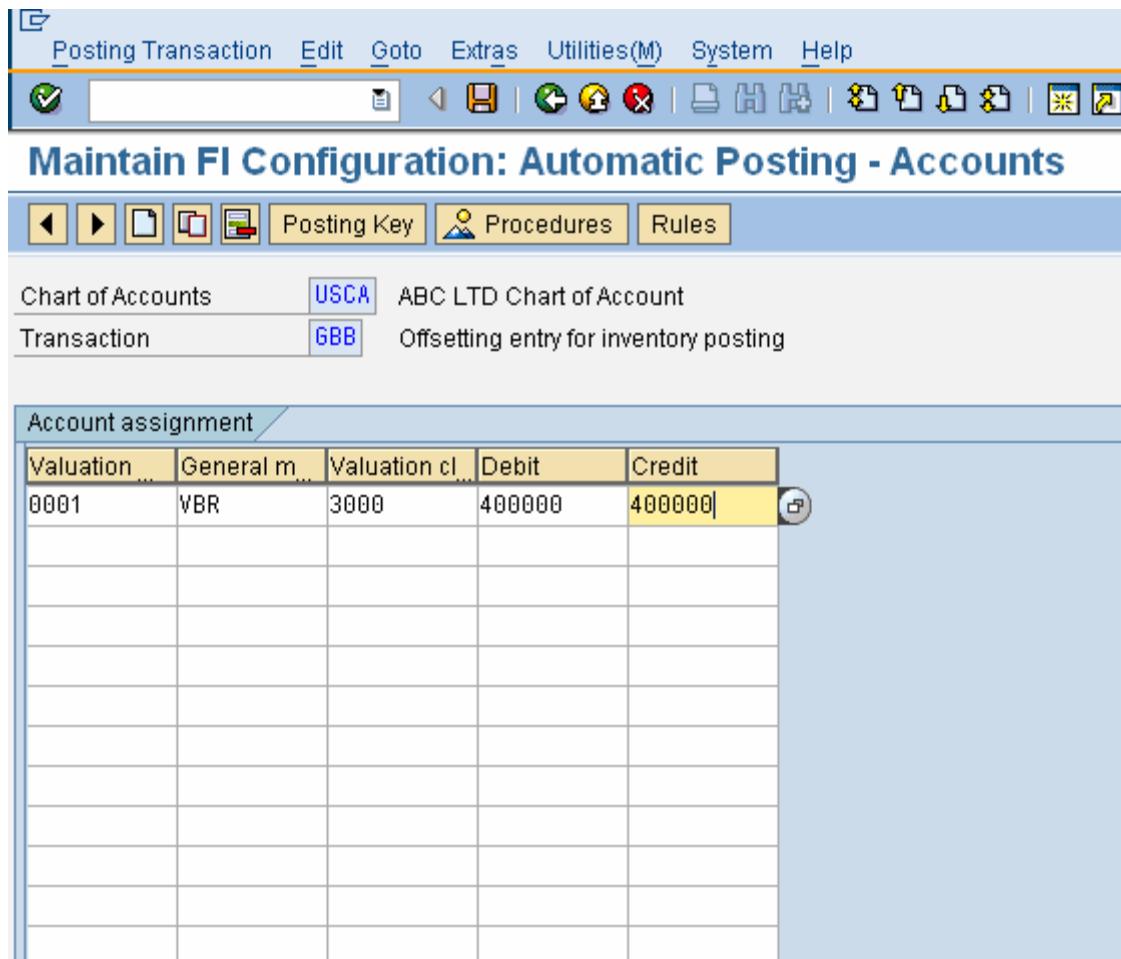
Debit/Credit

General modification

Valuation modif.

Valuation class

Click on 



Click on

3) When Initial stock is uploaded for Raw Material

Movement type used for posting – 561 (Initial stock upload)

The accounting entry generated is as follows:-

Inventory of Raw Material **Debit**

Stock data takeover account **Credit**

The transaction key GBB needs to be updated. General modification Key **BSA** needs to be updated with the GL code **Stock data takeover account**

4) When goods receipt is made for finished goods against a production order

Movement type used for posting – 101(GR agst prod order)

The accounting entry generated is as follows:-

Finished goods **Debit**

Change in Finished goods **Credit**

In transaction key **BSX** for the valuation class finished goods we attach the Finished goods GL code.

For change in Finished goods we update transaction key **GBB** and general modification key **AUF**.

5) When goods issues are posted for sales:-

Movement type used for posting – 601

Accounting entry posted:-

Cost of goods sold **Debit**

Inventory of Finished goods **Credit**

For cost of goods sold transaction key **GBB** is updated with general modification key **VAX**

6) When goods are scrapped:-

Movement type use for posting – 551

Accounting entry posted:-

Raw material scrapped **Debit**

Inventory of Raw Material **Credit**

The Raw Material scrapped account is attached to transaction key **GBB** and general modification key **VNG**

7) When goods issued to sampling for Quality

Movement type used is 331

Raw Material consumption **Debit**

Inventory raw material **Credit**

Raw Material consumption account is attached to **GBB** and general modification key **VQP** is used.

If We noticed lot of account modifiers in transaction key GBB are used in various movement type. It is difficult to remember the standard account modifiers. In that case we can also use the **Simulation mode**. This helps us in identifying what are the general modification (account modifiers) used in GBB:-

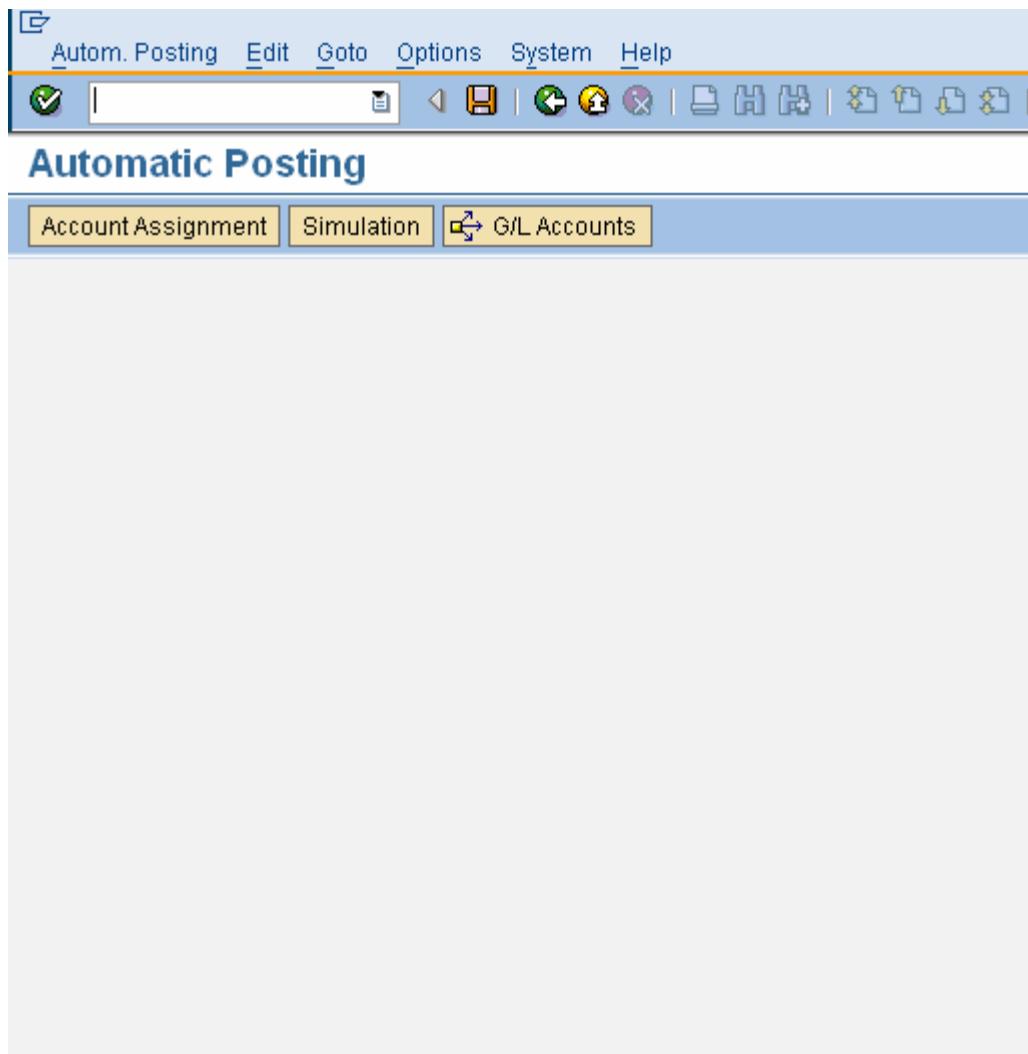
Use the following path:-

Menu Path

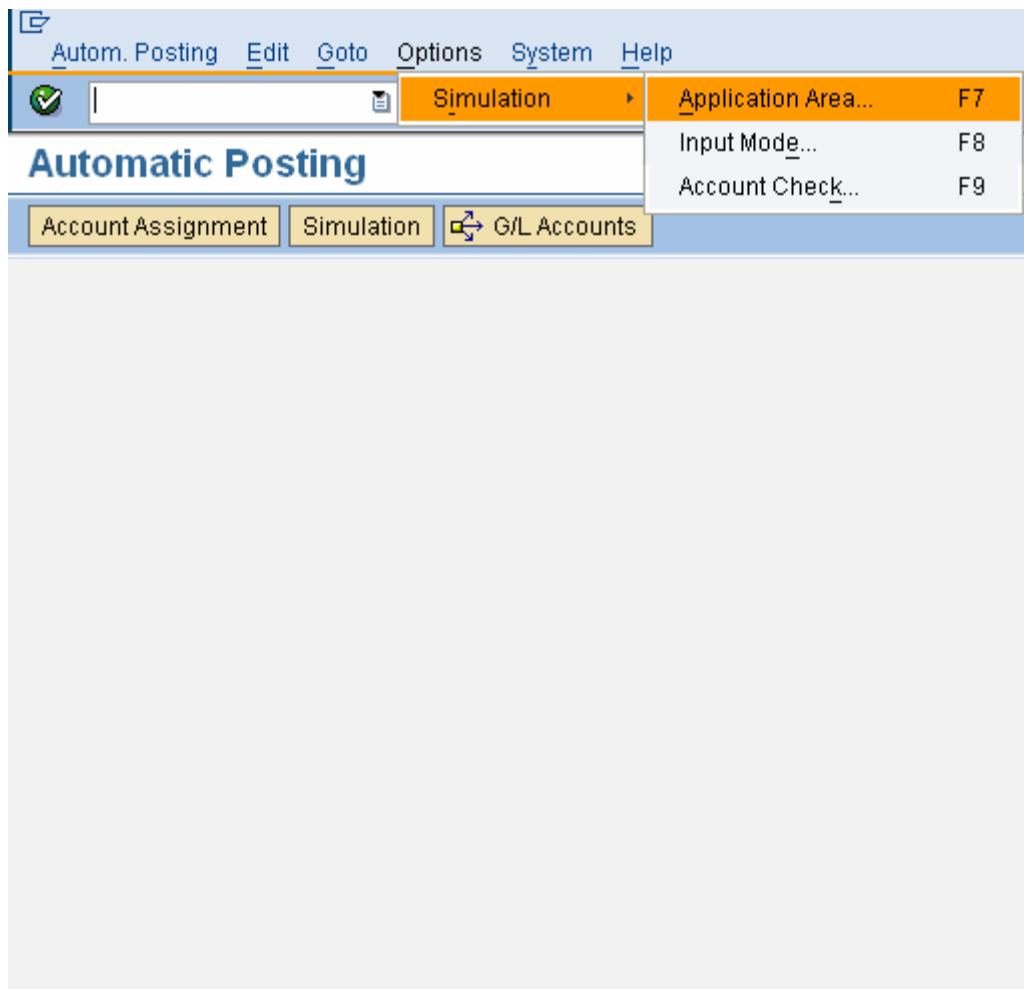
IMG → Materials Management → Valuation and Account Assignment → Account Determination → Account Determination Without Wizard → Configure Automatic Postings

Transaction Code

OMWBT

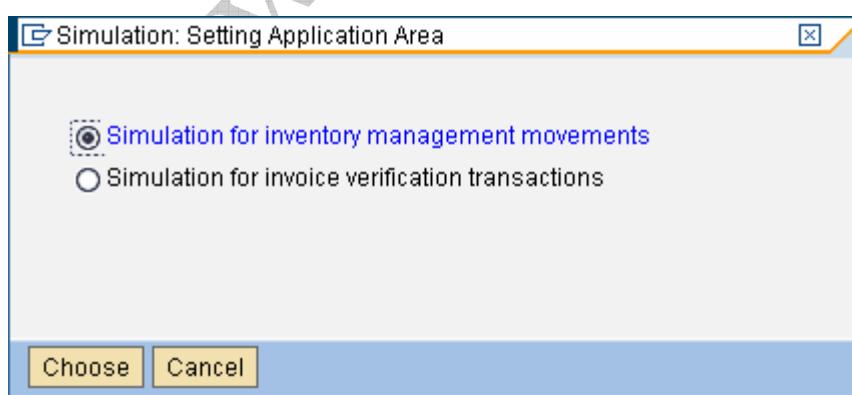


We can select the application area as follows:-

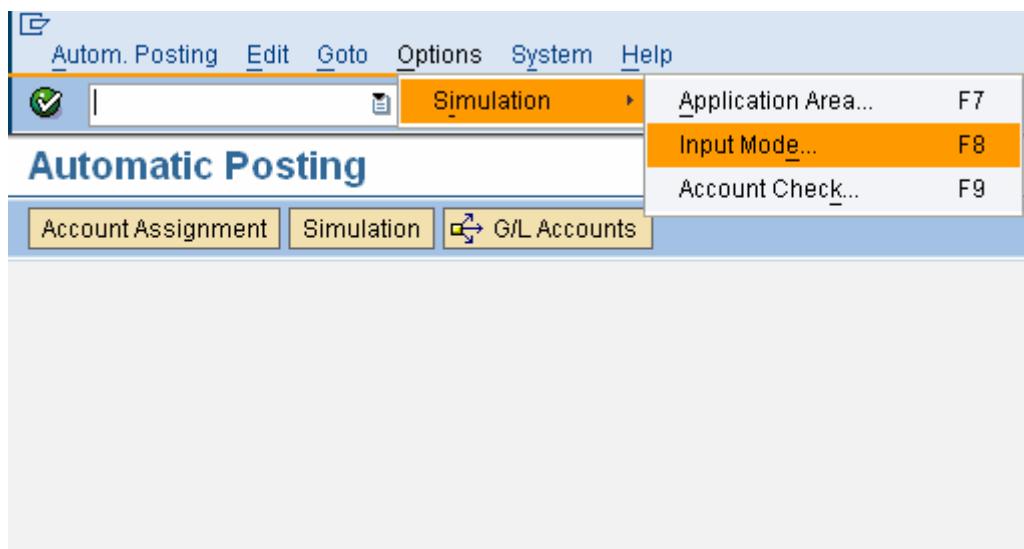


Thus We can do a simulation for Inventory management movements or also a simulation for invoice verification transactions.

Let us do a simulation for Inventory management movements.

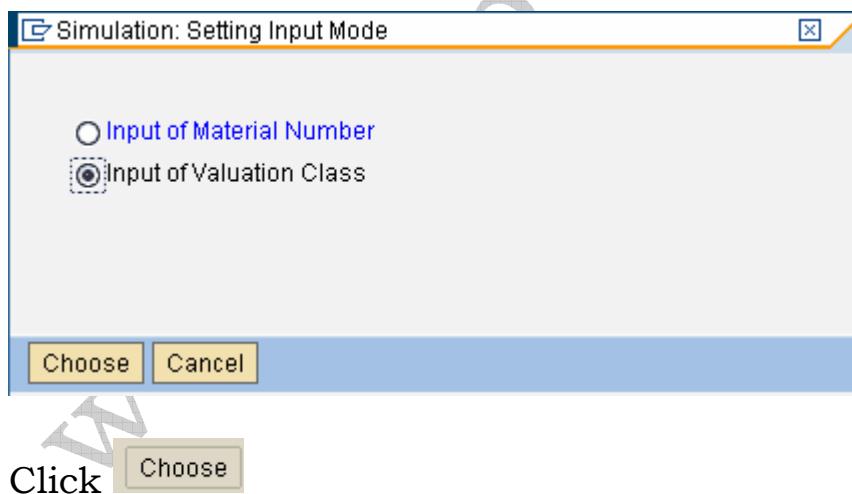


Now we select the input mode

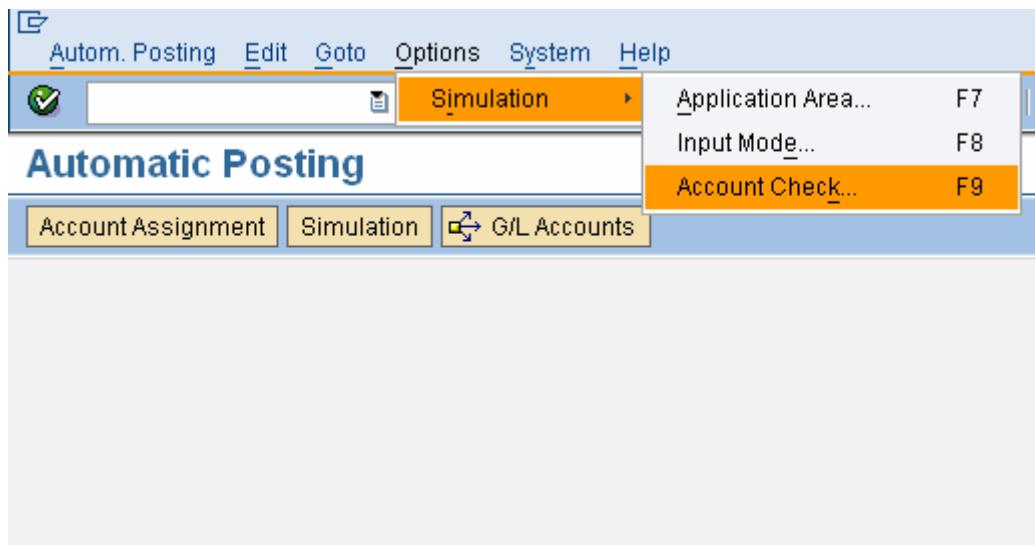


Here we can select the input of material number or input of valuation class.

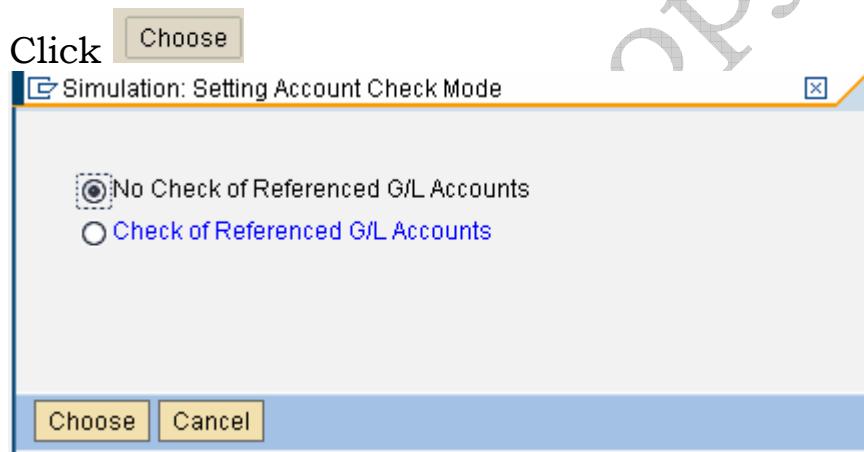
We will select the input of valuation class, as it easier to enter valuation class rather than material number. But if We want to be more specific We can select the input of material number.



Further we will also select Account check

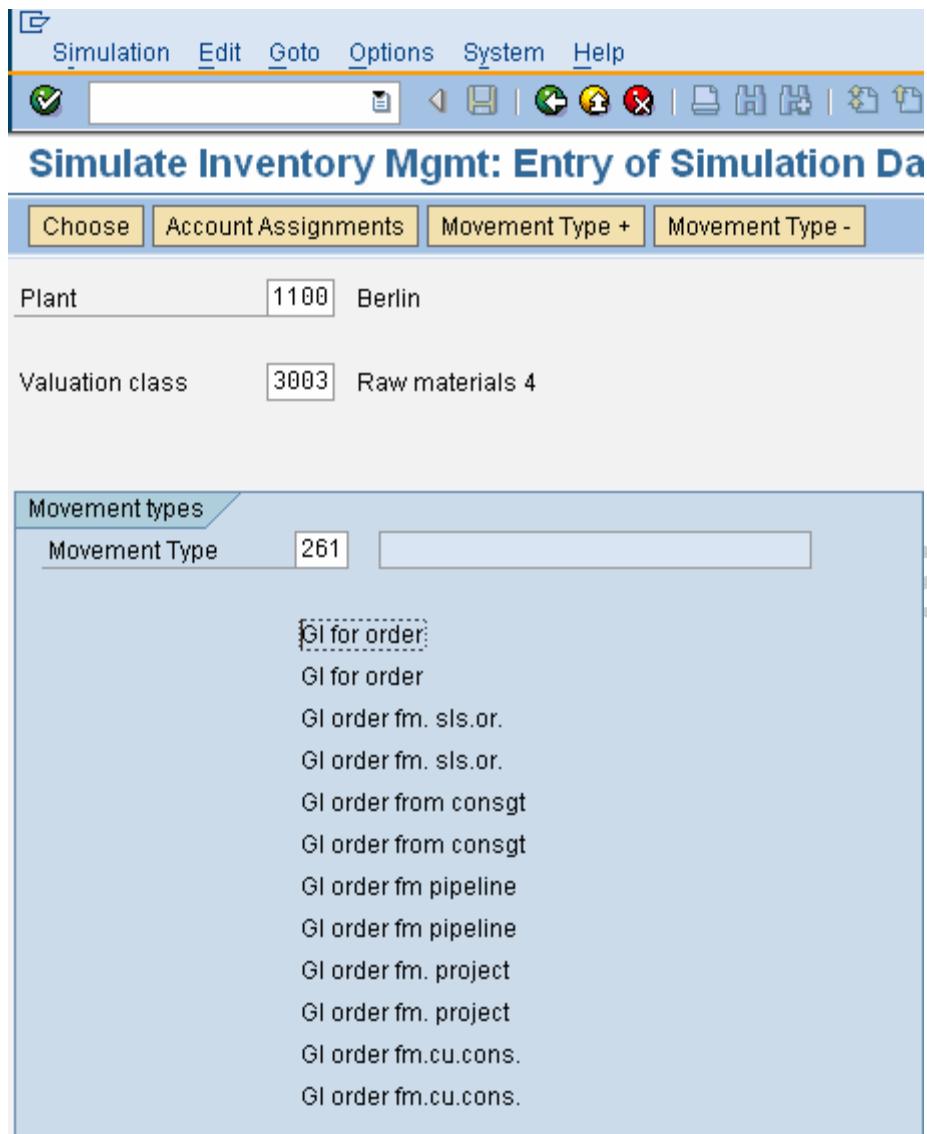


Here we select, whether we want check of referenced G/L accounts in the company code. Currently we will not select this.



Click **Simulation**

Update the following:-



Double click **GI for order** so that it becomes blue

Account assignments

Click

Now here it shows the offsetting entry posting and the required account modifier. In this case the general modification required is VBR.

Simulation Edit Goto Options System Help

| | | | |

Simulate Inventory Mgmt: Account Assignments

Movement + Movement- Valuation Class + Valuation Class -

Organization

Plant	1100	-> Company Code	1000	-> Chart of Accounts	INT
		-> Valuation Area	1100	-> Valuation Grpg Code	0001

Valuation

Valuation Class	3003	Raw materials 4
-----------------	------	-----------------

Movement

Movement Type	261	GI for order
---------------	-----	--------------

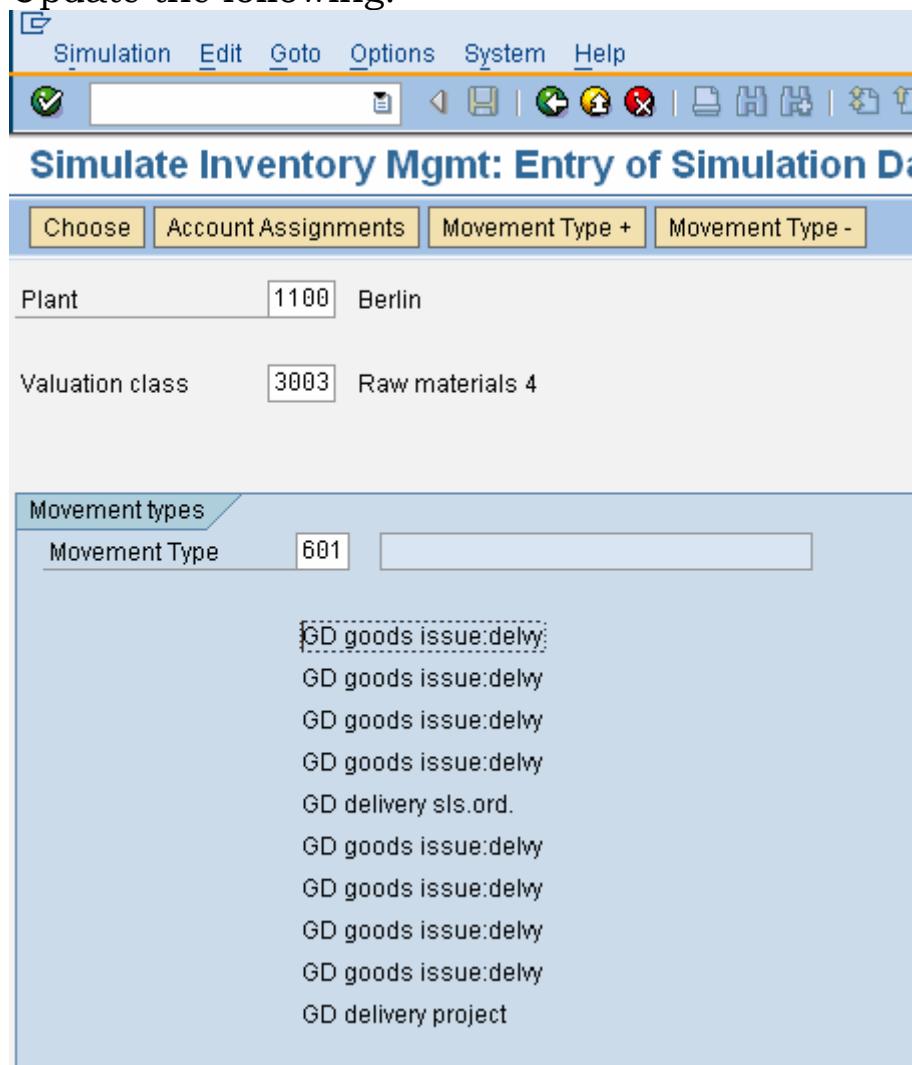
Posting Line

Posting Lines Text	VIGCd	AGC	VC1	PK	Acct Deb.	PK Acct Cr
Inventory posting	-e-	-e-	3003	89	--Missing-	99 --Missing-
Offsetting entry for inventory	0001		3003	81	--Missing-	91 --Missing-
Offsetting entry for inventory	0001		3003	81	--Missing-	91 --Missing-
Gain/loss from revaluation	-e-	-e-	3003	83	--Missing-	93 --Missing-
Inventory posting	-e-	-e-	3003	89	--Missing-	99 --Missing-
Cost (price) differences	-e-	PRA	3003	83	--Missing-	93 --Missing-
Offsetting entry for inventory	0001	VBR	3003	81	4000000	91 4000000
Inventory posting	-e-	-e-	3003			99 --Missing-

Thus simulation helps us in finding the general modification required for transaction key GBB and the general modification for transaction key PRD (price difference).

Let us now check the general modification key required for movement type 601 for finished goods.

Update the following:-



Double click **GD goods issue:delwy**

Click **Account assignments**

Here we notice that general modification key required for 601 is VAX

The screenshot shows the SAP Simulate Inventory Mgmt: Account Assignments interface. The window title is "Simulate Inventory Mgmt: Account Assignments". The menu bar includes Simulation, Edit, Goto, Options, System, and Help. The toolbar contains various icons for file operations like Open, Save, Print, and Help.

Organization

Plant	1100	->	Company Code	1000	->	Chart of Accounts	INT
		->	Valuation Area	1100	->	Valuation Grpg Code	0001

Valuation

Valuation Class	3003	Raw materials 4
Posting String	WA01	<input checked="" type="checkbox"/> Value Update <input type="checkbox"/> Quantity updating

Movement

Movement Type	601	GD goods issue:delwy
---------------	-----	----------------------

Posting Line

Posting Lines Text	VIGCd	AGC	VC1	PK Acct Deb.	PK Acct Cr
Inventory posting	-e-	-e-	3003	89	--Missing-
Offsetting entry for inventory	0001		3003	81	--Missing-
Offsetting entry for inventory	0001		3003	81	--Missing-
Gain/loss from revaluation	-e-	-e-	3003	83	--Missing-
Inventory posting	-e-	-e-	3003	89	--Missing-
Cost (price) differences	-e-	PRA	3003	83	--Missing-
Offsetting entry for inventory	0001	VAX	3003	81	--Missing-
Inventory posting	-e-	-e-	3003		99 --Missing-

8.3 Integration with Sales and Distribution

FI – SD account determination:-

All Billing transactions happening in the Sales and distribution module will result in FI postings.

All accounting entries with respect to the billing will have one side of the account as a Customer or receivable and the other side to be a revenue account

Example:

Customer -Dr
To Revenue Account- Cr

We have to bear in mind that the customer account gets picked up from the customer master data . All we need to do is to configure the revenue account or the discounts and surcharges

Where and how do we do this?

We make the allocation for each of these through access sequences.

Access sequence is nothing but SAP's terminology of determining the G1 accounts. SAP provides the following six ways of determining the G1 accounts in SD.

- Application (key for the Sales and Distribution application)
- Account determination type
- Chart of accounts (from the FI System)
- Customer account assignment group
- Materials account assignment group

- Account key

The allocated accounts are used to post revenues, surcharges and discounts automatically.

Menu Path

IMG → Financial Accounting → General Ledger Accounting → Business Transactions → Integration → Sales and Distribution → Prepare Revenue Account Determination

or

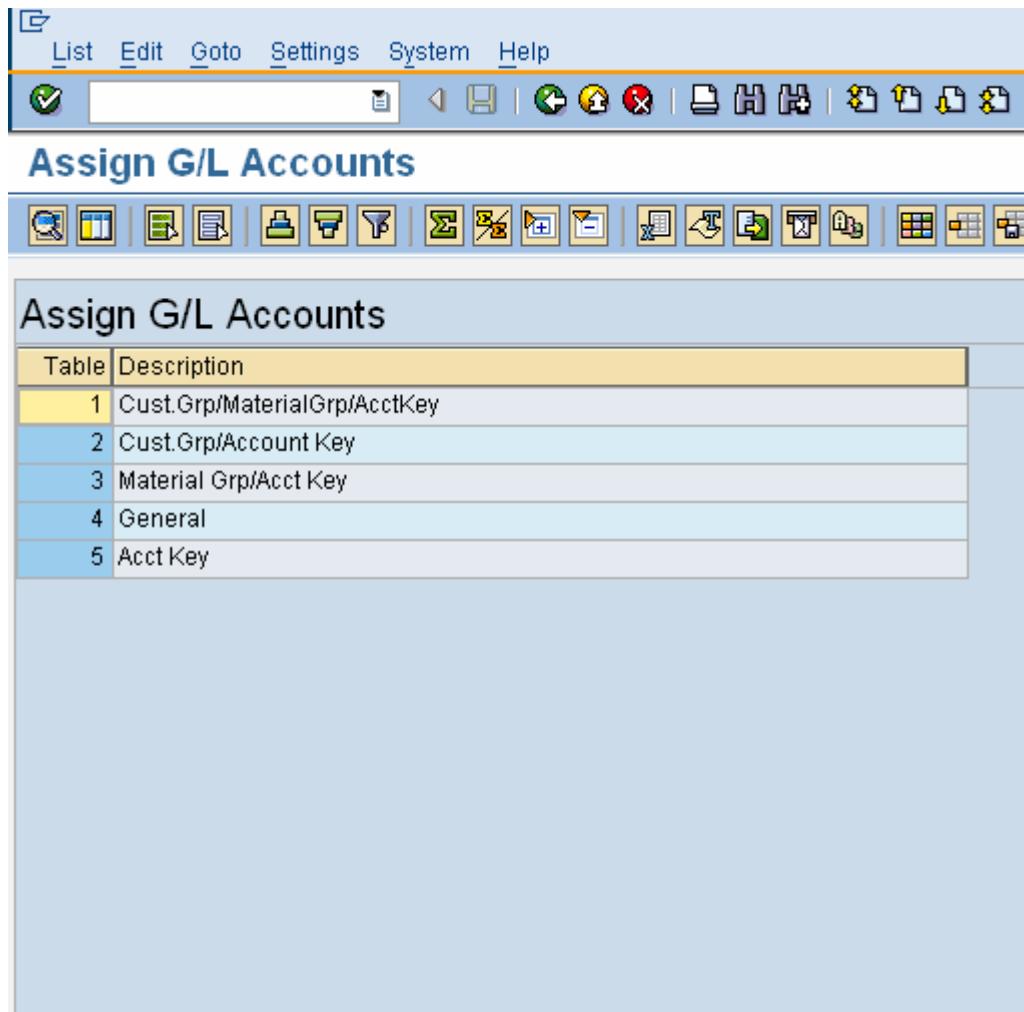
Menu Path

IMG → Sales and Distribution → Basic Functions → Account Assignment/Costing → Revenue Account Determination → Assign G/L Accounts

Transaction Code

(VKOA)

The account determination in SD happens through an access sequence which can be seen in the below table.



The system goes about checking for the gl account(which we will stick in here We will see more of that later) from more specific criteria to less specific criteria.

Thus We can maintain different GL codes for each combination of the above table entry.

This is how SAP will determine the revenue account:

It will go through first table entry CustGrp/Material grp/ account key. If any Gl account is maintained here the system will then go to the transaction data of the particular billing document and see whether such a combination of Customer group and material group exists if it does it will pick that relevant Revenue account and post

the accounting document . If it does not it moves to the next combination in the table which is Customer group/account key and so on and so forth

Customer grp is maintained in the Sales view of the customer master.

Material grp is maintained in the Sales view of the material master.

Account key is maintained in the pricing procedure for that condition type.

The last option it checks is account key entry

We will now maintain the GL account for the combination of Material Grp/account key

Double Click 3 Material Grp/Acct Key

AAG is the material grp. We maintain this since we want it to post to a different GL code as Sales 3rd parties.

Click on New entries

The screenshot shows the SAP Fiori launchpad interface. The top navigation bar includes 'Table View', 'Edit', 'Goto', 'Selection', 'Utilities(M)', 'System', and 'Help'. Below the header, there are several icons for navigation and search. The main title is 'New Entries: Overview of Added Entries'. Underneath, there is a toolbar with icons for new entry, edit, save, etc. The main area displays a table titled 'Material Grp/Acct Key'. The columns are: App, CndTy, ChAc, SOrg., AAG, ActKy, G/L Account, and Provision acc. A single row is visible, with the 'G/L Account' column containing '810000' and the 'Provision acc.' column containing '810001'. The entire application window has a blue border.

	App	CndTy.	ChAc	SOrg.	AAG	ActKy	G/L Account	Provision acc.
V	KOFI	USCA	3000	01	ERL	810000	810001	

Click on .

That's it . The system will look into this table see this combination and if the relevant combination exists in the transaction it will debit the customer account and credit this account 800000.

As simple as it is. So basically the FI-Sd integration is for picking up the revenue accounts or the discounts and surcharges.

The account key determines whether it is a revenue or a surcharge or discount. Examples of some are given down below:

Various account keys are available

Account key (1) 74 Entries found	
Restrictions	
<input checked="" type="checkbox"/>	
Application: V	
Act ...	Name
CP2	
ERB	Rebate sales deduct.
ERD	
ERF	Freight revenue
ERL	Sales revenues
ERS	Sales deductions
ERU	Rebate accruals
ERZ	Revenue increase(PL)
EW	Cash clearing
IEP	I.E.P.S. (Mexico)
J1B	Arg:Intrl tax sales.

Let us now maintain for the table entry account key. And post to a different GL code.

Click on New entries

And update the following information

App: V (Sales/distribution)
Cond type: KOFI (Account determination)
Chrt/accounts: USCA
SOrg: Sales organization
Act Key: ERL
GL account no: 810203

Click on Save

So We are done.

It is also useful to know a bit of the configuration of the **Sales and Distribution**.

The account keys are attached to the condition type in the sales pricing procedure.

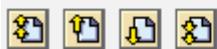
Let us see the sales pricing procedure.

Menu Path

IMG → Sales and Distribution → Basic Functions → Pricing
→Pricing Control → Define And Assign Pricing Procedures

Choose Activity

Perf.	Name of Activity
	Maintain pricing procedures
	Define customer pricing procedure
	Define document pricing procedure
	Assign document pricing procedures to order types
	Assign document pricing procedures to billing types
	Define Pricing Procedure Determination
	Check Settings for Pricing Procedures



Perform the activities in the specified sequence

Choose

Double click Maintain Pricing Procedures

The screenshot shows the SAP Fiori interface for managing procedures. The title bar reads "New Entries: Overview of Added Entries". The left sidebar has a "Dialog Structure" section with "Procedures" selected, and a "Control data" option. The main area displays a table titled "Procedures" with columns: Proc. ..., Description, Specific proc., and PrTy. Two rows are visible: "Y01100 Pricing Procedure for ABC Ltd" and "YXAA01 Standard Price". The row for "YXAA01" is highlighted with a yellow background.

Proc. ...	Description	Specific proc.	PrTy
Y01100	Pricing Procedure for ABC Ltd	<input type="checkbox"/>	
YXAA01	Standard Price	<input type="checkbox"/>	

This screenshot shows a detailed view of a procedure entry. The title bar says "Procedures". The table has columns: Proc., Description, Specific proc., and PrTy. The first row, "Z09100 Pricing Procedure for A Ltd", is highlighted with a yellow background. The second row, "ZV0101 Standard Interc...", is partially visible. The "PrTy" column for the first row contains a small blue icon.

Proc.	Description	Specific proc.	PrTy
Z09100	Pricing Procedure for A Ltd	<input type="checkbox"/>	
ZV0101	Standard Interc...	<input type="checkbox"/>	

Select

Double click

Control

Here we see that account key ERL and ERS is attached to various condition types.

SAP

Change View "Control data": Overview

New Entries

Dialog Structure

Procedure ZYAXUS Standard - USA /with Jur. GBA

Control data

Reference Step Overview

Step	Co...	CTyp	Description	Fro	To	Ma...	R...	Stat...	P	SuTot	Reqt	CalTy...	BasTy...	AccK...	Accru...
11	0	PR00	Price			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			2		ERL		
13	0	PB00	Price (Gross)			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			2		ERL		
14	0	EK01	Costs			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			2		ERL		
101	0	KA00	Sales Promotion			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
102	0	K032	Price Group/Material			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
103	0	K005	Customer/Material			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
104	0	K007	Customer Discount			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
105	0	K004	Material			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
106	0	K020	Price Group			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
107	0	K029	Mat.Pricing Group			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
108	0	K030	Customer/Mat.Pr.Grp			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
109	0	K031	Price Grp/Mat.Pr.Grp			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		
110	1	RA01	% Disc.from Gross	100		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X		2		ERS		

Position... Entry 1 of 62

SAP

Change View "Control data": Overview

New Entries

Dialog Structure

Procedure ZYAXUS Standard - USA /with Jur. GBA

Control data

Reference Step Overview

Step	Co...	CTyp	Description	Fro	To	Ma...	R...	Stat...	P	SuTot	Reqt	CalTy...	BasTy...	AccK...	Accru...
914	0	XR4	Tax Jur Code Level 4	900		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			304		MWS		MWS
915	0	XR5	Tax Jur Code Level 5	900		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			305		MWS		MWS
916	0	XR6	Tax Jur Code Level 6	900		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			306		MWS		MWS
917	0	DIFF	Rounding Off			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			13	16	4		ERS
920	0					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			A		4		
930	0	SKT0	Cash Discount			<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			9				
932	0	RL00	Factoring Discount			<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			23		2		ERS
938	0	MW15	Fact.Discount Tax	935		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			21				MWS
939	0	GRWR	Statistical Value			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	C	8		2			
940	0	VPRS	Cost			<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	B	4					
950	0					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				11			
960	0	EDI1	Cust.expected price			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			9				
971	0	EDI2	Cust.expected value			<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			8				

Position... Entry 50 of 62

NOTE: Transaction Codes are an important and integral part of the whole SAP functioning. Once you get acquainted with the SAP configuration, Transaction Codes will help you to function or maneuver in faster and accurate manner.

Here are two tips in relation to Transaction Codes,

1) **How to search the menu path for a particular Transaction Code**

- a) Type Search_sap_menu in Menu field and execute
- b) Enter the Transaction Code in the search text entry and enter.

You will get the menu path for a particular Transaction Code, sometimes there might be more than one menu paths available out of which you have to choose the right one according to our requirement.

2) **How to search for a Transaction Code**

- a) Type SE16 in Menu field and execute
- b) Enter table name TSTC and enter.
- c) Enter a search word along with *,
e.g. FS* which will give you all the transactions starting with FS and text of that transaction in the last column of that report.

So for example if you are searching for GL creation but you only know that it starts with F or FS but not the whole transaction than in the above statement you can find out the transaction as required by you i.e. FS00

So that's it then my dear friends. I hope you enjoyed reading it. All our packs are shipped thru FedEx and reaches you in three days time. One more thing this configuration pack is compatible with version 4.7, version 5.0 and 6.0 So you really do have to worry about the version at all.. We have taken care of that... Also all future version changes will be provided as free updates to you. So you can sit back relax and play the music Get the SAP FICO Complete Configuration pack right now and join the elite league of thousands of successful SAP FICO consultants.

Prosperity and Success Be On To You .

<http://www.sap-topjobs.com/SpecialPP/8431654231.html>

SAP General Ledger Configuration

SAP R/3 ENTERPRISE ECC6

Published by Team of SAP Consultants at
SAPTOPJOBS

Visit us at www.sap-topjobs.com

Copyright 2009-11@SAPTOPJOBS

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form, or by any means electronic or mechanical including photocopying, recording or any information storage and retrieval system without permission in writing from SAPTOPJOBS.