**Enterprise structure**

**Business Scenario 1**

You are a implementing SAP S/4HANA Finance for a UK company whose head office is in United States

It is a US-based company, but also operates factories in UK, Germany, and China

It’s industry/domain is Manufacturing

It manufactures power tools or DIY tools for the construction and woodworking industries

It’s products include drill machines, hammers, saws and angle grinders

The company wants to understand how their existing business processes will be mapped into SAP S/4 HANA Business suit.

**The Variant Principle**

**Fiscal Year Variant and Posting Period Variant**

**Business Scenario 2**

The company wants to configure its fiscal year from Jan – Dec which is based on US tax financial year.

The company also wants to create another fiscal year from Apr – Mar which is based on UK tax financial year to take the snapshot of UK company taxes. Later this will be mapped through a non-leading ledger.

The company also wants four special periods for postings for year-end closing.

**General Ledger Accounts and Document Splitting**

**Business Scenario 3**

The company wants to have one operation chart of accounts which is common among all the company codes and country chart of accounts for reporting purposes.

The company also wants that the length of an account should be 6 and wants to create the following G/L account groups with their respective number ranges: Assets: 100000 – 199999, Liabilities: 200000 – 299999, Expenses: 500000 – 599999, and Revenue: 600000 – 699999.

The company wants to setup the following G/L accounts initially:

Cash Account, Bank Account, Zero-Balance Account, Retained Earnings Account, Expense Account, Revenue Account, Trade Receivables Account and Trade Payables Account.

The company also wants to control the fields on the transaction documents according to the G/L account type

**Controlling Area, Profit Center Master Data/Standard Hierarchy, Cost Center Master Data/Standard Hierarchy, and Cost Elements**

**Business Scenario 4**

The company wants to keep a record of management costs and profits.

The management wants to have the functionality of cost accounting in SAP system.

They want that the internal costs should be calculated in USD which is global/group currency.

The management wants to set-up the following cost center and profit center groups and their related cost centers and profit centers:

Inventory, Utilities, Assets, Finance, Production, Marketing, Maintenance, Research and Development.

**Currency Types, Ledgers, and Accounting Principles**

**Business Scenario 5**

Besides GBP as local currency, the company wants to set-up USD as Group/Global currency.

The company comes to know that SAP recommends ledger approach and wants to know more about it.

As the increasing importance of IAS/IFRS as accounting principles heightens the need for improved quality and modelling of segment reporting, so the management wants to setup the ledger with different accounting principles i.e., UK GAAP and IFRS.

The management wants to setup multiple ledgers to portray parallel accounting with different fiscal year and posting period than the company code.

**Business Partner, Customer and Vendor Master Data**

**Business Scenario 6**

The company wants to create the master data of their customers and vendors and wants to know what information is needed to create them into SAP

The company wants to create their following account groups: Local customers and vendors, foreign customers and vendors, and one-time customers and vendors.

The company wants that the number ranges for local and foreign customers/vendors masters should have automatic number creation while one-time customer/vendor master should have manual number creation at the time of creating their master data.