

SAP FI

Asset Configuration

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Consultants at SAPTOPJOBS

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INTRODUCTION

Let's get started. Asset accounting module in SAP is a very important module. It manages fixed assets data of an organization by way of asset master records. Asset accounting module thus acts as a sub ledger to the FI module for managing asset records.

SAP gives us the functionality in Asset module of managing depreciation and assets parallelly according to various reporting requirements i.e. Local Reporting, Parent company reporting, Tax reporting, US GAAP reporting and so on.

You must assign a chart of depreciation to each company code that is defined in Asset Accounting. SAP provides country-specific charts of depreciation with predefined depreciation areas. These charts of depreciation serve only as a reference for creating your own charts of depreciation, and are therefore not directly accessible in the SAP system. When creating a chart of depreciation, you have to copy the reference chart of depreciation.


We configured in the SAP TRAINING FI – GL configuration book a company A Ltd with the company code 9100. The currency of the company code is INR. The reporting period is considered as Jan to December. The parent company of A Ltd is located in Saudi Arabia. Therefore A Ltd is required to report figures in Saudi Riyals. 3 currencies are configured for the company code INR (Local reporting), 2 currencies in SAR.

A Ltd is required to report depreciation for local reporting as per the statutory reporting requirement of India. Further it is also required to report depreciation as per the parent company located in Saudi Arabia. Since 3 currencies are configured we need to configure 3 depreciation areas as per the 3 currencies.

A) Organizational Structures

For doing the configuration we use the following path on the SAP application screen:-

SAP Menu → Tools → AcceleratedSAP → Customizing → SPRO - Edit

Project →  SAP Reference IMG

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

1. Copy Reference Chart of Depreciation/Depreciation areas

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Copy Reference Chart of Depreciation/Depreciation Areas

The chart of depreciation is a list of depreciation areas arranged according to business and legal requirements. The chart of depreciation enables you to manage all rules for the valuation of assets in a particular country.


You must assign a chart of depreciation to each company code that is defined in Asset Accounting. SAP provides country-specific charts of depreciation with predefined depreciation areas. These charts of depreciation serve only as a reference for creating your own charts of depreciation, and are therefore not directly accessible in the SAP system. When creating a chart of depreciation, you have to copy the reference chart of depreciation.

When you create a chart of depreciation, the system copies **all** of the depreciation areas in the reference chart of depreciation. You have to delete any depreciation areas that you do not need in your chart of depreciation.

Depreciation areas that are not used can still be activated at a later point in time (after the production startup). A newly activated depreciation area can take over values from another depreciation area.

SAP has provided chart of depreciation for various countries. Unfortunately for India it has not provided any chart of depreciation. Therefore we use German chart of depreciation.

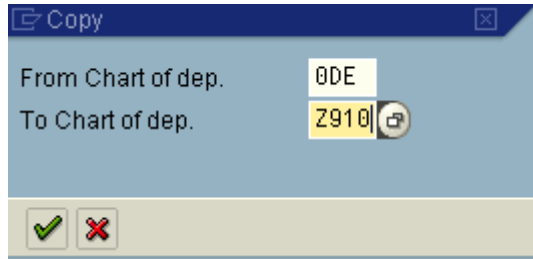
Let us copy the chart of depreciation from German chart of depreciation to create new chart of depreciation.

Double Click on  Copy Reference Chart of Depreciation

Click on  and update the following: -

ODE – Sample chart of depreciation for Germany.

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2. Specify Description of chart of accounts/Delete depreciation areas

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Copy Reference Chart of Depreciation/Depreciation Areas

Change the Description of chart of depreciation so copied.

Change the following: -

Z910	Sample chart of depreciation: Germany
------	---------------------------------------

and update the following: -

Z910	Chart of Depreciation: A Ltd.
------	-------------------------------

Click on Save 

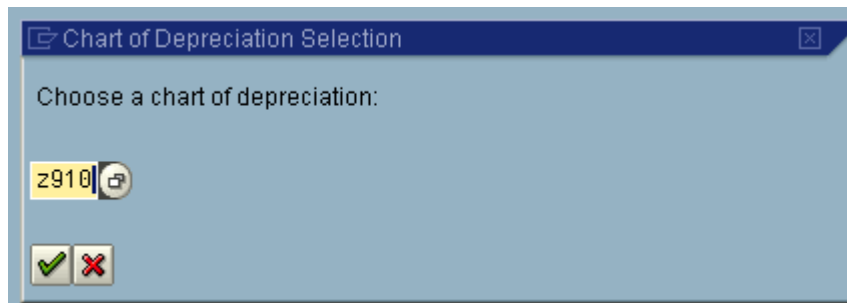
3. Copy/Delete Depreciation Areas

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Copy Reference Chart of Depreciation/Depreciation Areas

Double Click on Copy/Delete Depreciation Areas

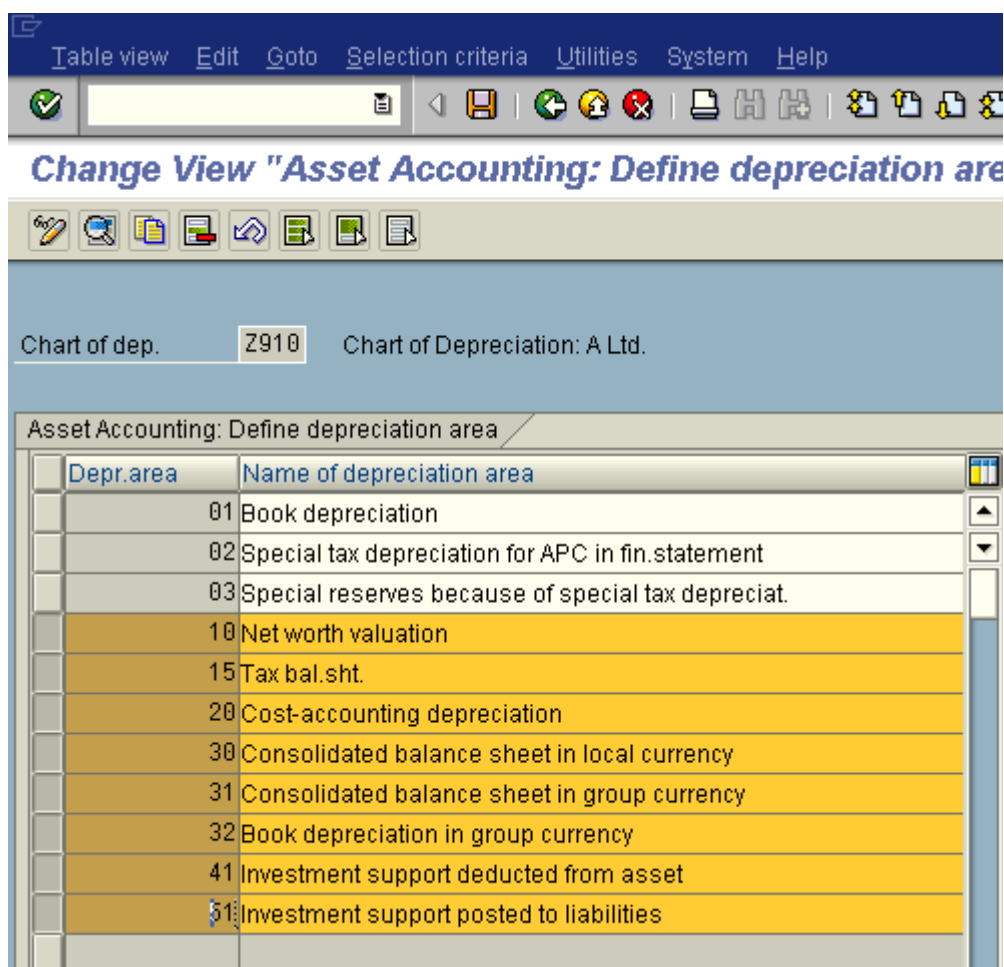
And update the depreciation area

SAP TRAINING FI ASSET CONFIGURATION



We will delete the unwanted depreciation areas which were copied from the reference chart of depreciation.

We select the areas for deletion like this



Then Click on 

We will delete deprec, area 10, 15, 20, 41,51

We require depreciation area 30 (Consolidated balance sheet in local currency) and depreciation area 32 since 2 additional currencies in SAR are configured in the FI-GL module.

SAP TRAINING FI ASSET CONFIGURATION

Click on Save 

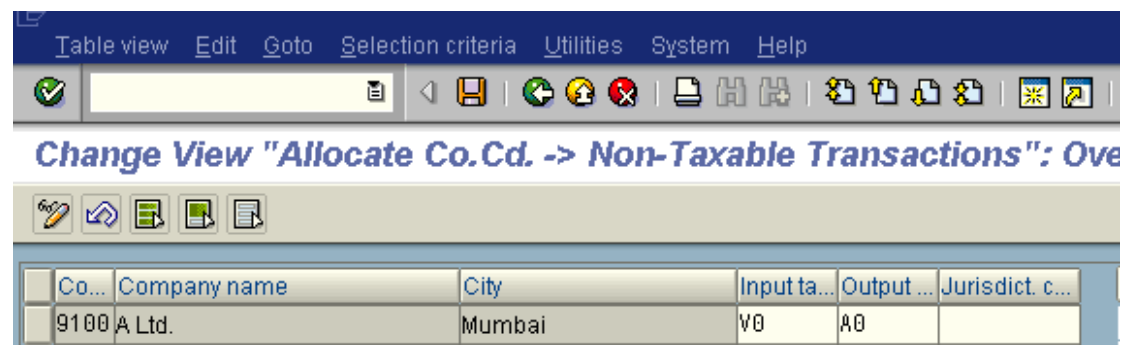
4. Assign Input Tax Indicator for Non-Taxable Acquisitions

IMG → Financial Accounting → Asset Accounting → Integration with the General Ledger → Assign Input Tax Indicator for Non-Taxable Acquisitions

In this step, you specify an input tax indicator per company code. The system then uses this indicator when you post acquisitions that are not subject to tax, but which are posted to accounts that are tax-relevant.

Assign input tax indicator V0 (Input tax 0%)

Assign output tax indicator A0 (output tax 0%) to company code 9100 A Ltd.



Change View "Allocate Co.Cd. -> Non-Taxable Transactions": Overview

Co...	Company name	City	Input ta...	Output ...	Jurisdic. c...
9100	A Ltd.	Mumbai	V0	A0	

Click on Save 

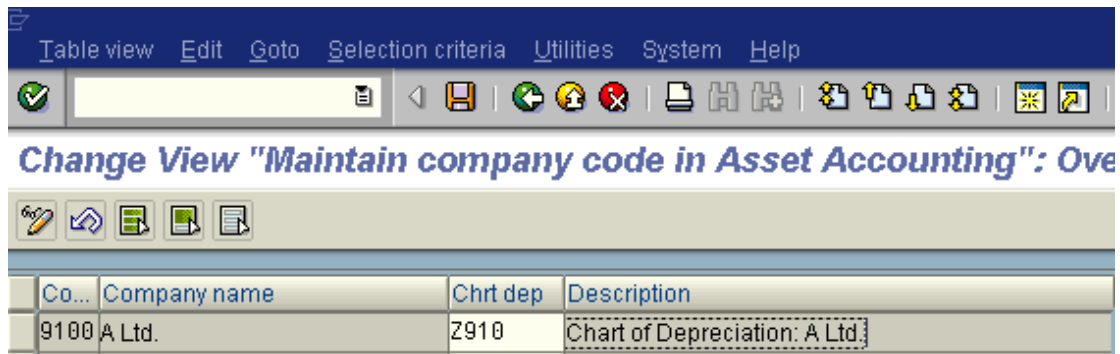
5. Assign Chart of Depreciation to company code

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Copy Reference Chart of Depreciation/Depreciation Areas

One of the important steps is the assignment of chart of depreciation to the company code. Here by this step, we link the asset accounting module to the FI company code.

Assign Chart of depreciation Z910 to company code 9100.

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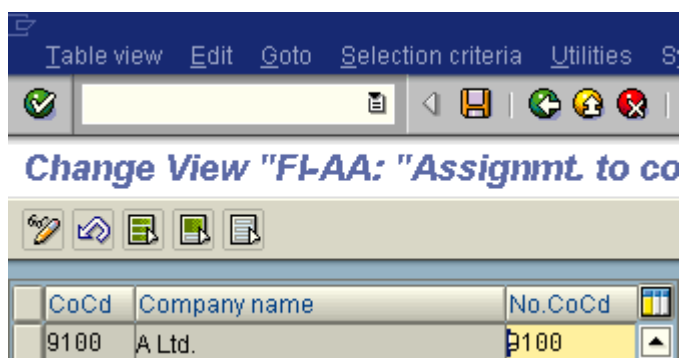
Click on Save 

6. Specify Number Assignment across Company codes (Optional)

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Specify Number Assignment Across Company Codes

You can assign the main asset account number across company codes. Therefore, for every company code, you can determine from which (other) company code number assignment is to be carried out. In this step, you define a cross-company code assignment of the main asset number. If you do not want a cross-company code number assignment, you do not need to define any system settings here.

We do not want across company codes number range. So we do not anything here.



7. Specify Account Determination

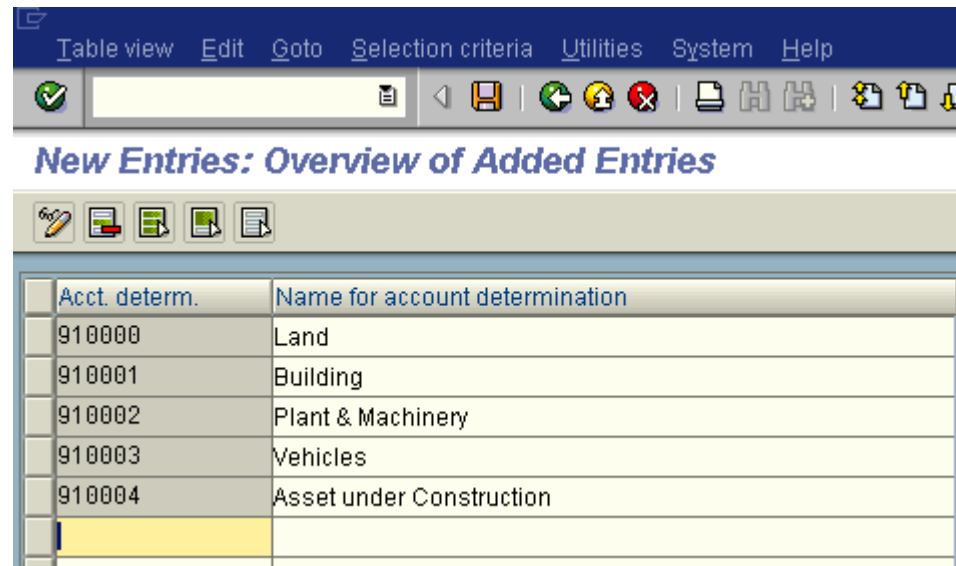
IMG → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Specify Account Determination

The key of an account determination must be stored in the asset class. The account determination links an asset master record to the general ledger accounts to be posted for an accounting transaction using the asset class.

SAP TRAINING FI ASSET CONFIGURATION

Usually, you need at least the same number of account determinations as you have asset balance sheet accounts in the general ledger

Click on  and update the following: -



Acct. determ.	Name for account determination
910000	Land
910001	Building
910002	Plant & Machinery
910003	Vehicles
910004	Asset under Construction

Click on Save 

8. Create Screen Layout Rules

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Create Screen Layout Rules

The screen layout specifies the status of the fields in the asset master record. You use the screen layout to determine if fields are required entry or optional entry fields, or if they are suppressed completely, for example.

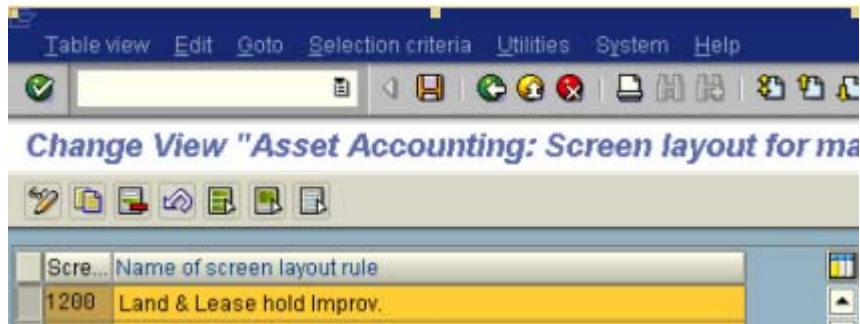
In this step, you create only the keys and descriptions of the screen layout controls. You define the field group rules for the screen layouts themselves in the step Master data.

You can enter a screen layout rule in one of two places: either in the part of the asset class valid in the entire client, or in the part of the asset class valid for the chart of depreciation. The screen layout rule is then valid either for all assets in the asset class, or for all assets in the asset class/chart of depreciation.

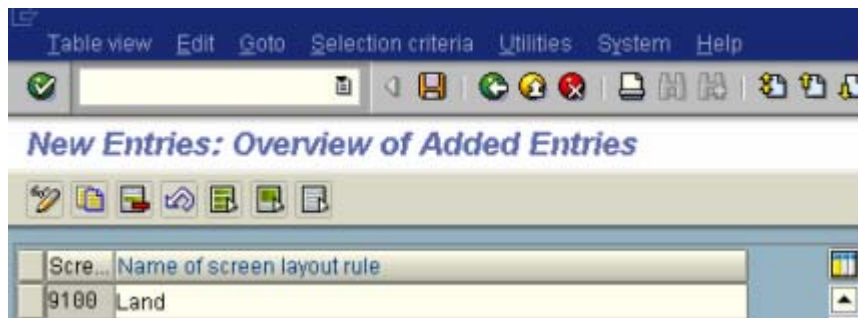
You can use the standard screen layout or you can copy the standard screen layout to create new one.

We will copy the screen layout.

SAP TRAINING FI ASSET CONFIGURATION



Click on  and update the following: -



Click on Save 

Similarly we will copy the screen layout for Buildings, Plant and Machinery, Vehicles and Asset under construction.

9. Define Number Range Interval

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Define Number Range Interval

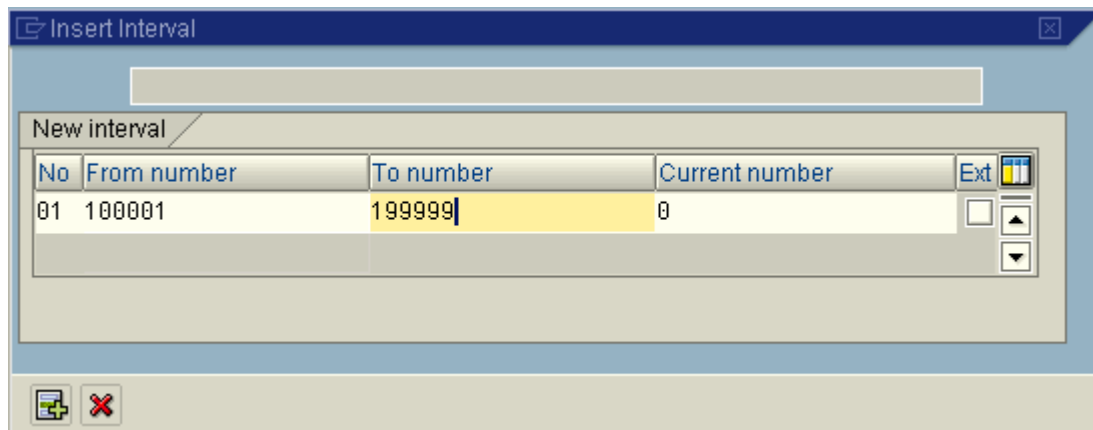
Number range interval is required for the main asset number for the company code. Normally we should specify internal number ranges for assets. The number range key is then assigned to each of the asset class.

Update Company code 9100

And click on  Intervals

Click on  Interval and update the following: -

SAP TRAINING FI ASSET CONFIGURATION



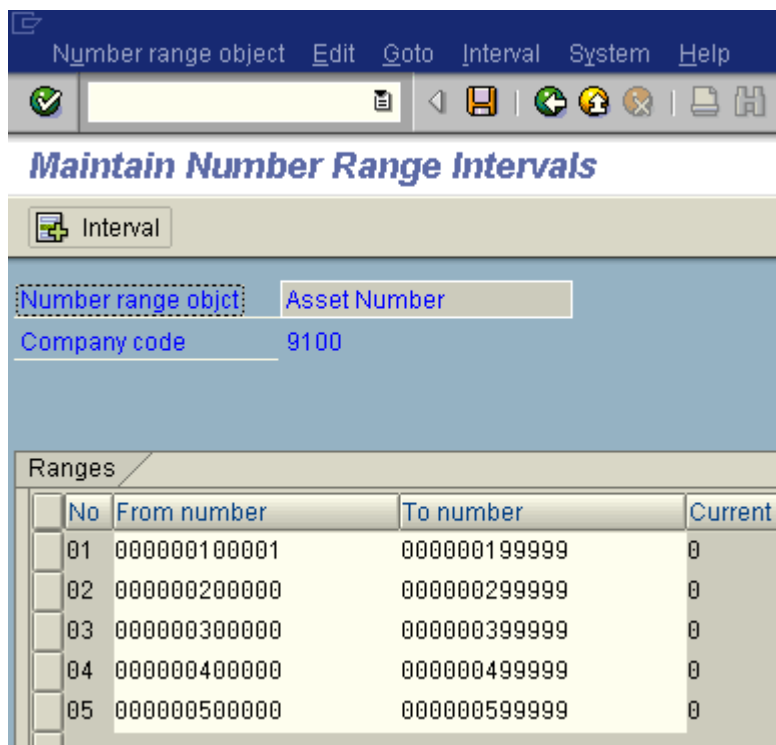
The 'Insert Interval' dialog box in SAP. It features a title bar with a close button. Below the title bar is a text input field. The main area is titled 'New interval' and contains a table with the following data:

No	From number	To number	Current number	Ext
01	100001	199999	0	<input type="checkbox"/>

At the bottom of the dialog are two buttons: a green plus icon and a red X icon.

Click on  to add further intervals

Likewise we will create keys 02, 03, 04 and 05



The 'Maintain Number Range Intervals' screen in SAP. The title bar shows 'Number range object' and a menu bar with 'Edit', 'Goto', 'Interval', 'System', and 'Help'. Below the title bar is a toolbar with various icons. The main area is titled 'Maintain Number Range Intervals' and contains a sub-header 'Interval'. Below this, there are two input fields: 'Number range object' with the value 'Asset Number' and 'Company code' with the value '9100'. At the bottom, there is a table titled 'Ranges' with the following data:

No	From number	To number	Current number
01	000000100001	000000199999	0
02	000000200000	000000299999	0
03	000000300000	000000399999	0
04	000000400000	000000499999	0
05	000000500000	000000599999	0

Click on Save 

10. Define Asset Classes

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Define Asset Classes

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The asset class is the most important criteria for structuring fixed assets from an accounting point of view. Every asset has to be assigned to exactly one asset class. The asset class is used to assign the assets (and their business transactions) to the correct general ledger accounts. Several asset classes can use the same account assignment. You can see that it is possible to make finer distinctions at the level of the asset class than at the level of the general ledger accounts. The most important tasks of the asset classes are:

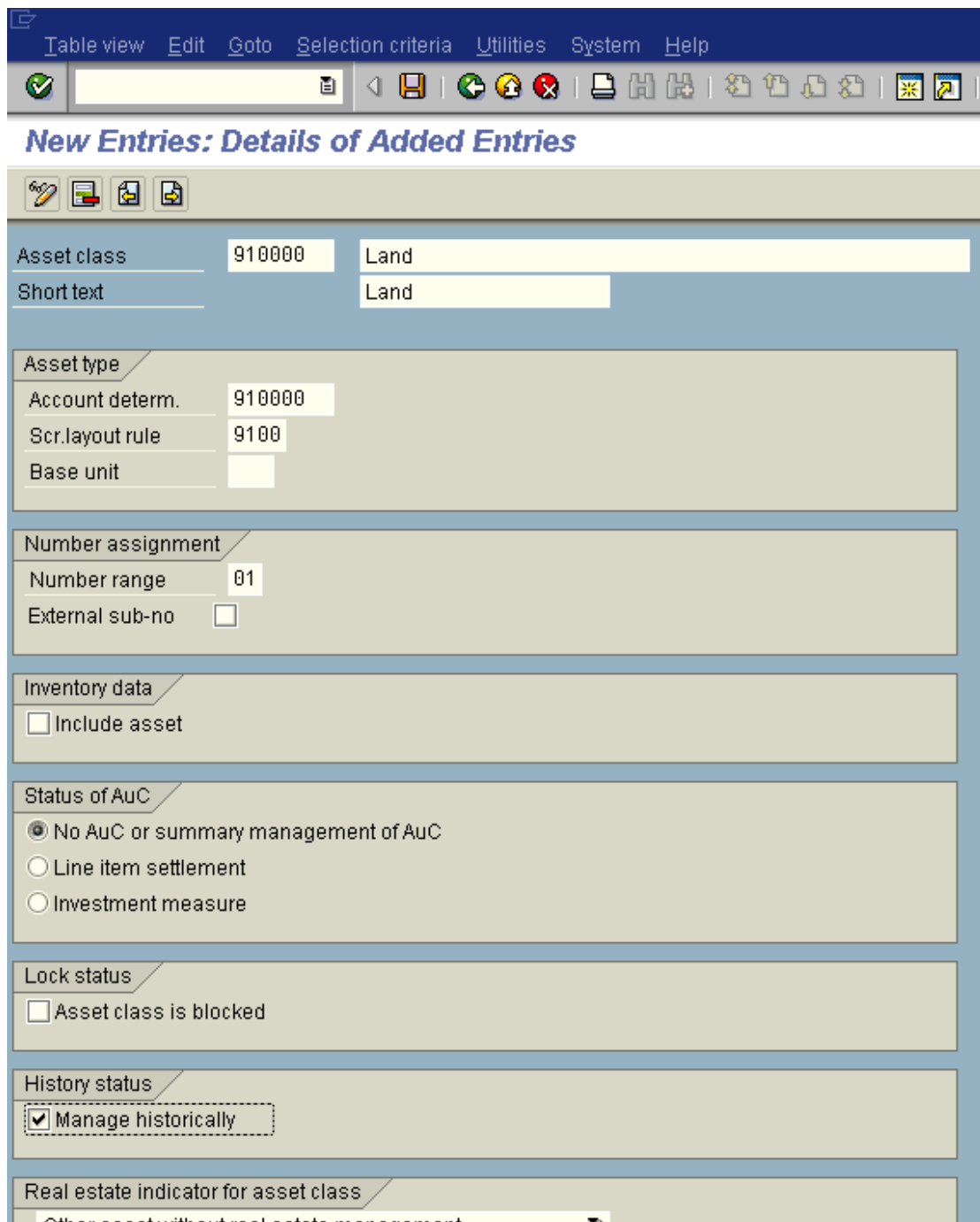
Assignment of default values when creating assets.

Grouping of assets for reporting purpose

You should group together assets with the same depreciation terms into an asset class.

Click on  and update the following: -

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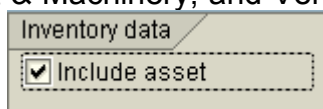
The screenshot shows the SAP Asset Configuration interface for 'New Entries: Details of Added Entries'. The interface includes a menu bar (Table view, Edit, Goto, Selection criteria, Utilities, System, Help) and a toolbar with various icons. The main form is divided into several sections:

- Asset class:** 910000, Land
- Short text:** Land
- Asset type:**
 - Account determ.: 910000
 - Scr.layout rule: 9100
 - Base unit:
- Number assignment:**
 - Number range: 01
 - External sub-no: ☐
- Inventory data:**
 - ☐ Include asset
- Status of AuC:**
 - ☒ No AuC or summary management of AuC
 - ☐ Line item settlement
 - ☐ Investment measure
- Lock status:**
 - ☐ Asset class is blocked
- History status:**
 - ☒ Manage historically
- Real estate indicator for asset class:**
 - Other asset without real estate management

Click on **Save** 

Likewise create Building, Plant & Machinery, and Vehicles. In these you need

to select the following indicator



The image shows a close-up of the 'Inventory data' section from the SAP form. It contains a checkbox labeled 'Include asset' which is checked.

In case of **Asset under construction** update the following: -

SAP TRAINING FI ASSET CONFIGURATION

The screenshot displays the SAP Asset Configuration interface. At the top, there is a menu bar with options: Table view, Edit, Goto, Selection criteria, Utilities, System, and Help. Below the menu is a toolbar with various icons. The main title of the screen is "New Entries: Details of Added Entries".

The configuration is organized into several sections:

- Asset class:** 910004
- Asset under Construction:** Asset under Construc
- Short text:** Asset under Construc
- Asset type:**
 - Account determ.: 910004
 - Scr.layout rule: 9104
 - Base unit:
- Number assignment:**
 - Number range: 05
 - External sub-no: ☐
- Inventory data:**
 - ☒ Include asset
- Status of AuC:**
 - ☐ No AuC or summary management of AuC
 - ☒ Line item settlement
 - ☐ Investment measure
- Lock status:**
 - ☐ Asset class is blocked
- History status:**
 - ☒ Manage historically
- Real estate indicator for asset class:**

11. Specify Chart-of-Dep.-Dependent Screen Layout/Acct Assignment (Optional)

IMG → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Specify Chart-of-Dep.-Dependent Screen Layout/Acct Assignment

SAP TRAINING FI ASSET CONFIGURATION

Generally, the control specifications (the screen layout and the account determination) for the asset class apply throughout the client, that is, for all charts of depreciation. It is therefore sufficient to make control specifications once per asset class.

You only need to carry out this step, if, contrary to the usual case, you want these control specifications to be country-specific (that is, different depending on the chart of depreciation). The system then uses the entries you make here depending on the chart of depreciation in the given company code. The system then ignores the control specifications in the asset class that are independent of the chart of depreciation.

Normally this is not required.

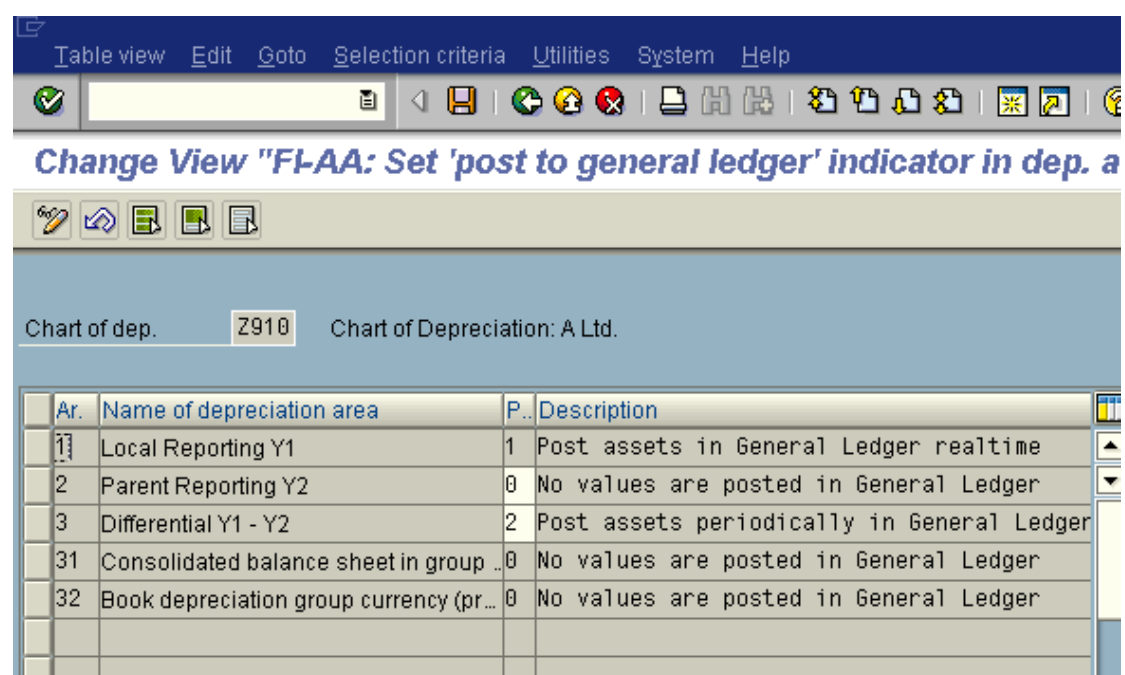
We do not any configuration here.

B) Integration with the General Ledger

12. Define How Depreciation Areas Post to General Ledgers

IMG → Financial Accounting → Asset Accounting → Integration with the General Ledger → Define How Depreciation Areas Post to General Ledger

The system can post the APC transactions of one depreciation area to the general ledger online automatically. Usually this is the book depreciation area 01. You can post transactions from other depreciation areas to the general ledger automatically using periodic processing. (The exception to this rule are the depreciation areas for investment support shown on the liabilities side, which can also post online.) You always have to use periodic processing to post depreciation to the general ledger.

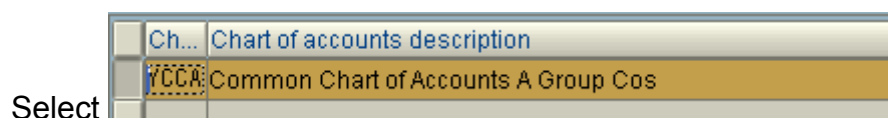
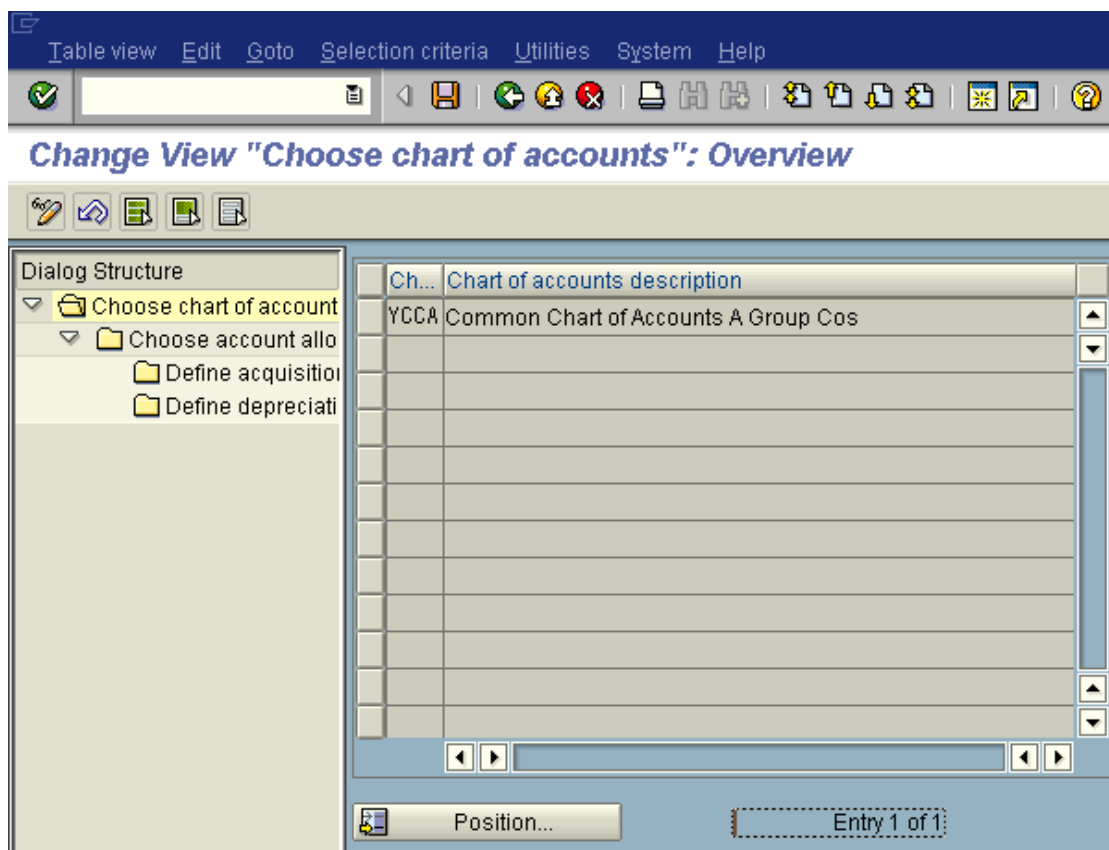



Ar.	Name of depreciation area	P.	Description
1	Local Reporting Y1	1	Post assets in General Ledger realtime
2	Parent Reporting Y2	0	No values are posted in General Ledger
3	Differential Y1 - Y2	2	Post assets periodically in General Ledger
31	Consolidated balance sheet in group ...	0	No values are posted in General Ledger
32	Book depreciation group currency (pr...	0	No values are posted in General Ledger

13. Assign G/L Accounts

IMG → Financial Accounting → Asset Accounting → Integration with the General Ledger → Assign G/L Accounts

In this step you assign the balance sheet accounts and the depreciation accounts for Asset accounting.



And click on  Choose account allo

SAP TRAINING FI ASSET CONFIGURATION

Chart/accts **YCCA** Common Chart of Accounts A Group Cos

Acct det...	Name for account determination
910000	Land

Select

And double click on  and

Double Click on

01 Book deprec.	Book depreciation
-----------------	-------------------

Update the following: -

Table view Edit Goto Selection criteria Utilities System Help

Change View "Define acquisition/retirement accounts": Details

Dialog Structure

- Choose chart of account
- Choose account allo
 - Define acquisition
 - Define depreciati

Chart of accts **YCCA**

Account determ. **910000** Land

Area **1** Book depreciation

Acquisition account assignment

Acquisition: Acquis. and production costs	20000	Land
Acquisition: down payments		
Contra account: Acquisition value	219925	Clear asset acquis.
Down-payments clearing account	219926	Cirg capitalized DPs
Acquisition from affiliated company	219927	Acquisition from Aff
Revenue frm post-capitaliz:	827115	Rev from post cap

Retirement account assignment

Clearing acct. revenue from asset sale	827199	Disp- Fixed Assets
Gain from asset sale	470705	Profit/Loss Sale FA
Loss from asset sale	470705	Profit/Loss Sale FA
Loss made on asset retirement w/o reven.	470705	Profit/Loss Sale FA
Clear.revenue Sale to affil.company	827199	Disp- Fixed Assets

Account assignment of cost portions not capitalized

Cost elem. for settlmt AuC to CO objects	
Capital. difference/Non-operatng expense	

For land there is no Depreciation so we do not allocate any GL code.


Click on Save 

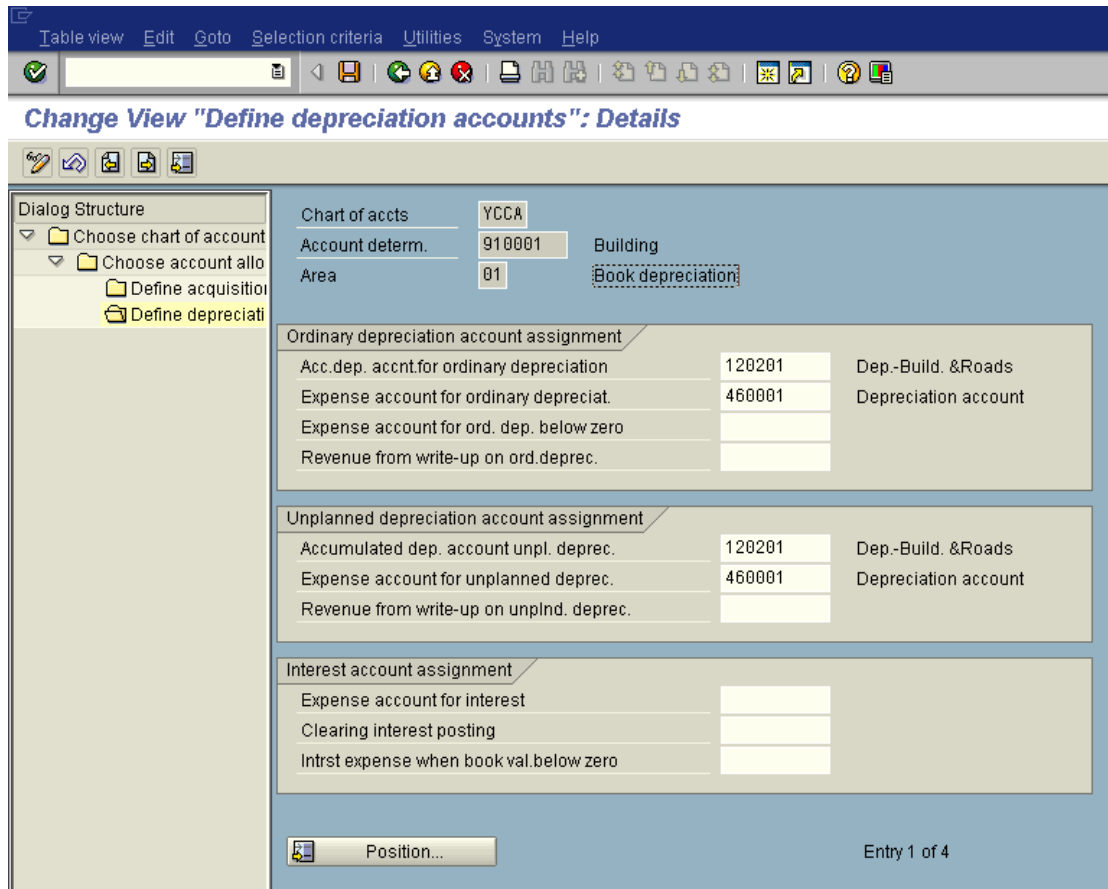
Similarly allocate GL codes to other account determination.

We will see the GL account assignment of Asset class Building for accumulated depreciation.

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After selecting the account determination 910000 Click

 Define depreciati



The screenshot shows the SAP 'Define depreciation accounts' dialog box. The title bar reads 'Change View "Define depreciation accounts": Details'. The left pane shows the 'Dialog Structure' with a tree view containing 'Choose chart of account', 'Choose account allo', 'Define acquisition', and 'Define depreciati'. The main area contains the following fields and tables:

Chart of accts		
Chart of accts	YCCA	
Account determ.	910001	Building
Area	01	Book depreciation

Ordinary depreciation account assignment		
Acc.dep. acct.for ordinary depreciation	120201	Dep.-Build. &Roads
Expense account for ordinary depreciat.	460001	Depreciation account
Expense account for ord. dep. below zero		
Revenue from write-up on ord.deprec.		

Unplanned depreciation account assignment		
Accumulated dep. account unpl. deprec.	120201	Dep.-Build. &Roads
Expense account for unplanned deprec.	460001	Depreciation account
Revenue from write-up on unplnd. deprec.		

Interest account assignment		
Expense account for interest		
Clearing interest posting		
Intrst expense when book val.below zero		

At the bottom, there is a 'Position...' button and the text 'Entry 1 of 4'.

Click on Save



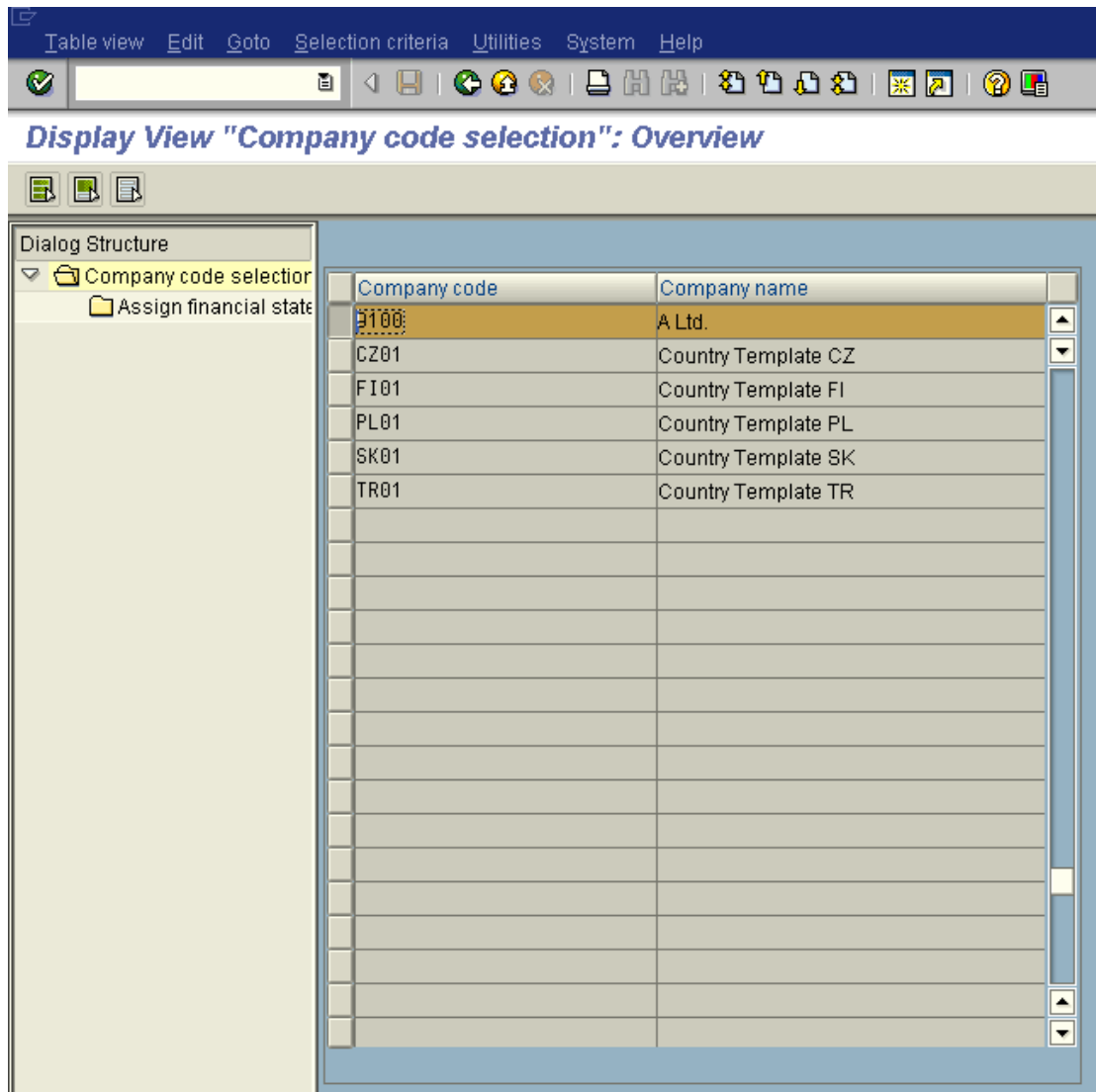
14. Specify Financial Statement Version for Asset Reports

IMG → Financial Accounting → Asset Accounting → Integration with the General Ledger → Specify Financial Statement Version for Asset Reports

You specify which financial statement version the system is to use as a default per depreciation area. This default applies when the financial statement version is contained in the **sort version** used for a given report.

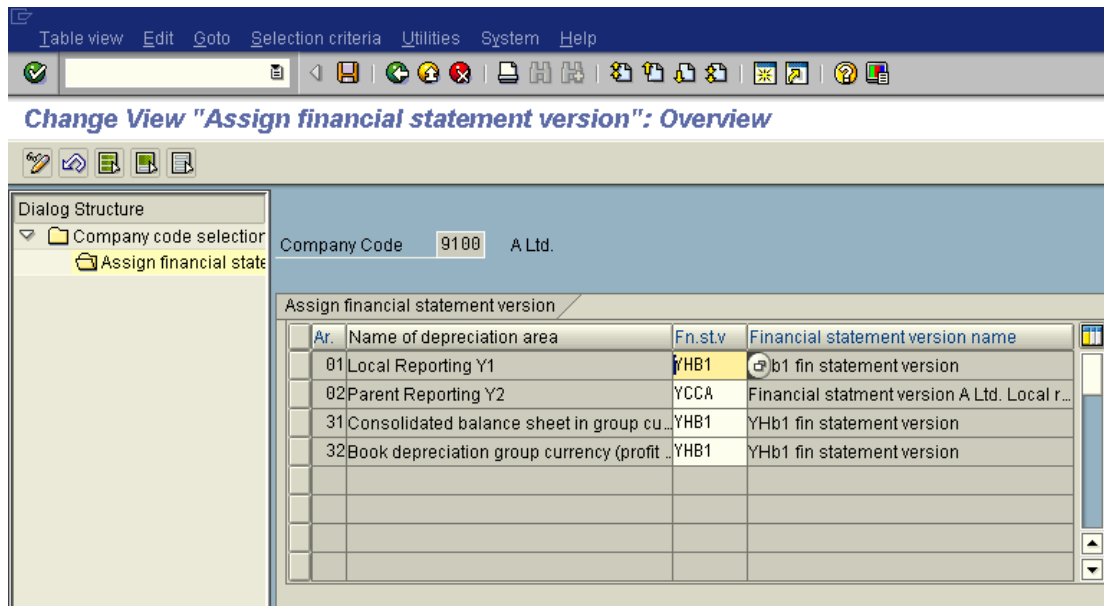
Select company code 9100

SAP TRAINING FI ASSET CONFIGURATION



And click on Assign financial state

SAP TRAINING FI ASSET CONFIGURATION



You can assign different Financial statement version for different depreciation area. For depreciation area 02 you can assign another Fin. Statement version YCCA and so on.

Click on Save 

15. Specify Document Type for Posting of Depreciation

IMG → Financial Accounting → Asset Accounting → Integration with the General Ledger → Post Depreciation to the General Ledger → Specify Document Type for Posting of Depreciation

The standard document type **AF** (Dep. Postings get attached to the co. code), since we have copied the chart of depreciation form 0DE.

16. Specify Intervals and Posting Rules

IMG → Financial Accounting → Asset Accounting → Integration with the General Ledger → Post Depreciation to the General Ledger → Specify Intervals and Posting Rules

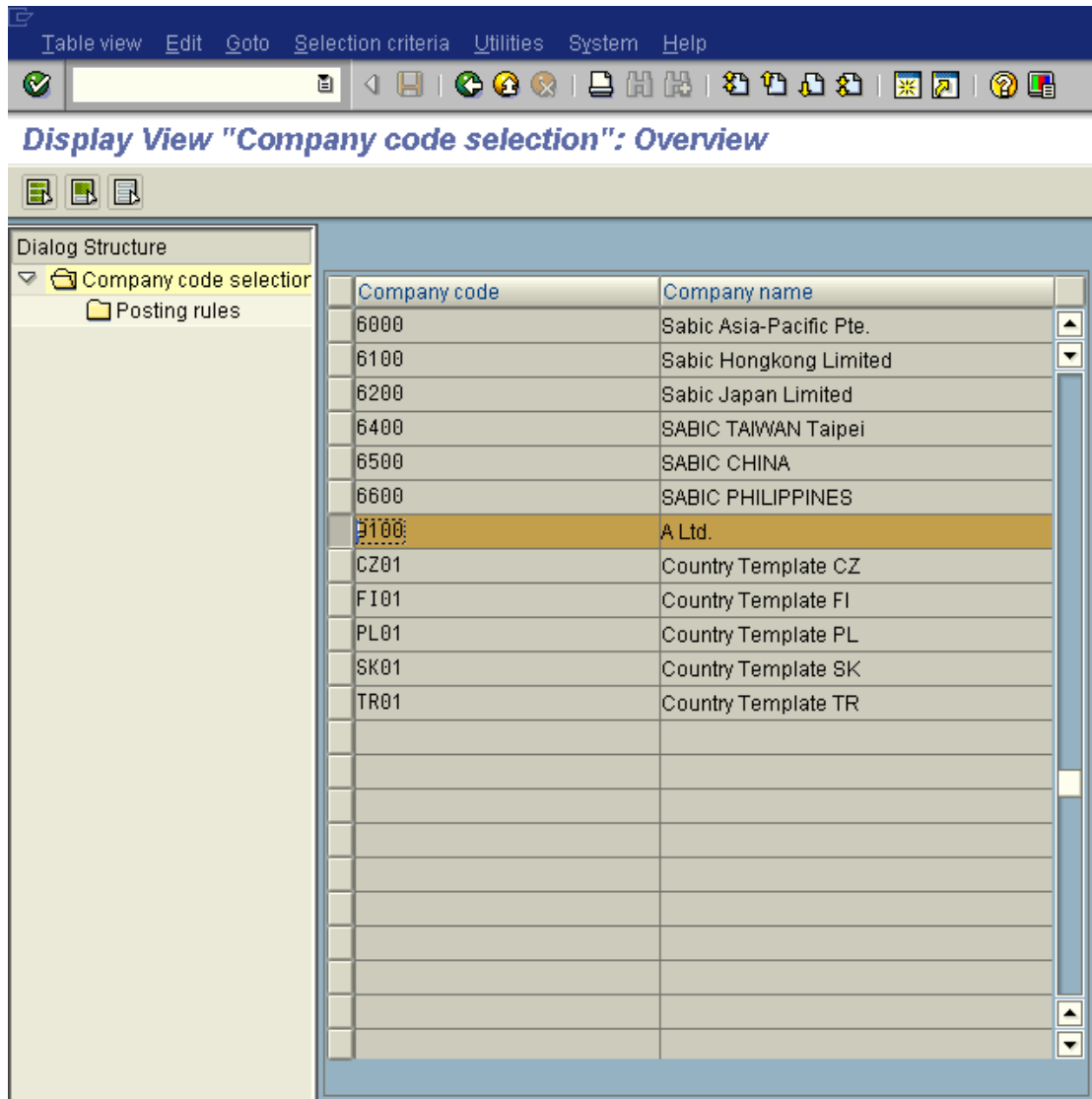
You define the posting cycle (how often depreciation is posted) whether monthly, quarterly, semi annual or annual and the account assignment rules for the depreciation-posting run.

The values for posting cycle are as follows:-

SAP TRAINING FI ASSET CONFIGURATION

- 1 - monthly posting
- 3 - quarterly posting
- 6 - semi-annual posting
- 12 - annual posting

Select company code 9100

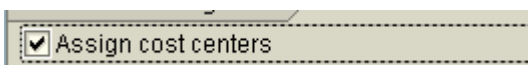


Click on Posting rules

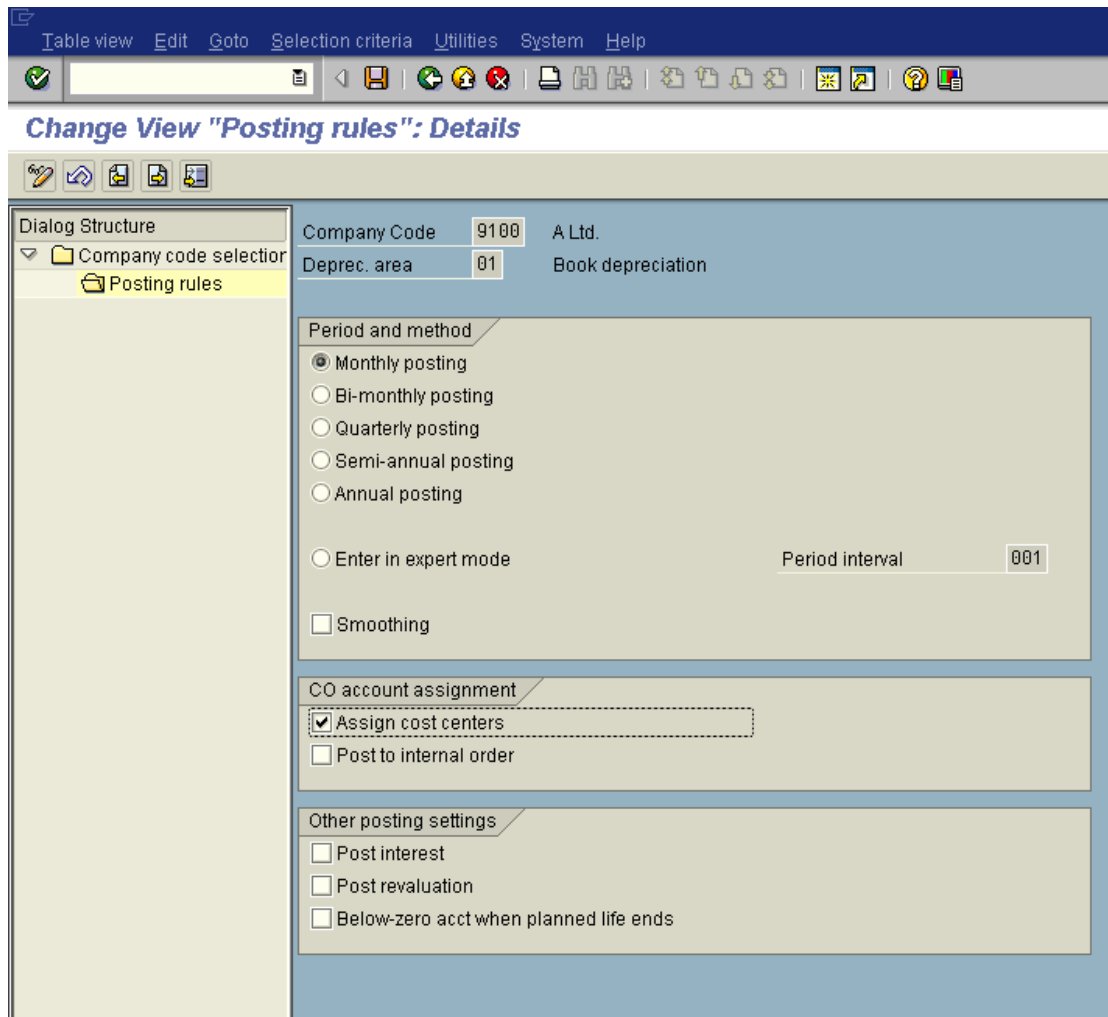
Double Click on



Select



SAP TRAINING FI ASSET CONFIGURATION



The screenshot shows the SAP Asset Configuration dialog box. The title bar includes menu items: Table view, Edit, Goto, Selection criteria, Utilities, System, and Help. Below the title bar is a toolbar with various icons. The main window has a title bar with icons for undo, redo, and other functions. The dialog is titled "Change View 'Posting rules': Details". On the left is a "Dialog Structure" pane with a tree view showing "Company code selection" and "Posting rules". The main area is divided into three sections: "Period and method", "CO account assignment", and "Other posting settings".

Company Code: 9100 A Ltd.
Deprec. area: 01 Book depreciation

Period and method


- ☒ Monthly posting
- ☐ Bi-monthly posting
- ☐ Quarterly posting
- ☐ Semi-annual posting
- ☐ Annual posting
- ☐ Enter in expert mode
- Period interval: 001
- ☐ Smoothing

CO account assignment

- ☒ Assign cost centers
- ☐ Post to internal order

Other posting settings

- ☐ Post interest
- ☐ Post revaluation
- ☐ Below-zero acct when planned life ends

Thereafter select deprec. Area 03 and click on 

Select ☒ Assign cost centers

SAP TRAINING FI ASSET CONFIGURATION

The screenshot shows the SAP 'Change View Posting rules' dialog box. The title bar includes 'Table view', 'Edit', 'Goto', 'Selection criteria', 'Utilities', 'System', and 'Help'. The main area is divided into a 'Dialog Structure' pane on the left and a main configuration area on the right. The 'Dialog Structure' pane shows a tree with 'Company code selection' and 'Posting rules'. The main configuration area has the following fields and sections:


- Company Code:** 9100, **A Ltd.**
- Deprec. area:** 03, **Differential Y1 - Y2**
- Period and method:**
 - ☒ Monthly posting
 - ☐ Bi-monthly posting
 - ☐ Quarterly posting
 - ☐ Semi-annual posting
 - ☐ Annual posting
 - ☐ Enter in expert mode
 - Period interval:** 001
 - ☐ Smoothing
- CO account assignment:**
 - ☒ Assign cost centers
 - ☐ Post to internal order
- Other posting settings:**
 - ☐ Post interest
 - ☐ Post revaluation
 - ☐ Below-zero acct when planned life ends

Click on Save 

C) Valuation

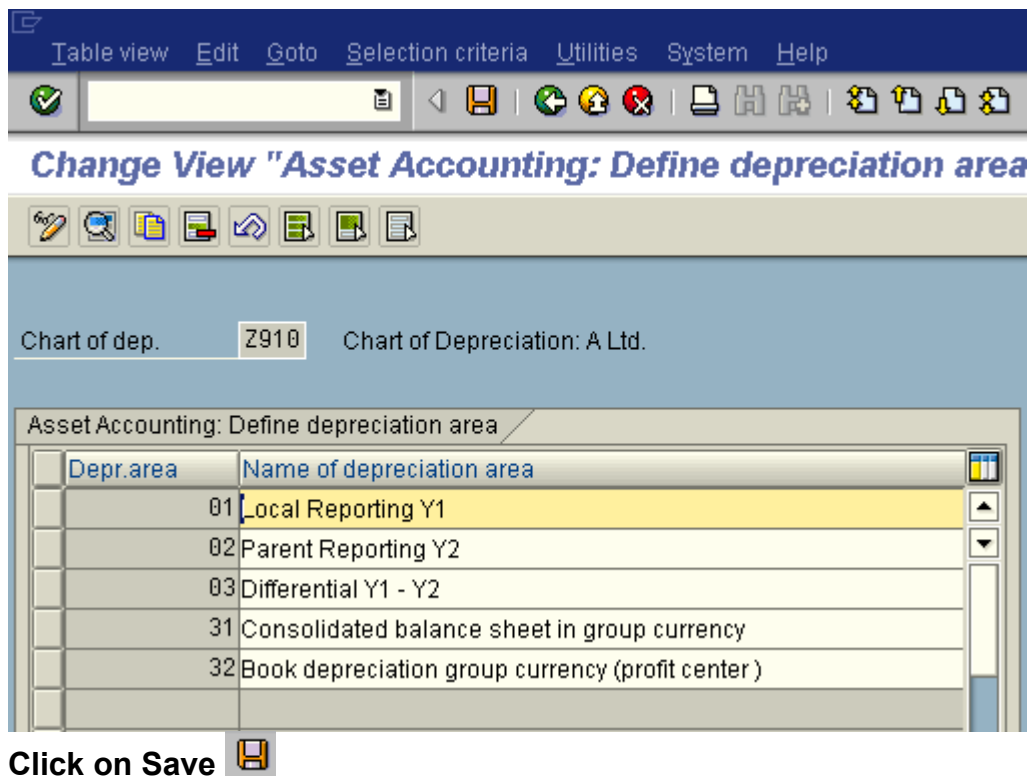
17. Define Depreciation Areas

IMG → Financial Accounting → Asset Accounting → Valuation → Depreciation Areas → Define Depreciation Areas

Double Click on 

Change the name of Depreciation area 1, 2 and Depreciation area 3 as follows:-

SAP TRAINING FI ASSET CONFIGURATION



Double click Dep area 1 to see the configuration values.

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "Asset Accounting: Define depreciation area": Details

Chart of dep. Z910 Chart of Depreciation: A Ltd.
Deprec. area 01 Local Reporting Y1
Book deprec.

Real dep. area ☒
Posting in G/L 1 Post assets in General Ledger realtime

Management of values

☒ Acquisition and production costs
☒ Positive net book value
☐ Negative net book value

Entries for derived depreciation area

☐ Area for reporting purposes only

Name of depreciation area	Area Sign	Proportion
00		0
00		0
00		0
00		0

Modification area 00

Click on  to see Deprec. Area 02

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "Asset Accounting: Define depreciation area":

Chart of dep. Z910 Chart of Depreciation: A Ltd.
Deprec. area 02 Parent Reporting Y2
Spec.tax dep

Real dep. area ☒
Posting in G/L 0 No values are posted in General Ledger

Management of values

☒ Acquisition and production costs
☒ Positive net book value
☐ Negative net book value

Entries for derived depreciation area

☐ Area for reporting purposes only

Name of depreciation area	Area Sign	Proportion
00		0
00		0
00		0
00		0

Modification area 00

Click on  to see Deprec. Area 03

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "Asset Accounting: Define depreciation area": Data

Chart of dep. Z910 Chart of Depreciation: A Ltd.
 Deprec. area 03 Differential Y1 - Y2
 Spec.res.

Real dep. area ☐
 Posting in G/L 2 Post assets periodically in General Ledger

Management of values

☐ Acquisition and production costs
☐ Positive net book value
☒ Negative net book value

Entries for derived depreciation area

☐ Area for reporting purposes only

Name of depreciation area	Area Sign	Proportion
01 Local Reporting Y1	-	1
02 Parent Reporting Y2	+	1

Modification area

In the area 03 also set

☒ Positive net book value

Click on  to see Deprec. Area 03

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "Asset Accounting: Define depreciation area": Data

Chart of dep. Z910 Chart of Depreciation: A Ltd.
 Deprec. area 03 Differential Y1 - Y2
 Spec.res.

Real dep. area ☐
 Posting in G/L 2 Post assets periodically in General Ledger

Management of values

☐ Acquisition and production costs
☐ Positive net book value
☒ Negative net book value

Entries for derived depreciation area

☐ Area for reporting purposes only

Name of depreciation area	Area Sign	Proportion
01 Local Reporting Y1	-	1
02 Parent Reporting Y2	+	1

Modification area

Click on  to see Deprec. Area 31

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "Asset Accounting: Define depreciation area": L

Chart of dep. Z910 Chart of Depreciation: A Ltd.
Deprec. area 31 Consolidated balance sheet in group currency
Grp deprecn.

Real dep. area ☒
Posting in G/L 0 No values are posted in General Ledger

Management of values

☒ Acquisition and production costs
☒ Positive net book value
☐ Negative net book value

Entries for derived depreciation area

☐ Area for reporting purposes only

Name of depreciation area	Area Sign	Proportion
00		0
00		0
00		0
00		0

Modification area 00

Click on  to see Deprec. Area 32

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "Asset Accounting: Define depreciation area": L

Chart of dep. 2910 Chart of Depreciation: A Ltd.
Deprec. area 32 Book depreciation group currency (profit center)
Profit centre

Real dep. area ☒
Posting in G/L 0 No values are posted in General Ledger

Management of values

☒ Acquisition and production costs
☒ Positive net book value
☐ Negative net book value

Entries for derived depreciation area

☐ Area for reporting purposes only

Name of depreciation area	Area Sign	Proportion
00	<input type="checkbox"/>	0
00	<input type="checkbox"/>	0
00	<input type="checkbox"/>	0
00	<input type="checkbox"/>	0

Modification area 00

Click on Save 

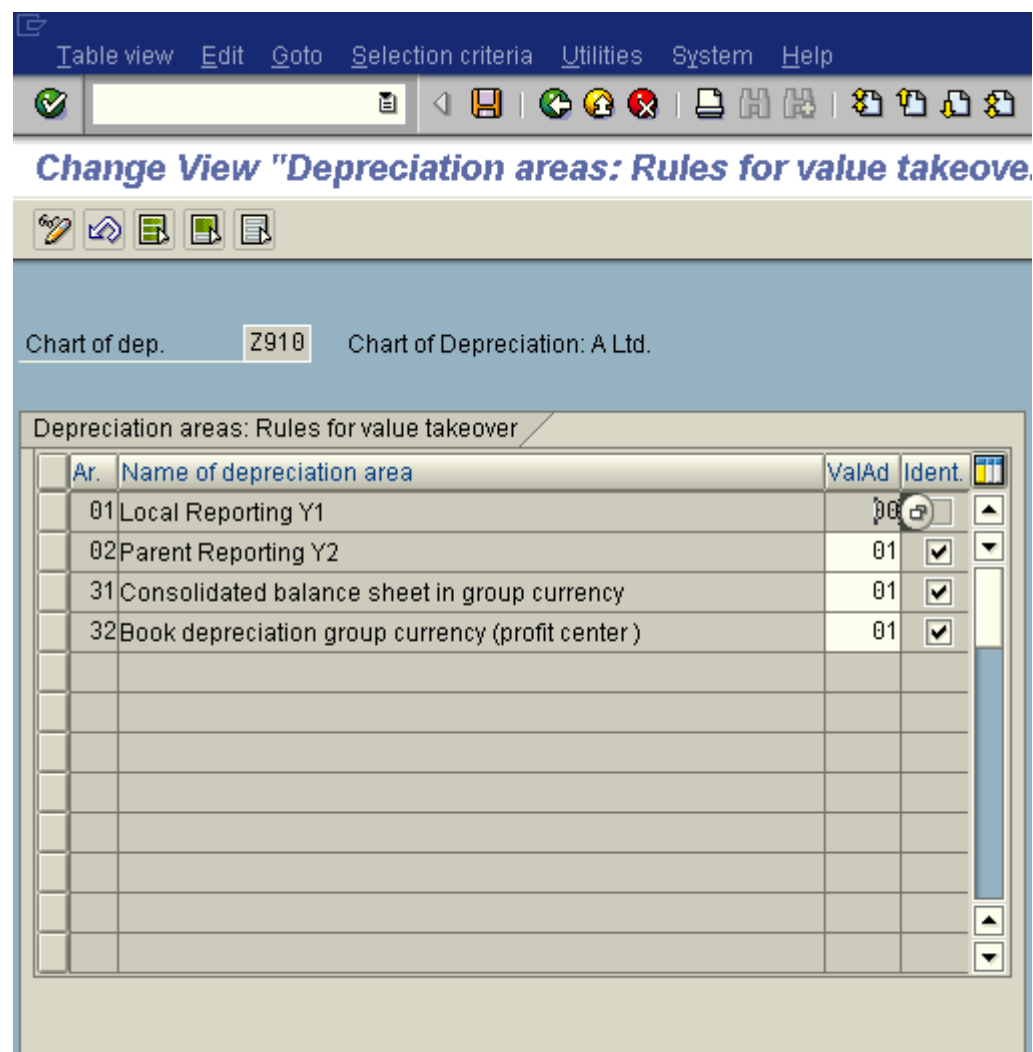
18. Specify Transfer of APC Values

IMG → Financial Accounting → Asset Accounting → Valuation → Depreciation Areas → Specify Transfer of APC Values

SAP TRAINING FI ASSET CONFIGURATION

The standard system copies the asset balance sheet values from depreciation area 01 to all other depreciation areas during posting. (The only exceptions to this rule are areas for revaluation and for investment support, as well as derived depreciation areas.) Therefore, you only need to carry out this step if you want to copy posting values from a different depreciation area, **not** depreciation area 01.

In this step, you define transfer rules for the posting values of depreciation areas. These transfer rules let you ensure that certain depreciation areas have identical asset values.



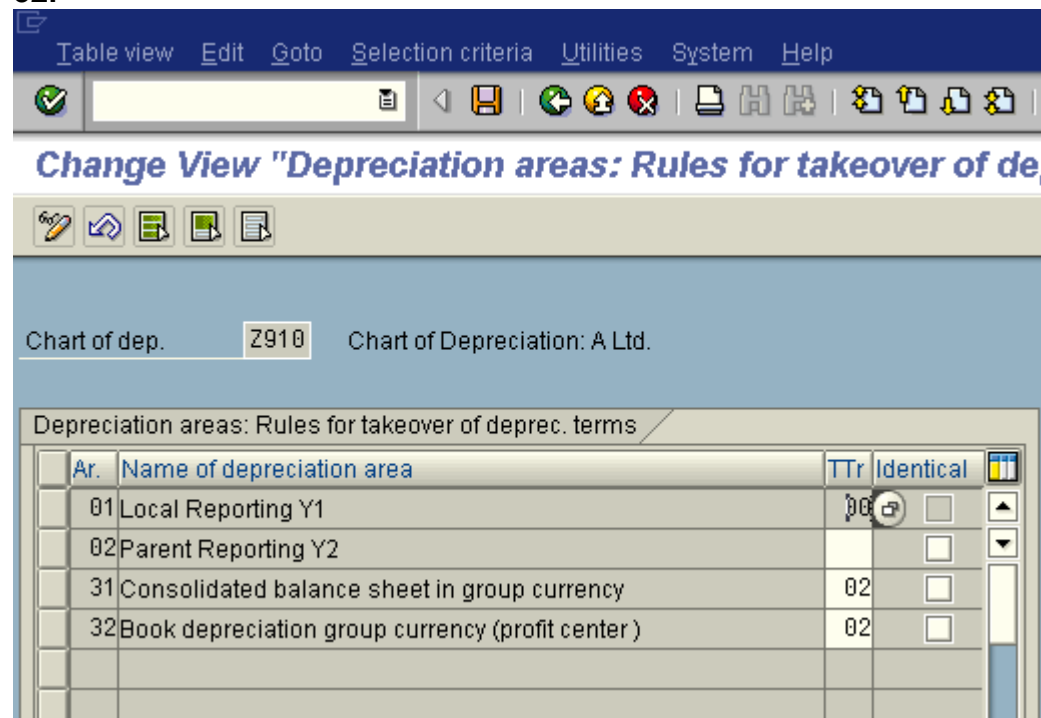
19. Specify Transfer of Depreciation Terms

IMG → Financial Accounting → Asset Accounting → Valuation → Depreciation Areas → Specify Transfer of APC Values

No configuration required here if you are managing depreciation areas with different depreciation rate.

SAP TRAINING FI ASSET CONFIGURATION

In our scenario we want the depreciation terms for area 02, 31 and 32 to be identical. Therefore we enter 02 in against depreciation area 31 and 32.



20. Determine Depreciation Areas in the Asset Class

IMG → Financial Accounting → Asset Accounting → Valuation → Determine Depreciation Areas in the Asset Class

Generally, the assets in an asset class use the same depreciation terms (depreciation key, useful life). Therefore, you do not have to maintain the depreciation terms in the asset master record. Instead, they can be default values from the asset class.

In this step, you specify the depreciation terms that are to be used in your asset classes. Depending on the definition in the screen layout control used, these depreciation terms are offered either as optional or mandatory defaults when you create an asset.

For each asset class, you can maintain as many charts of depreciation with their depreciation areas as you need. This allows you to use the asset class in all countries belonging to the client.

Select the asset class e.g.
And Double Click on Depreciation areas

Remove the deactivation tick and specify the default depreciation key and the screen layout.

It may so happen that you will not be able to maintain the default depreciation key as the field may appear grayed out. In this case go to step 44 and activate

SAP TRAINING FI ASSET CONFIGURATION

the maintenance level of depreciation key at asset level for screen layout 1000.

Table view Edit Goto Selection criteria Utilities System Help

Asset class 910000 Land
Chart of dep. Z910 Chart of Depreciation: A Ltd.

Ar.	Dep. area	Deact	DepKy	Use	Per	Index	Layout
01	Book deprec.	<input type="checkbox"/>	0000	99			1000
02	Spec.tax dep	<input type="checkbox"/>	0000	99			1000
03	Spec.res.	<input type="checkbox"/>					
31	Grp deprecn.	<input type="checkbox"/>	0000	99			1000
32	Profit cente	<input type="checkbox"/>	0000	99			1000

Click on Save 

Similarly do for Building, Plant & Machinery, Vehicles and AUC asset classes.

Table view Edit Goto Selection criteria Utilities System Help

Asset class 910002 Plant and Machinery
Chart of dep. Z910 Chart of Depreciation: A Ltd.

Ar.	Dep. area	Deact	DepKy	Use	Per	Index	Layout
01	Book deprec.	<input type="checkbox"/>	ZPM1	15			1000
02	Spec.tax dep	<input type="checkbox"/>	ZPM2	15			1000
03	Spec.res.	<input type="checkbox"/>					
31	Grp deprecn.	<input type="checkbox"/>	ZPM1	15			1000
32	Profit cente	<input type="checkbox"/>	ZPM1	15			1000

21. Specify Max. Amount for Low-Value Assets + Asset Classes (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Amount Specifications (Company Code/Depreciation Area) → Specify Max. Amount for Low-Value Assets + Asset Classes

Here you specify the maximum amount for low value assets (LVAs). You enter a maximum amount per company code or per depreciation area. The system checks this maximum amount during every acquisition posting, providing the corresponding LVA indicator is set in the asset class.

Specify how you want the system to carry out the LVA maximum amount check for the asset class. Should the check be a quantity check(value of the collective low-value asset divided by the quantity entered in the asset exceeds the LVA maximum amount for the company code or depreciation area) or individual check .

The following options are available in the system:-

- 0 No maximum amount check
- 1 Value based maximum amount check
- 2 Check maximum amount with quantity

Amounts for LVA can be set as Plain LVA amount check or Max LVA on purchase orders.

For this setting, you need to create an LVA class for such assets. The low values assets are managed in this asset class. The check prevents any postings to the asset class, which exceeds the maximum value specified.

We will not create any LVA check since we have not created any LVA class.

22. Specify Rounding of Net Book Value and/or Depreciation (Optional)

SAP TRAINING FI ASSET CONFIGURATION

IMG → Financial Accounting → Asset Accounting → Valuation → Amount Specifications (Company Code/Depreciation Area) → Specify Rounding of Net Book Value and/or Depreciation

You have the option of rounding depreciation calculated or the net book value or the replacement value.

You can round up, or round down or round to the nearest whole.

This step is optional if your company code requires rounding off.

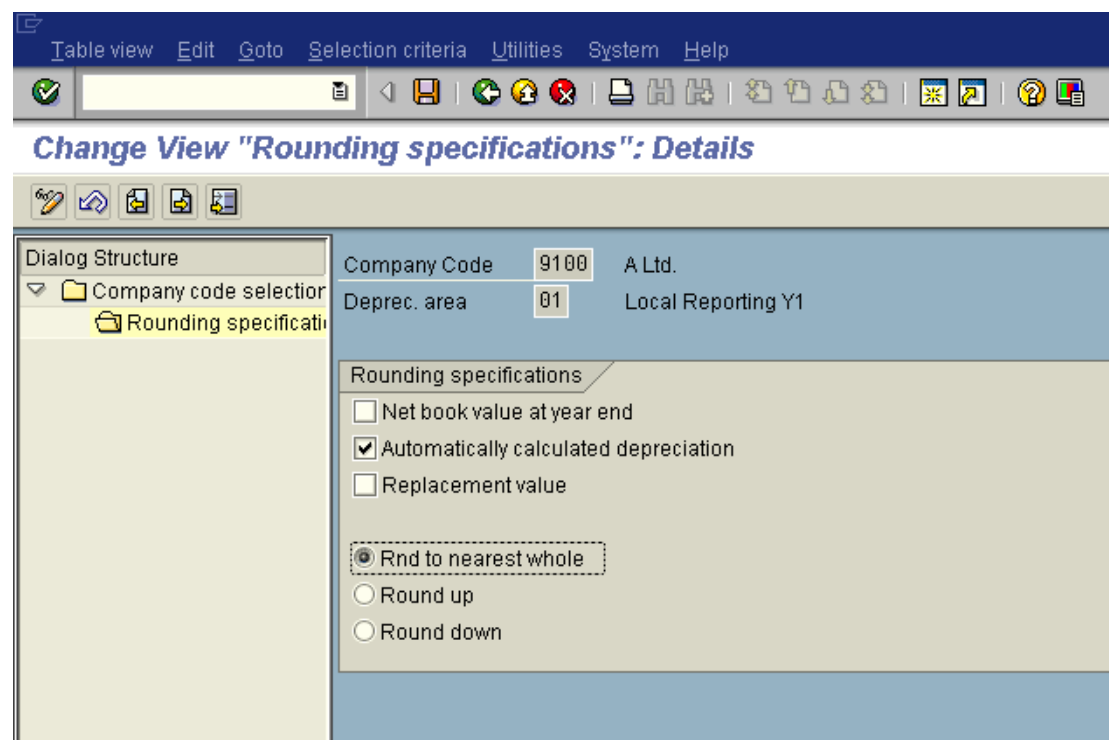
Select company code 9100



Double Click on Rounding specifications

Double Click

And select ☐ Automatically calculated depreciation and we are rounding to nearest whole e.g. 3.49 is rounded to 3 and 3.5 is rounded to 4



Click on Save

Similarly do for deprec. Area 02, 31 and 32

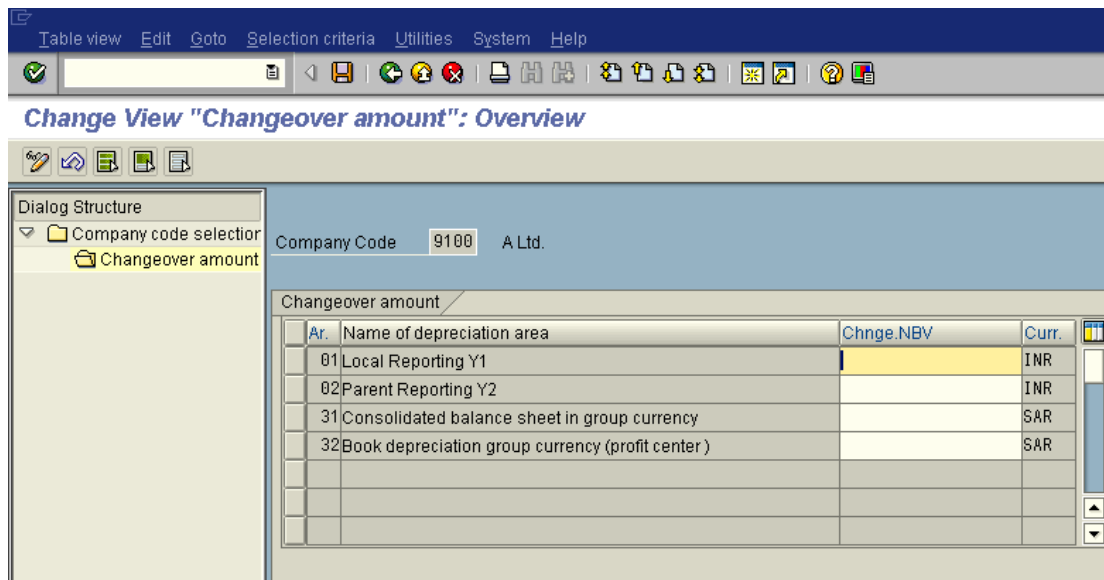
23. Specify Changeover Amount (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Amount Specifications (Company Code/Depreciation Area) → Specify Changeover Amount

You enter the amount at which the the system should change the calculation of depreciation to the changeover key specified in the depreciation key. You enter the amount per depreciation area. The changeover takes place as soon as the net book value of the asset goes below the changeover amount.

This changeover only takes place if you are using a depreciation key defined with changeover method 3 (changeover as soon as the remaining value is less than the changeover amount). This changeover amount is ignored by other changeover methods.

We will not specify any changeover amounts.



Change View "Changeover amount": Overview

Dialog Structure

- Company code selector
 - Changeover amount

Company Code: 9100 A Ltd.

Ar.	Name of depreciation area	Chnge.NBV	Curr.
01	Local Reporting Y1		INR
02	Parent Reporting Y2		INR
31	Consolidated balance sheet in group currency		SAR
32	Book depreciation group currency (profit center)		SAR

24. Specify Memo Value (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Amount Specifications (Company Code/Depreciation Area) → Specify Memo Value

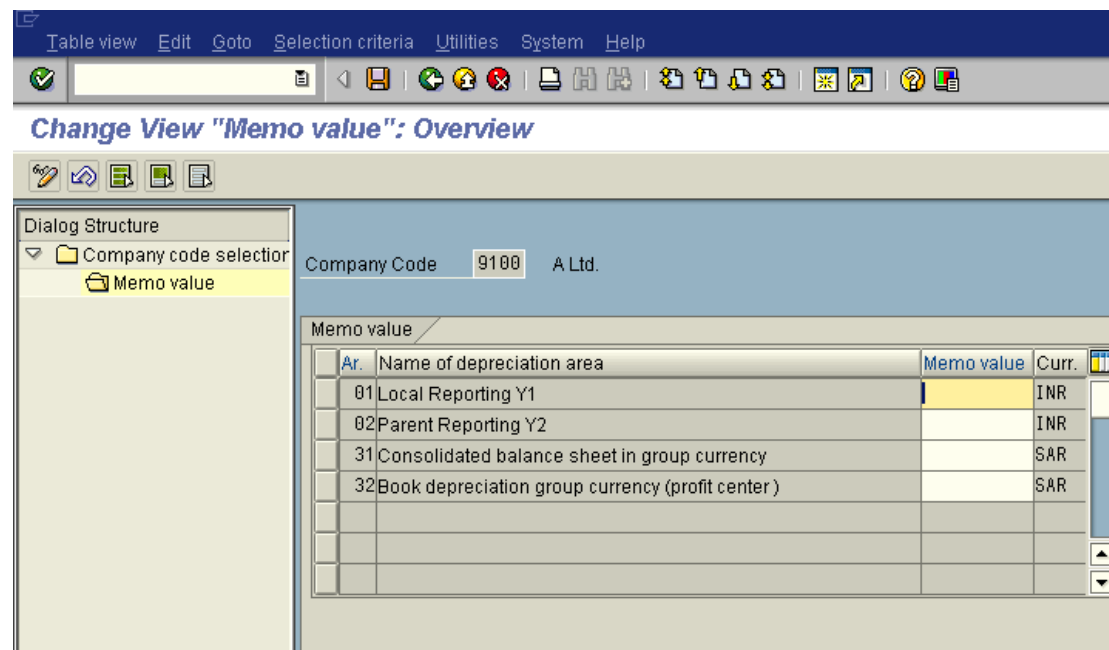
In this step, you define a memo value for each depreciation area/ company code. This memo value is the amount that is not depreciated, in order to have a memo posting for an asset, which has already exceeded its useful life. The system reduces the planned annual depreciation in the acquisition year for the asset by the amount of the memo value.

SAP TRAINING FI ASSET CONFIGURATION

You can activate or deactivate the memo value by means of an indicator in the asset class, although it has been defined on depreciation area/company code level (this is applies especially to asset classes for low value assets).

Here we need to do the following config:-

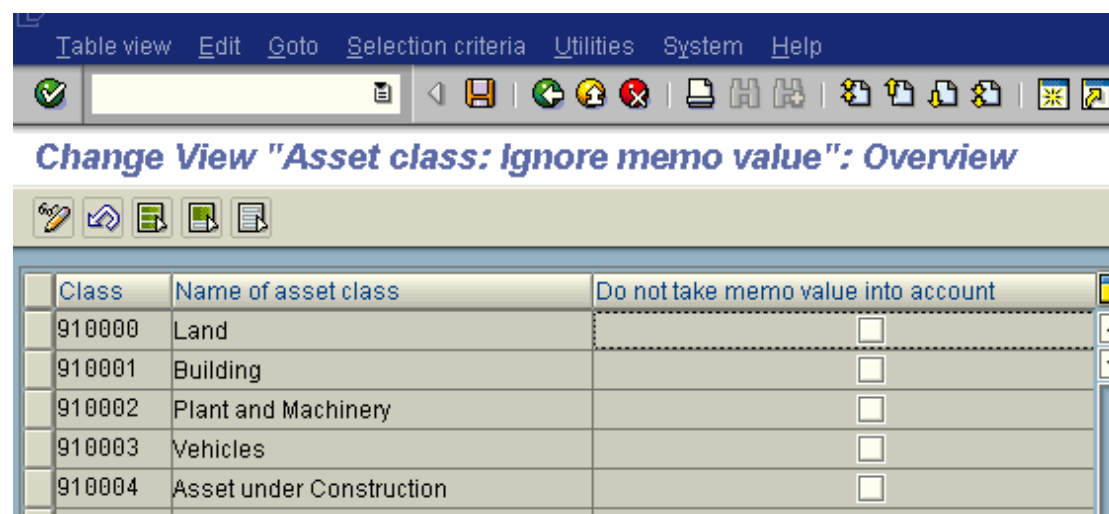
Double Click on **Specify Memo Value for Depreciation Areas** and select your company code and click on **Memo value** and specify the memo value.



Click on Save 

Thereafter Double Click on **Specify asset classes without memo value**

Specify asset classes which should not take memo value into account.



SAP TRAINING FI ASSET CONFIGURATION

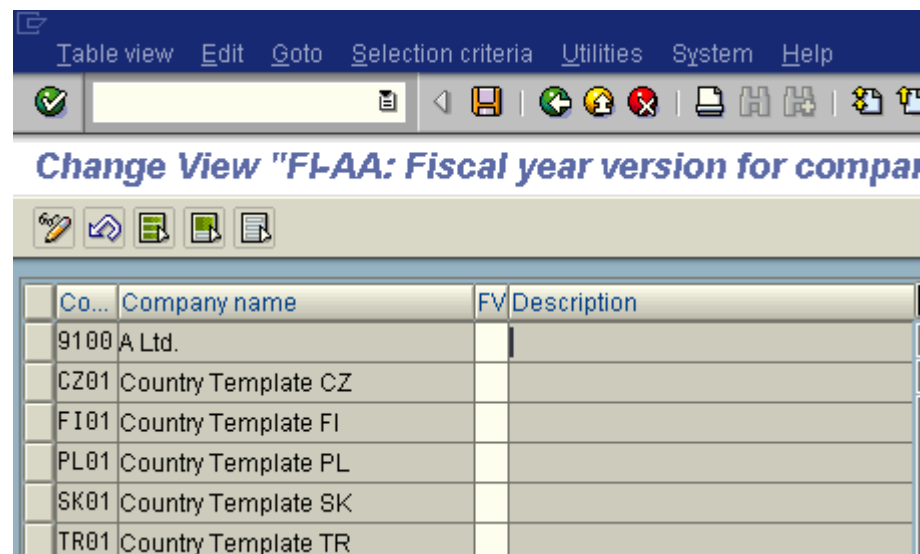
We will not do any configuration here since we do not want any value to remain in books after the useful life.

25. Specify Other Versions on Company Code Level (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Amount Specifications (Company Code/Depreciation Area) → Specify Other Versions on Company Code Level

You specify a fiscal year variant for Asset Accounting on company code level that is different from the one in FI General Ledger.

Normally no configuration is required here, unless you have a different fiscal year for asset accounting.



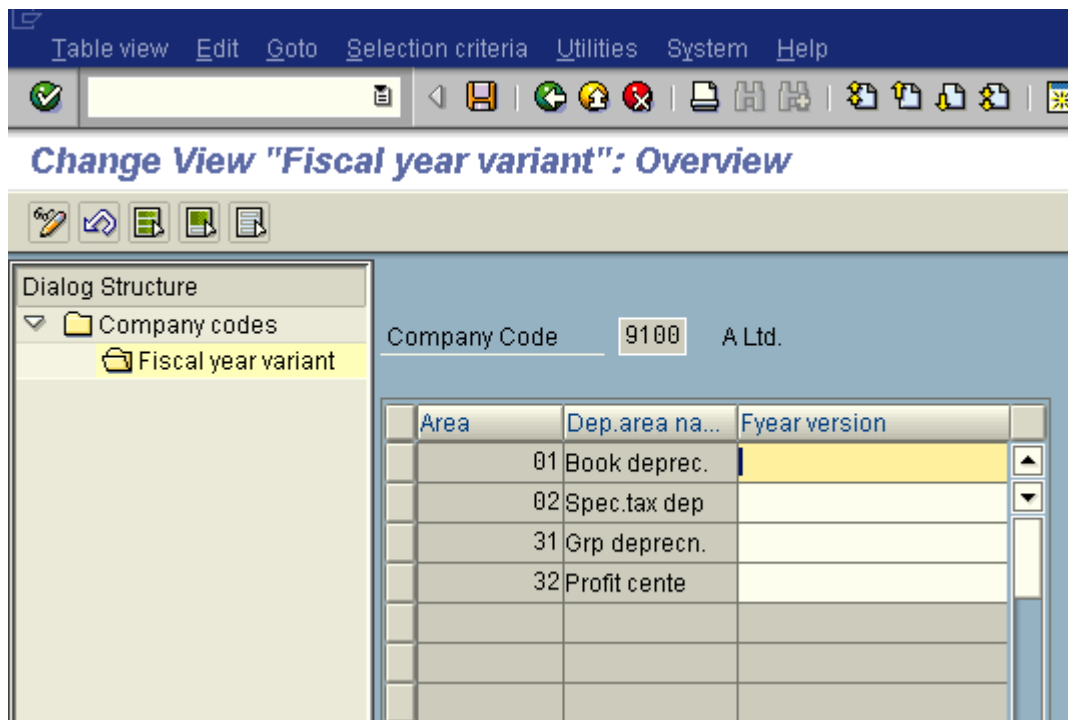
We will not do any configuration here since we do not require fiscal year variant, which is different from the GL fiscal year variant.

26. Specify Other Versions on Depreciation Area Level (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Amount Specifications (Company Code/Depreciation Area) → Specify Other Versions on Depreciation Area Level

You specify a fiscal year variant for Asset Accounting on depreciation area level that is different to the one for the FI General Ledger.

SAP TRAINING FI ASSET CONFIGURATION



We will not do any configuration here.

27. Define Depreciation Areas for Foreign Currencies (Optional)

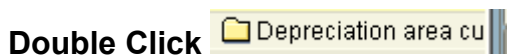
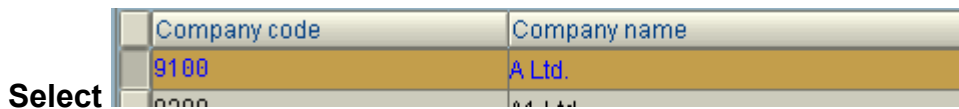
IMG → Financial Accounting → Asset Accounting → Valuation → Currencies
→ Define Depreciation Areas for Foreign Currencies

This step is a must if parallel currencies have been configured in FI-GL.

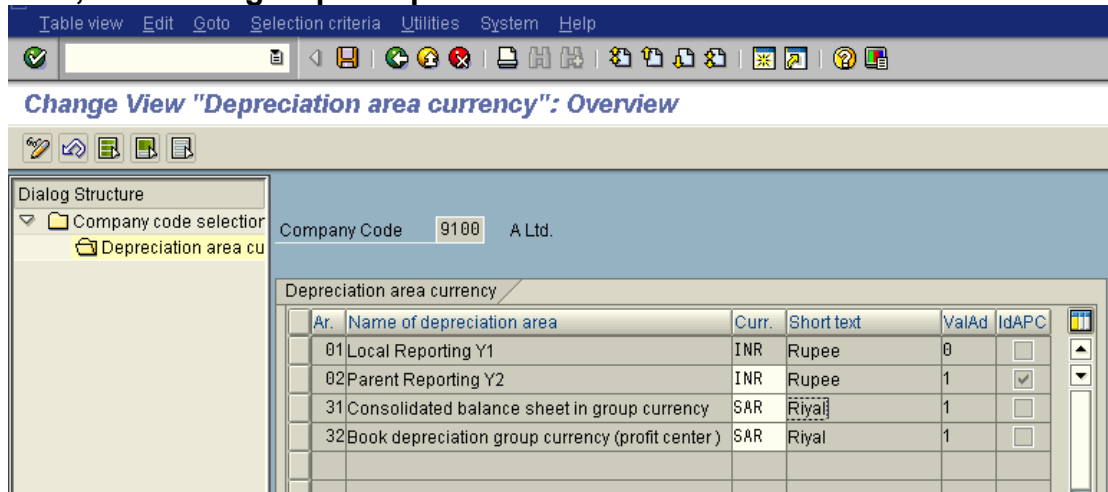
Depreciation areas can be managed in any currency in the FI-AA module. The values from these areas can then be used for group consolidation, or for other analyses.

In our scenario we require to report to parent company in SAR. We have already configured parallel currencies for company code 9100 in FI GL. Therefore it is a must that we set up those currencies in asset accounting. We have set up depreciation area 01, 02 in currencies INR. We cannot change the currency in the master area (01). It always has to be the same as the local currency of the respective company code. We will manage the depreciation areas 31 and 32 in SAR.

SAP TRAINING FI ASSET CONFIGURATION



Change the depreciation area 31 and depreciation area 32 from INR to SAR, since our group and profit center currencies are SAR.



28. Specify the Use of Parallel Currencies (Optional)

Financial Accounting→ Asset Accounting→ Valuation→Currencies→ Specify the Use of Parallel Currencies

The R/3 FI module (Financial Accounting) provides you with the option to manage all the values of a company code in up to three currencies on the same accounts in parallel. You can define three local currencies for every company code for this in FI Customizing. A local currency is defined by the following specifications:

- Currency type in accordance with the function of the currency (for example group currency)
- Type of exchange rate for the conversion
- Base currency for the conversion and
- Date (for example document date) for the conversion

Even the values that are posted within Asset Accounting can be updated in several currencies and in the same FI document in parallel with the posted amount in local currency in financial accounting. For this, you need to manage a depreciation area with the following features for each currency:

- Currency type and currency of the depreciation area are identical to the corresponding parallel currency in the company code in question.

SAP TRAINING FI ASSET CONFIGURATION

- The depreciation area must manage depreciation terms and acquisition values identical to the book depreciation area.

The system then automatically supplies the corresponding posting documents with the additional values from these depreciation areas. The areas in the foreign currency do **not** need to be explicitly posted to the general ledger (according to the posting settings in the definition of the depreciation area).

The system also supports parallel currencies in depreciation areas that do not post online, but which are posted during periodic posting to the general ledger.

When you use parallel currencies to show group valuation and profit center valuation, you should consider the following:

The key that is used in Asset Accounting for the parallel currencies is made up of the combination of the keys for currency type and valuation view that are entered in FI under "Define Additional Local Currencies."

Example:

You defined the following additional local currency in FI:

Currency type 30 (group valuation), valuation type 2 (profit center valuation). If you want to enter this currency in Asset Accounting as a parallel currency for a depreciation area, do not enter 30 as the key. Instead choose key 32 (sum of keys for currency type and valuation type).

Update the following: -

31 currency type (group currency , group valuation) to deprn area 31

32 Currency type (group currency, profit center valuation) to dep area 32

The screenshot shows the SAP Asset Accounting configuration screen for 'Depreciation area: currency type'. The title bar includes 'Table view', 'Edit', 'Goto', 'Selection criteria', 'Utilities', 'System', and 'Help'. Below the title bar is a toolbar with various icons. The main area has a header 'Change View "Depreciation area: currency type": Overview'. Below this is a sub-header 'Chart of dep. Z910 Chart of Depreciation: A Ltd.'. The main table is titled 'Depreciation area: currency type' and contains the following data:

Ar.	Name of depreciation a...	Crcy type	Description	ValAd	IdAPC	TTr	Idnt...
01	Local Reporting Y1			0	<input type="checkbox"/>	0	
02	Parent Reporting Y2			1	<input checked="" type="checkbox"/>	0	
31	Consolidated balance s...	31	Group currency, group va..	1	<input type="checkbox"/>	0	
32	Book depreciation group...	32	Group currency, profit cent	1	<input type="checkbox"/>	0	

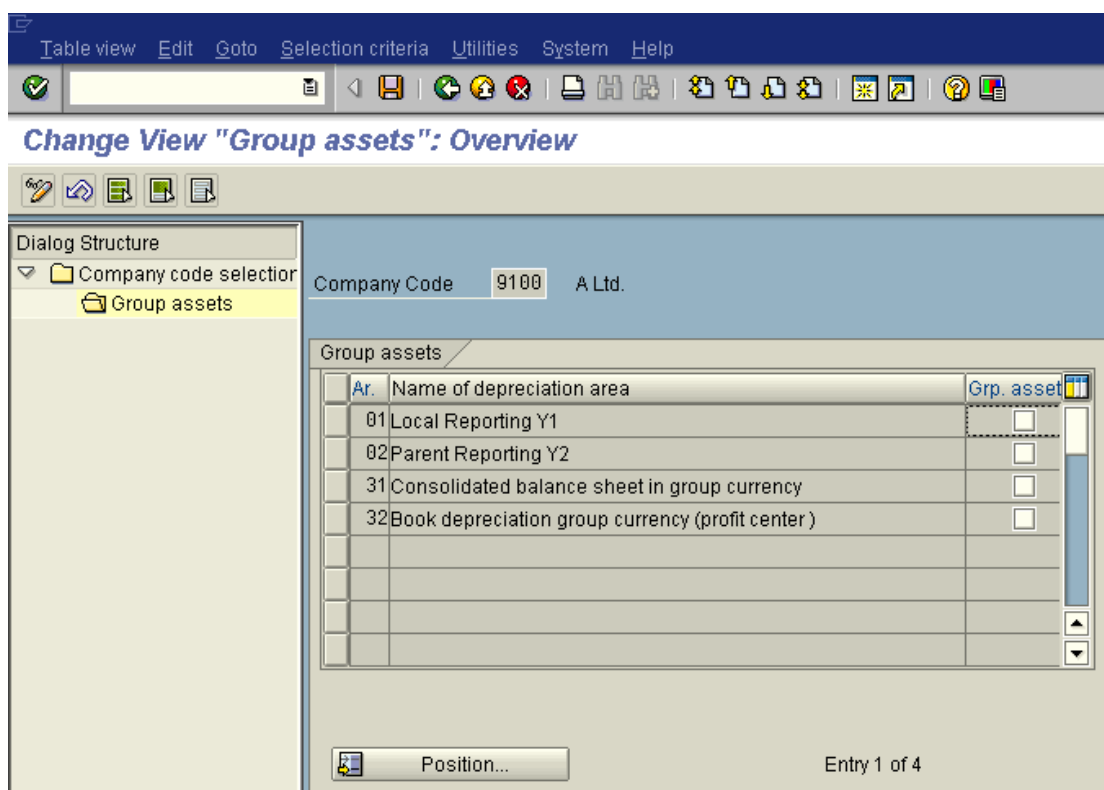
Click on Save 

29. Specify Depreciation Areas for Group Assets (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Group Assets → Specify Depreciation Areas for Group Assets

Here you specify the depreciation areas that you **also** want to manage on group asset level. In these depreciation areas, it is then possible to make an assignment to a group asset. You make this assignment in the specifications for the depreciation area in the asset master record. When you post an acquisition to this kind of asset, the system duplicates the line items from this depreciation area on the given group asset.

We will not configure any depreciation area for group asset.



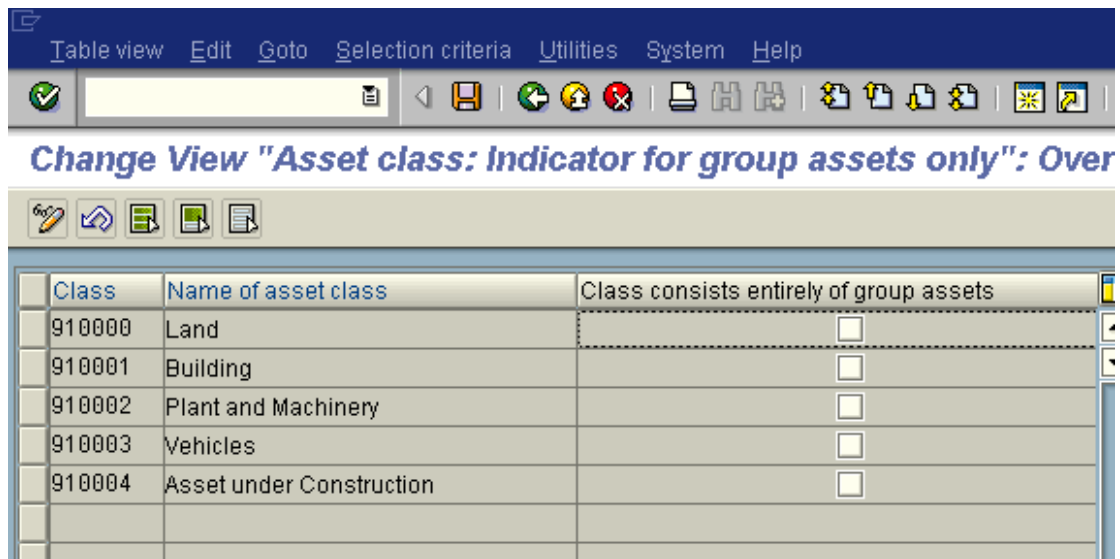
30. Specify Asset Classes for Group Assets (Optional)

IMG → Financial Accounting → Asset Accounting → Valuation → Group Assets → Specify Asset Classes for Group Assets

It is basically possible to use all asset classes for creating group assets. However, under certain circumstances, you need to set aside particular asset classes for use in conjunction with group assets. These asset classes are then reserved solely for group assets, and are not allowed to be used for normal assets.

SAP TRAINING FI ASSET CONFIGURATION

We will not configure this step.



D) Depreciation

31. Determine Depreciation Areas for Special depreciation

IMG → Financial Accounting → Asset Accounting → Depreciation → Special Depreciation → Determine Depreciation Areas

Here you define settings for special depreciation area, how values are managed.

Double Click 03 Differential Y1 - Y2

And select

☒ All values allowed

Click on Save 

32. Calculate Ordinary Depreciation before Special Depreciation

IMG → Financial Accounting → Asset Accounting → Depreciation → Special Depreciation → Calculate Ordinary Depreciation before Special Depreciation

SAP TRAINING FI ASSET CONFIGURATION

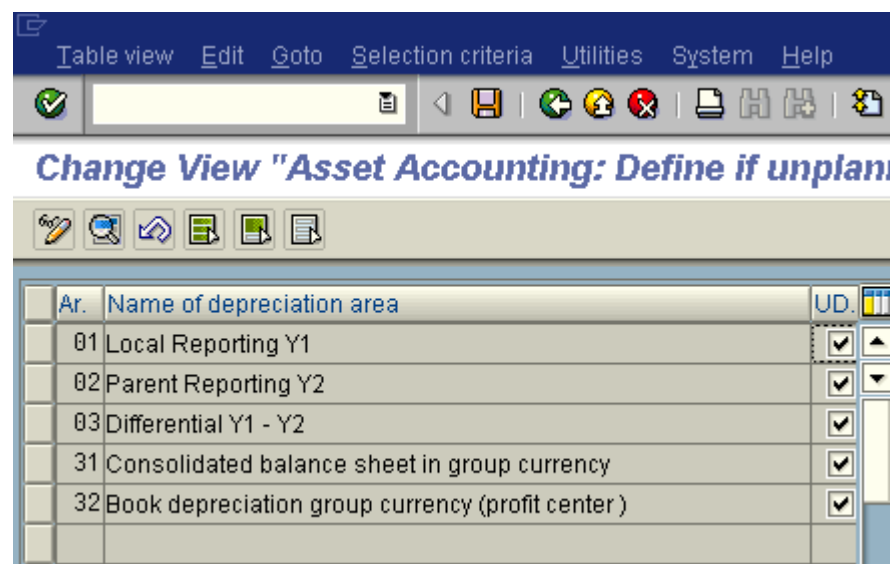
The order of depreciation calculation can be changed. In the standard system, ordinary depreciation is calculated before special depreciation.

We will not make any changes here.

33. Determine Depreciation Areas for Unplanned Depreciation

IMG → Financial Accounting → Asset Accounting → Depreciation → Unplanned Depreciation → Determine Depreciation Areas

In this step, you define the depreciation areas in which you want to manage unplanned depreciation. This specification means that this value type is allowed in these depreciation areas (that is, the system does not issue an error message when you enter the corresponding depreciation terms in the asset master record).



The unplanned depreciation indicator is already set for all the depreciation areas.

E) Configuring the depreciation key

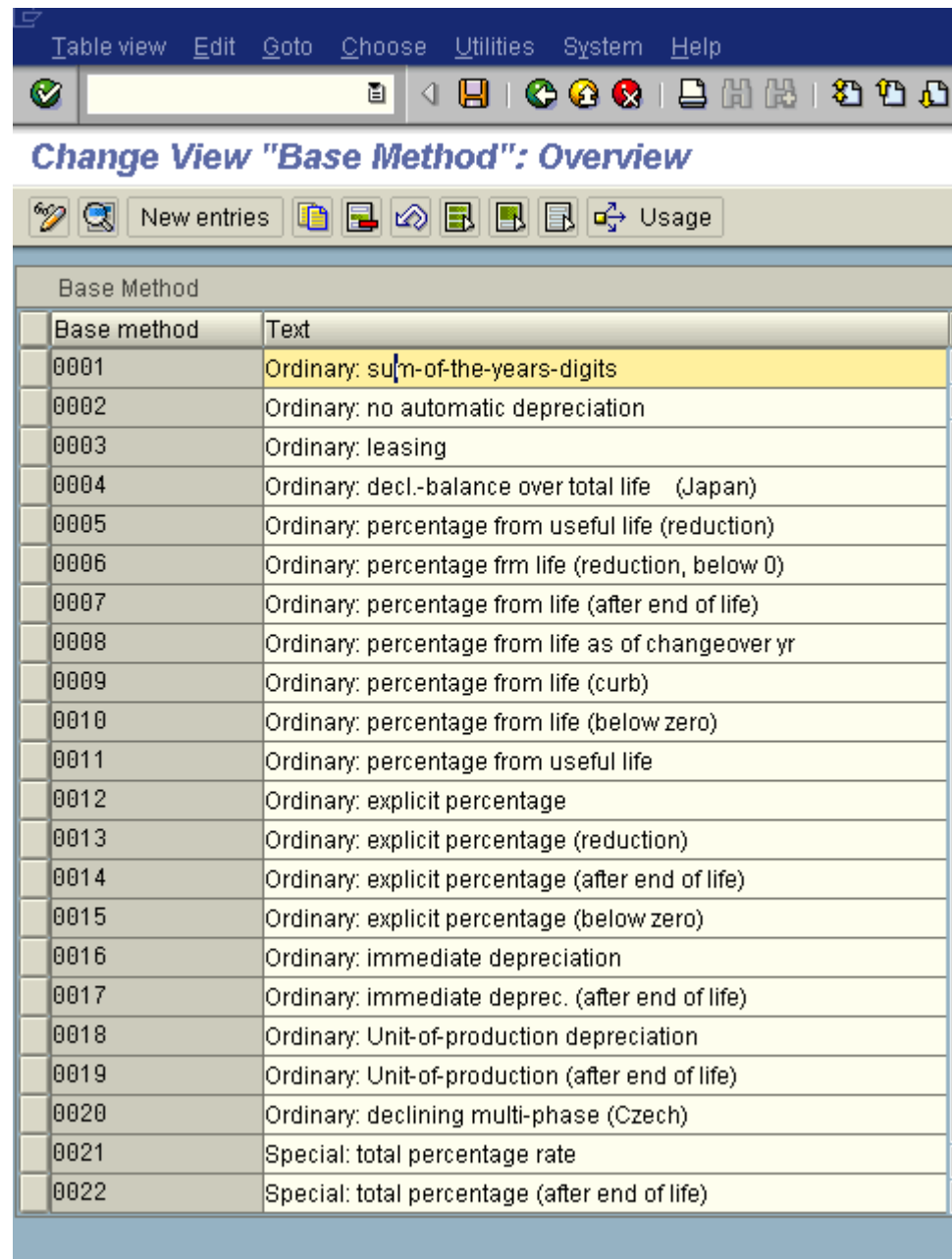
34. Define Base Methods

SAP TRAINING FI ASSET CONFIGURATION

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Depreciation Key → Calculation Methods → Define Base Methods

You assign base methods to depreciation keys. Normally the base methods supplied by SAP are sufficient.

Let us check one of the base methods



Base Method	
Base method	Text
0001	Ordinary: sum-of-the-years-digits
0002	Ordinary: no automatic depreciation
0003	Ordinary: leasing
0004	Ordinary: decl.-balance over total life (Japan)
0005	Ordinary: percentage from useful life (reduction)
0006	Ordinary: percentage from life (reduction, below 0)
0007	Ordinary: percentage from life (after end of life)
0008	Ordinary: percentage from life as of changeover yr
0009	Ordinary: percentage from life (curb)
0010	Ordinary: percentage from life (below zero)
0011	Ordinary: percentage from useful life
0012	Ordinary: explicit percentage
0013	Ordinary: explicit percentage (reduction)
0014	Ordinary: explicit percentage (after end of life)
0015	Ordinary: explicit percentage (below zero)
0016	Ordinary: immediate depreciation
0017	Ordinary: immediate deprec. (after end of life)
0018	Ordinary: Unit-of-production depreciation
0019	Ordinary: Unit-of-production (after end of life)
0020	Ordinary: declining multi-phase (Czech)
0021	Special: total percentage rate
0022	Special: total percentage (after end of life)

Double click

0012	Ordinary: explicit percentage
------	-------------------------------

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Choose Utilities System Help

Change View "Base Method": Details

New entries

Base method 0012 Ordinary: explicit percentage

Type of depreciation Ord.depreciation

Dep. method Stated percentage

Reduce use.life at FY end ☐

Treatment of end of depreciation

Dep. after plnd.life end	No
Dep.below NBValue zero	No
Curb	No

35. Define Declining-Balance Methods (Optional)

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Depreciation Key → Calculation Methods → Define Declining-Balance Methods

Let us check the declining balance methods SAP has provided.

Table view Edit Goto Choose Utilities System Help

Change View "Declining-Balance Method": Overview

New entries Usage Copy method

Chart of dep. Z070 Chart of Depreciation: SABTANK

Decl.-bal.	Description of the method	Dec.factor	Max.perc.	Min.Perc.
001	0.00x / 0.0000% / 0.0000%			
002	2.00x / 20.0000% / 0.0000%	2.00	20.0000	
003	2.50x / 25.0000% / 0.0000%	2.50	25.0000	
004	3.00x / 30.0000% / 0.0000%	3.00	30.0000	

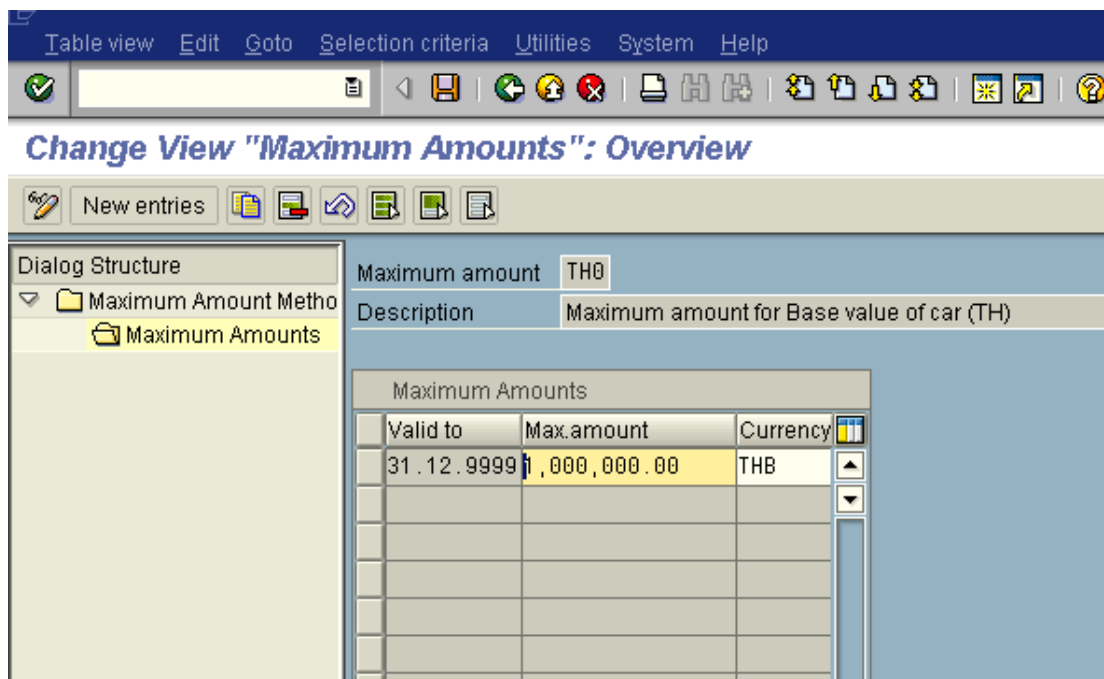
36. Define Maximum Amount Methods (Optional)

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Depreciation Key → Calculation Methods → Define Maximum Amount Methods

In this step, you define maximum amount methods. You then assign them to depreciation keys.

The calculation method contains a maximum depreciation amount that is not allowed to be exceeded before a certain calendar date. If the depreciation calculated by the system exceeds this maximum amount, then the system reduces depreciation to this maximum amount.

You can specify how the maximum amount applies within the time period specified for it. It can either apply to each individual year in the specified time period, or to accumulated depreciation.



Change View "Maximum Amounts": Overview

Maximum amount: THB

Description: Maximum amount for Base value of car (TH)

Valid to	Max.amount	Currency
31.12.9999	1,000,000.00	THB

37. Define Multi-Level Methods (Important)

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Depreciation Key → Calculation Methods → Define Multi-Level Methods

You define multi-level methods. You then assign them to depreciation keys. Each level represents a validity period for a given percentage rate.

Here you define whether the depreciation key is straight-line method or declining balance method. You select the relevant base value.

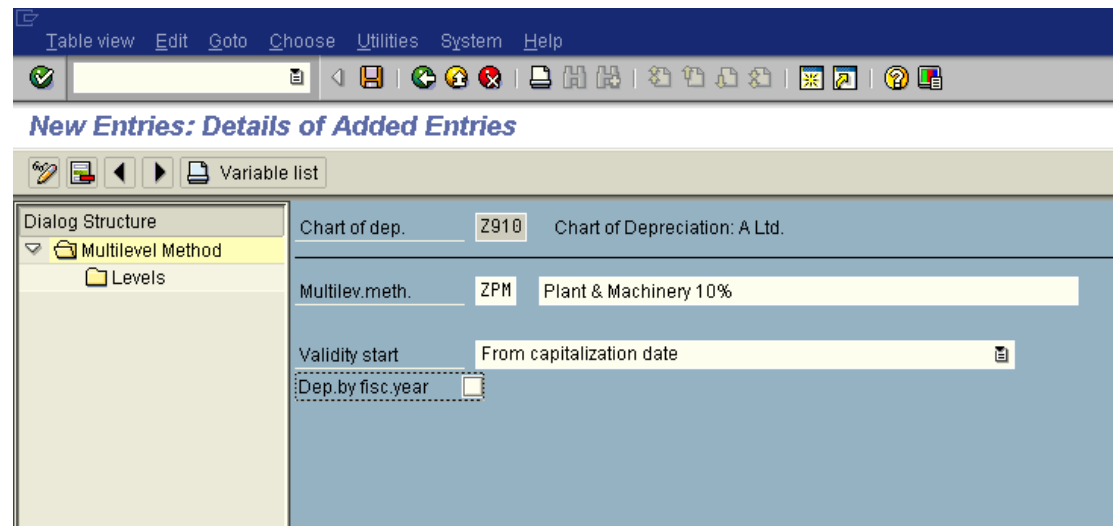
SAP TRAINING FI ASSET CONFIGURATION

Here you also specify the percentage rate of depreciation.

We will configure 2-multi level methods one for **Straight-line method** and another for **Declining balance method** or **Reducing balance method**.

Click on 

And update the following: -



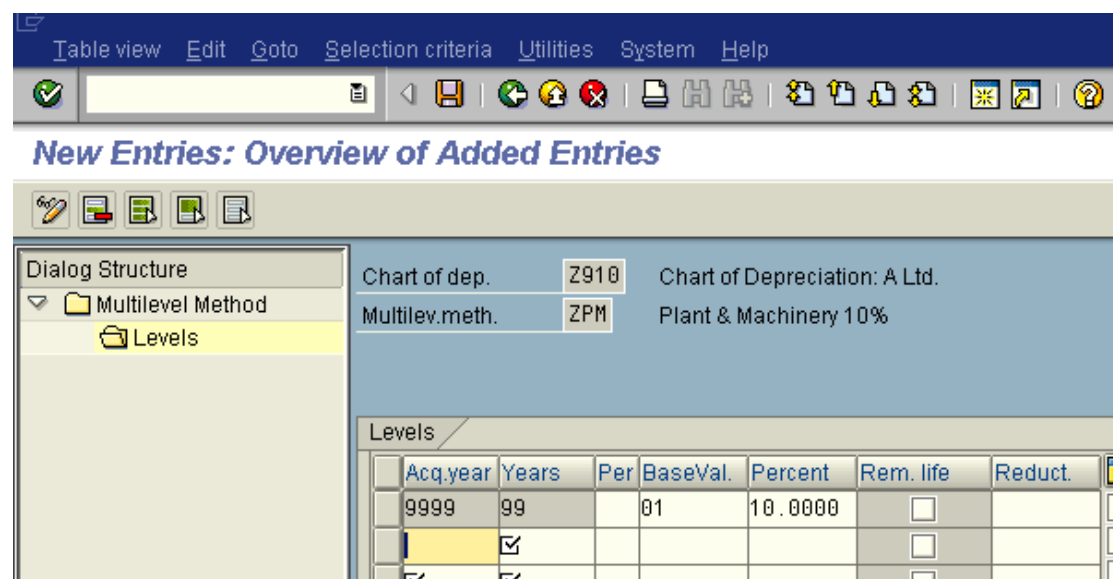
The screenshot shows the 'New Entries: Details of Added Entries' dialog box in SAP. The 'Dialog Structure' pane on the left shows 'Multilevel Method' expanded, with 'Levels' selected. The main area contains the following fields:

- Chart of dep.: Z910 Chart of Depreciation: A Ltd.
- Multilev.meth.: ZPM Plant & Machinery 10%
- Validity start: From capitalization date
- Dep.by fisc.year: (empty)

Click on Save 

Double Click on 

Click on  and update the following: -



The screenshot shows the 'New Entries: Overview of Added Entries' dialog box in SAP. The 'Dialog Structure' pane on the left shows 'Multilevel Method' expanded, with 'Levels' selected. The main area contains the following fields:

- Chart of dep.: Z910 Chart of Depreciation: A Ltd.
- Multilev.meth.: ZPM Plant & Machinery 10%

Below these fields is a table titled 'Levels' with the following columns: Acq.year, Years, Per, BaseVal., Percent, Rem. life, and Reduct. The table contains three rows of data:

Acq.year	Years	Per	BaseVal.	Percent	Rem. life	Reduct.
9999	99		01	10.0000	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>				<input type="checkbox"/>	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input type="checkbox"/>	

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Acq. Year - Value we have entered is 9999 (valid for years)

Years - 99 (the number of years valid for)

Per - 0 (Validity period in months)

Base Value - 01 means Acquisition value

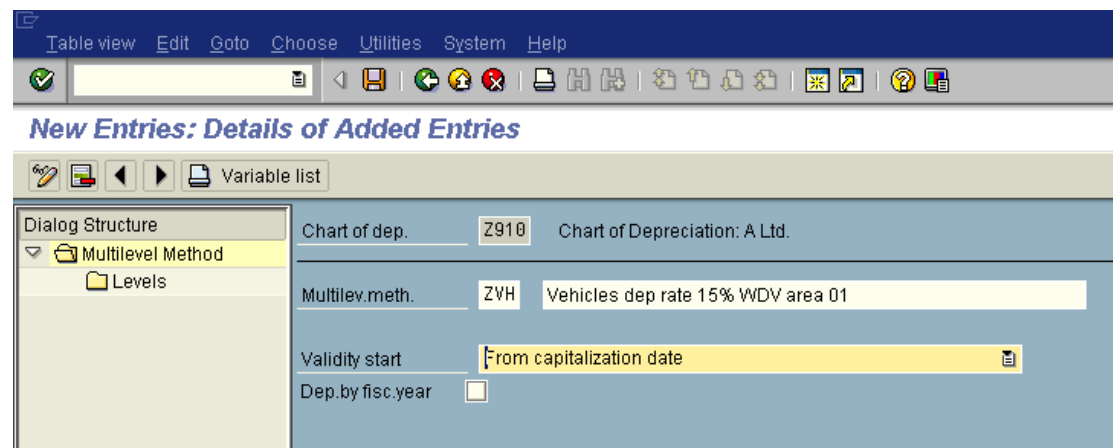
Percentage - 10 % (10% calculated on Base value i.e. Acquisition value)

Click on Save 

Let us configure another Multi-level method for Declining balance method

Click on 


And update the following: -

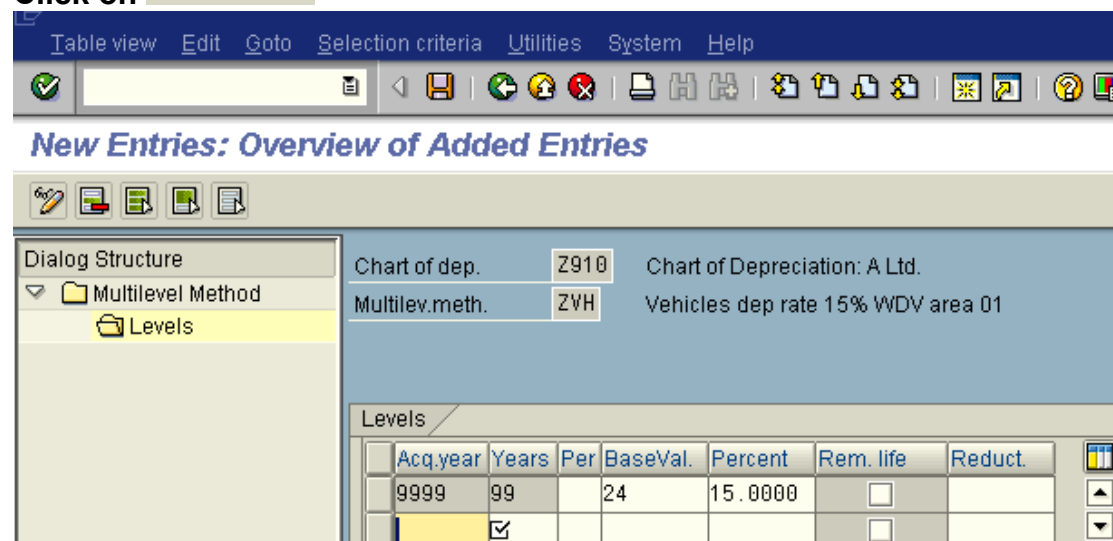


The screenshot shows the 'New Entries: Details of Added Entries' dialog box in SAP. The 'Dialog Structure' pane on the left shows 'Multilevel Method' expanded, with 'Levels' selected. The main area contains the following fields:

Chart of dep.	Z910	Chart of Depreciation: A Ltd.
Multilev.meth.	ZVH	Vehicles dep rate 15% WDV area 01
Validity start	From capitalization date	
Dep.by fisc.year	<input type="checkbox"/>	

Double Click on 

Click on 



The screenshot shows the 'New Entries: Overview of Added Entries' dialog box in SAP. The 'Dialog Structure' pane on the left shows 'Multilevel Method' expanded, with 'Levels' selected. The main area contains the following fields:

Chart of dep.	Z910	Chart of Depreciation: A Ltd.
Multilev.meth.	ZVH	Vehicles dep rate 15% WDV area 01

Below these fields is a table titled 'Levels' with the following data:

Acq.year	Years	Per	BaseVal.	Percent	Rem. life	Reduct.
9999	99		24	15.0000	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>				<input type="checkbox"/>	

Base value: 24 (Net Book value)

SAP TRAINING FI ASSET CONFIGURATION

Click on Save 

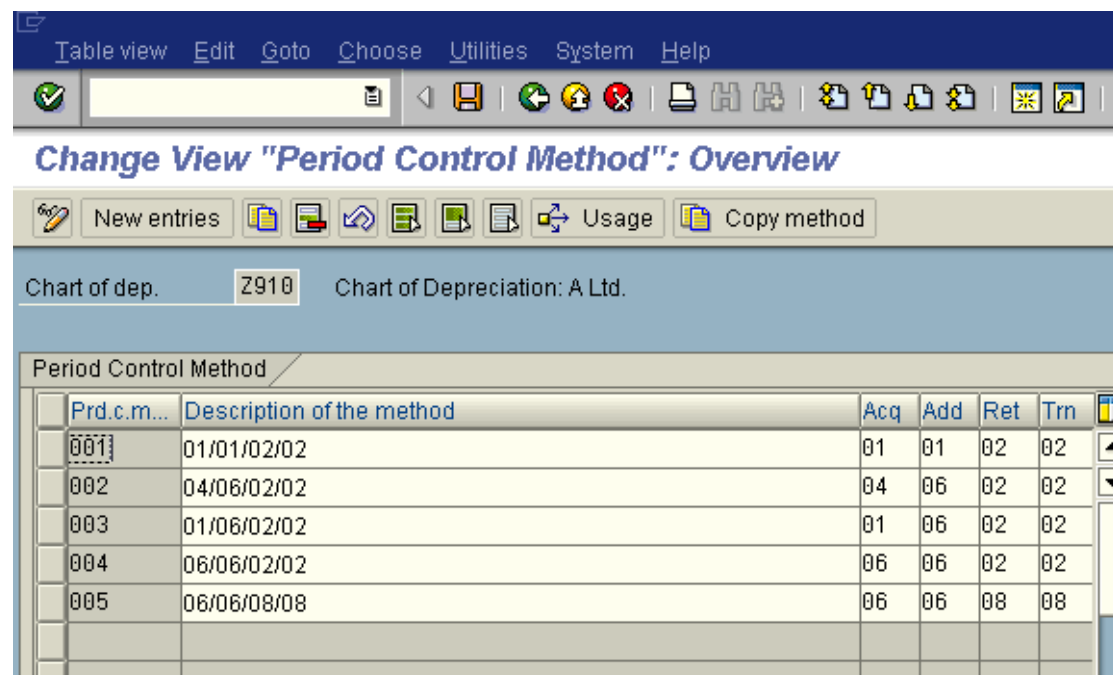
38. Maintain Period Control Methods

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Depreciation Key → Calculation Methods → Maintain Period Control Methods

In this step, you maintain period control methods. You then assign them to depreciation keys.

You can specify the depreciation start date for acquisition, acquisition in the following years, retirements, transfer.

Let us check the standard period control methods



Prd.c.m...	Description of the method	Acq	Add	Ret	Trn
001	01/01/02/02	01	01	02	02
002	04/06/02/02	04	06	02	02
003	01/06/02/02	01	06	02	02
004	06/06/02/02	06	06	02	02
005	06/06/08/08	06	06	08	08

01 - Prorata at period start date

02 - Pro rata upto mid-period at period start date

39. Maintain Depreciation Key

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Depreciation Key → Maintain Depreciation Key

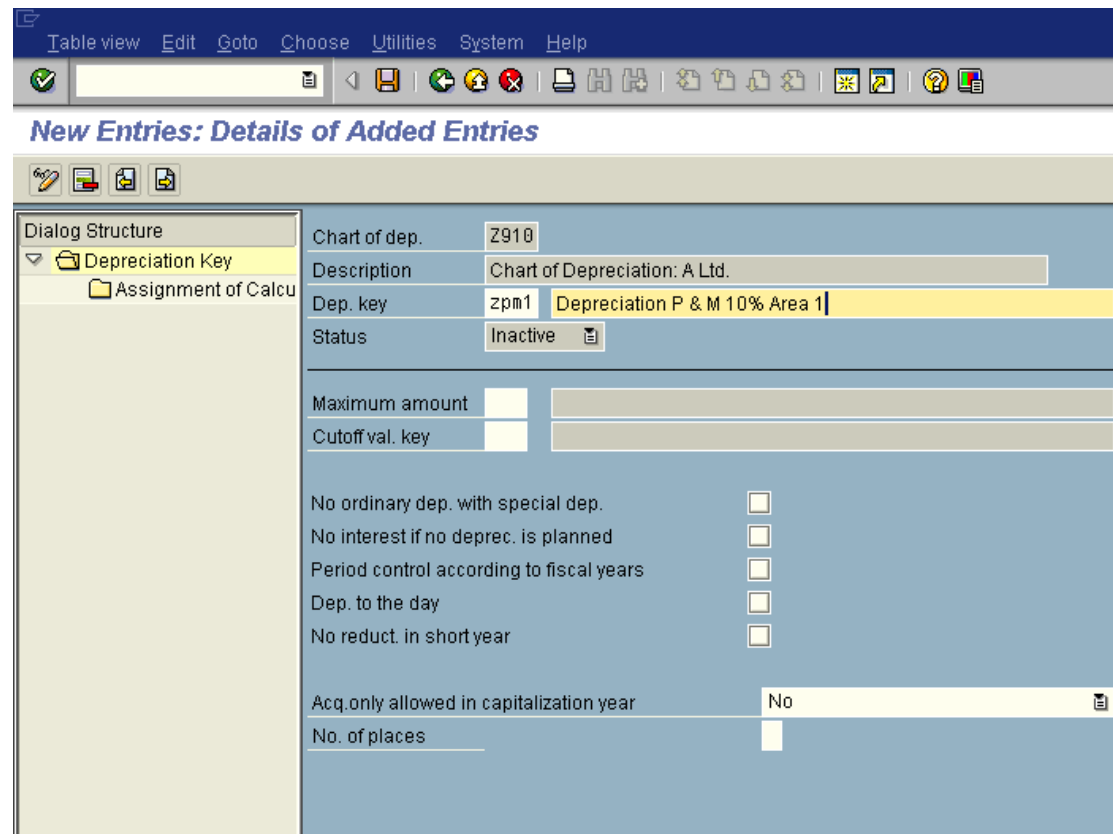
In this step, you maintain depreciation keys by assigning calculation methods to them. You can divide the duration of depreciation into several phases. When you enter a changeover method for one of these phases, the system changes over to the next phase as soon as the event specified in the

SAP TRAINING FI ASSET CONFIGURATION

changeover method has occurred. The system then uses the depreciation calculation that is specified in the calculation method for this phase.

1. Maintain additional depreciation keys and their descriptions in accordance with your requirements.
2. Assign calculation methods to the depreciation keys. Maintain any other necessary parameters.

Click on  and update the following: -



The screenshot shows the SAP 'New Entries: Details of Added Entries' dialog box. The 'Dialog Structure' pane on the left shows a tree view with 'Depreciation Key' and 'Assignment of Calculation Method' under it. The main area displays the details for a depreciation key:

Chart of dep.	Z910
Description	Chart of Depreciation: A Ltd.
Dep. key	zpm1 Depreciation P & M 10% Area 1
Status	Inactive
Maximum amount	
Cutoff val. key	
No ordinary dep. with special dep.	<input type="checkbox"/>
No interest if no deprec. is planned	<input type="checkbox"/>
Period control according to fiscal years	<input type="checkbox"/>
Dep. to the day	<input type="checkbox"/>
No reduct. in short year	<input type="checkbox"/>
Acq. only allowed in capitalization year	No
No. of places	

Double Click on  Assignment of Calculation Method

Click on  and update the following: -

SAP TRAINING FI ASSET CONFIGURATION

Base Method: 0014 (Ordinary explicit percentage after end of life)
Prd. Control: 001 (01/01/02/02) depreciation on capitalization from the start of the month and when retired no depreciation in the month retired.
Multilevel method: ZPM (already configured with 10%)

Click on Save 

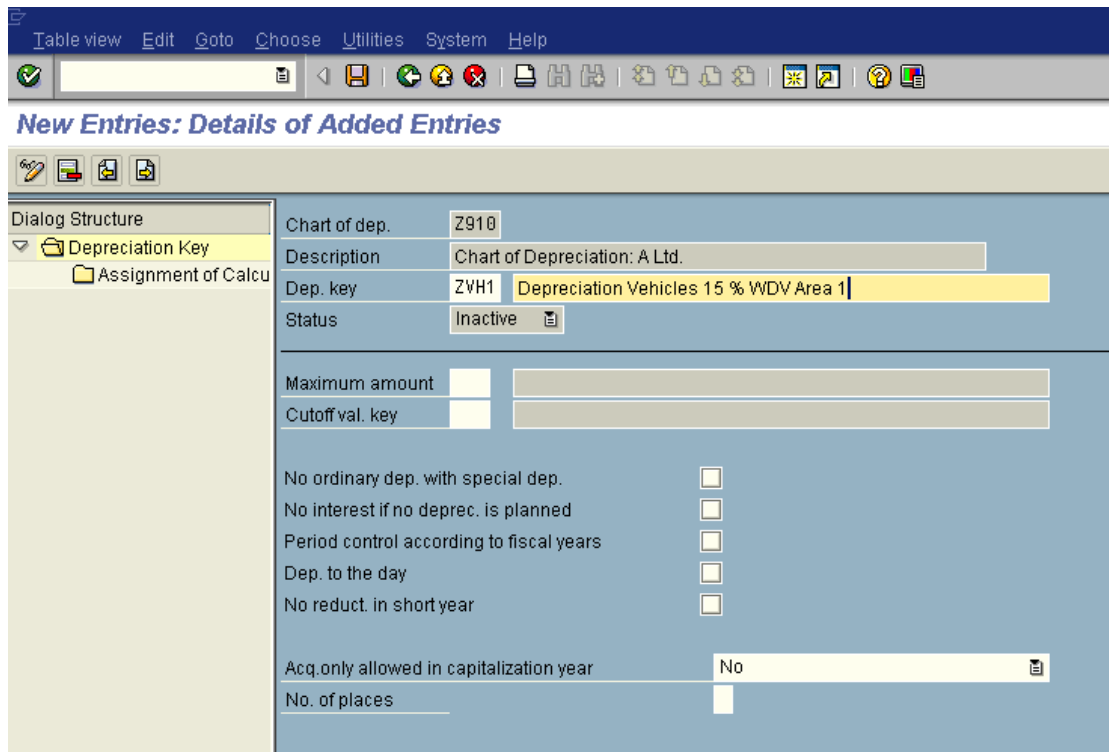
Click on  Activate to activate the depreciation key.

Click on Save  again

Let us configure another depreciation key with Reducing balance method

Click on  New entries and update the following: -

SAP TRAINING FI ASSET CONFIGURATION



The screenshot shows the SAP FI Asset Configuration interface. The title bar includes 'Table view', 'Edit', 'Goto', 'Choose', 'Utilities', 'System', and 'Help'. The main window is titled 'New Entries: Details of Added Entries'. On the left, the 'Dialog Structure' pane shows a tree with 'Depreciation Key' and 'Assignment of Calculations'. The main area displays the details for a depreciation key 'ZVH1'. The 'Chart of dep.' is 'Z910' and the 'Description' is 'Chart of Depreciation: A Ltd.'. The 'Dep. key' is 'ZVH1' and the 'Status' is 'Inactive'. The 'Maximum amount' and 'Cutoff val. key' are both empty. The 'No ordinary dep. with special dep.' checkbox is checked. The 'No interest if no deprec. is planned' checkbox is checked. The 'Period control according to fiscal years' checkbox is checked. The 'Dep. to the day' checkbox is checked. The 'No reduct. in short year' checkbox is checked. The 'Acq. only allowed in capitalization year' dropdown is set to 'No'. The 'No. of places' is 1.

Chart of dep.	Z910
Description	Chart of Depreciation: A Ltd.
Dep. key	ZVH1 Depreciation Vehicles 15 % WDV Area 1
Status	Inactive
Maximum amount	
Cutoff val. key	
No ordinary dep. with special dep.	<input checked="" type="checkbox"/>
No interest if no deprec. is planned	<input checked="" type="checkbox"/>
Period control according to fiscal years	<input checked="" type="checkbox"/>
Dep. to the day	<input checked="" type="checkbox"/>
No reduct. in short year	<input checked="" type="checkbox"/>
Acq. only allowed in capitalization year	No
No. of places	1

Double Click on  Assignment of Calculations

Click on  and update the following: -

SAP TRAINING FI ASSET CONFIGURATION

The screenshot shows the SAP 'New Entries: Details of Added Entries' dialog. The 'Dialog Structure' on the left includes 'Depreciation Key' and 'Assignment of Calculation Methods'. The main area displays the following fields:

Chart of dep.	Z910	Chart of Depreciation: A Ltd.
Dep. key	ZVH1	Depreciation Vehicles 15 % WDV Area 1
DepType	Ord.depreciation	
Phase	From the start of depreciation	
Assignment of Calculation Methods		
Base method	0014	
Decl.-bal. method		
Prd cont	001	
Multilev.meth.	ZVH	
Class	Declining-balance depreciat...	
Chnge. method	No automatic changeover	
Changeover%rate		
Multiple shift	Increase in deprec., no increase in exp. useful life	
Scrap value	Cutoff value is ignored	
Shutdown	Yes	

Click on Save 

Click on  Activate to activate the depreciation key.

Click on Save  again

40. Define the Cutoff Value Key (Optional)

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Further Settings → Define the Cutoff Value Key

For certain countries it is a legal requirement, that you end depreciation when a certain value is reached. You can enter an absolute scrap value in the asset master record. Or you can enter a percentage scrap value (cut-off value) in the calculation key.

In this step, you define the calculation key for automatically determining scrap values. For each calculation key, you can specify

- The percentage of the depreciation base that should be used as the cut-off value percentage

SAP TRAINING FI ASSET CONFIGURATION

- Whether the cut-off value percentage should be deducted at the start or the end of the calculation of depreciation
- At what point in time the system should start calculating the validity period

You can enter several cut-off percentages for each scrap value key. You can define the cut-off percentages/levels per acquisition year, and the validity period can be of any length.

Let us check one of the Cutoff val. keys

The screenshot shows the 'Change View "Cutoff Value Keys": Details' dialog in SAP. The 'Dialog Structure' on the left shows 'Cutoff Value Keys' expanded with 'Levels' selected. The main area shows 'Cutoff val. key' CL1 with the description 'Cutoff value for Chile 10%'. A checkbox 'Scrap value deduction from base value' is checked. Below, the 'Start date of calculation of percentages' section has four radio buttons: 'FROM asset capitalization date' (selected), 'FROM ord.dep.start date for the asset', 'FROM spec.dep. start date for the asset', and 'FROM org.acq.date for asset under constr'.

Double Click on 

The screenshot shows the 'Change View "Levels": Overview' dialog. The 'Dialog Structure' on the left shows 'Levels' selected. The main area shows a table with columns: 'Valid to', 'To year of ...', 'Validity in yrs', 'Months valid', and 'CutoffPerc'. The first row contains the values 9999, 9999, 999, 12, and 10.0000.

Valid to	To year of ...	Validity in yrs	Months valid	CutoffPerc
9999	9999	999	12	10.0000

We will not configure this.

41. Define Maximum Base Value (Optional)

IMG → Financial Accounting → Asset Accounting → Depreciation → Valuation Methods → Further Settings → Define Maximum Base Value

In this step, you define limited acquisition values as base values for the calculation of depreciation. This limited acquisition value can be stored as a key (05) in the multi-level method of the depreciation key, in the same way as all the other base values.

"Limited acquisition value" means that the system uses a specified maximum amount as the base value for depreciation. If the acquisition value of the asset is under this maximum amount, the system uses the actual acquisition value as the basis for depreciation. However, if the acquisition value of the asset exceeds this maximum amount, depreciation is based on this maximum amount. You can specify the maximum base amount for each depreciation area and asset class in each company code.

We will not configure this.

F) Special Valuation

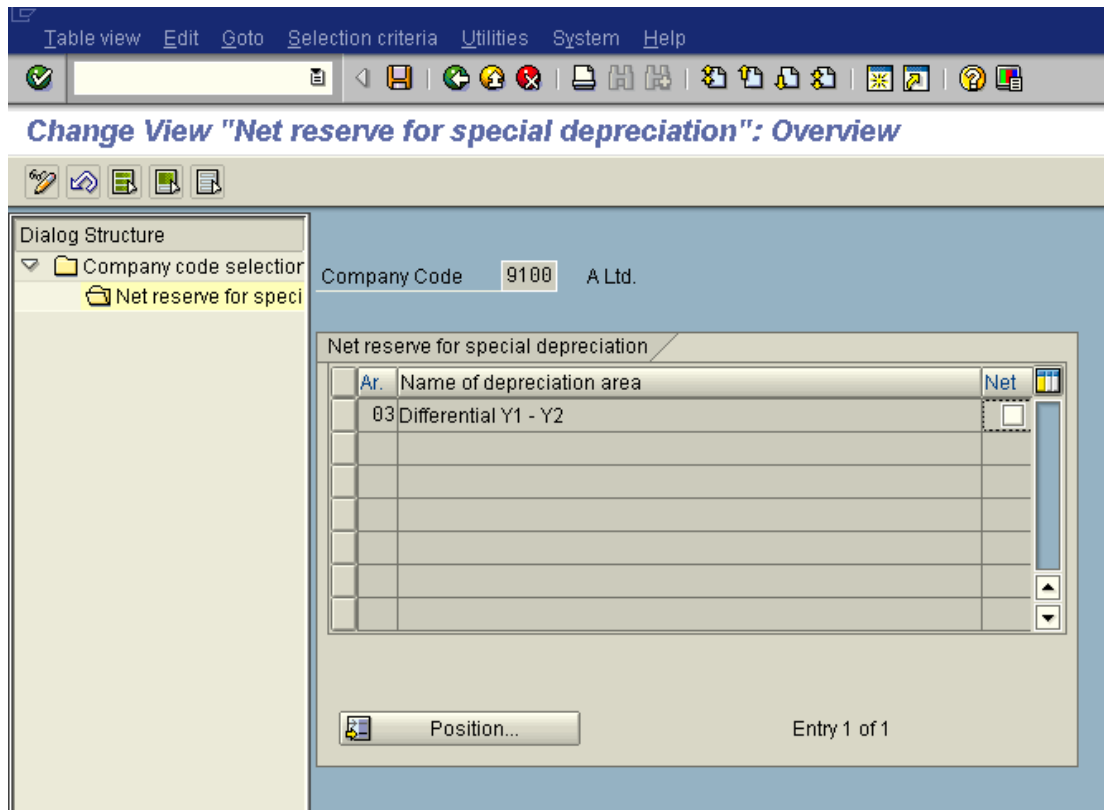
42. Specify Gross or Net Procedure

IMG → Financial Accounting → Asset Accounting → Special Valuation → Reserves for Special Depreciation → Specify Gross or Net Procedure

In this step, you determine whether the system should balance the amounts from the allocation and writing off of special reserves on the same asset in the same posting run against each other.

Keep the area 03 as Gross do not change It to net.

SAP TRAINING FI ASSET CONFIGURATION

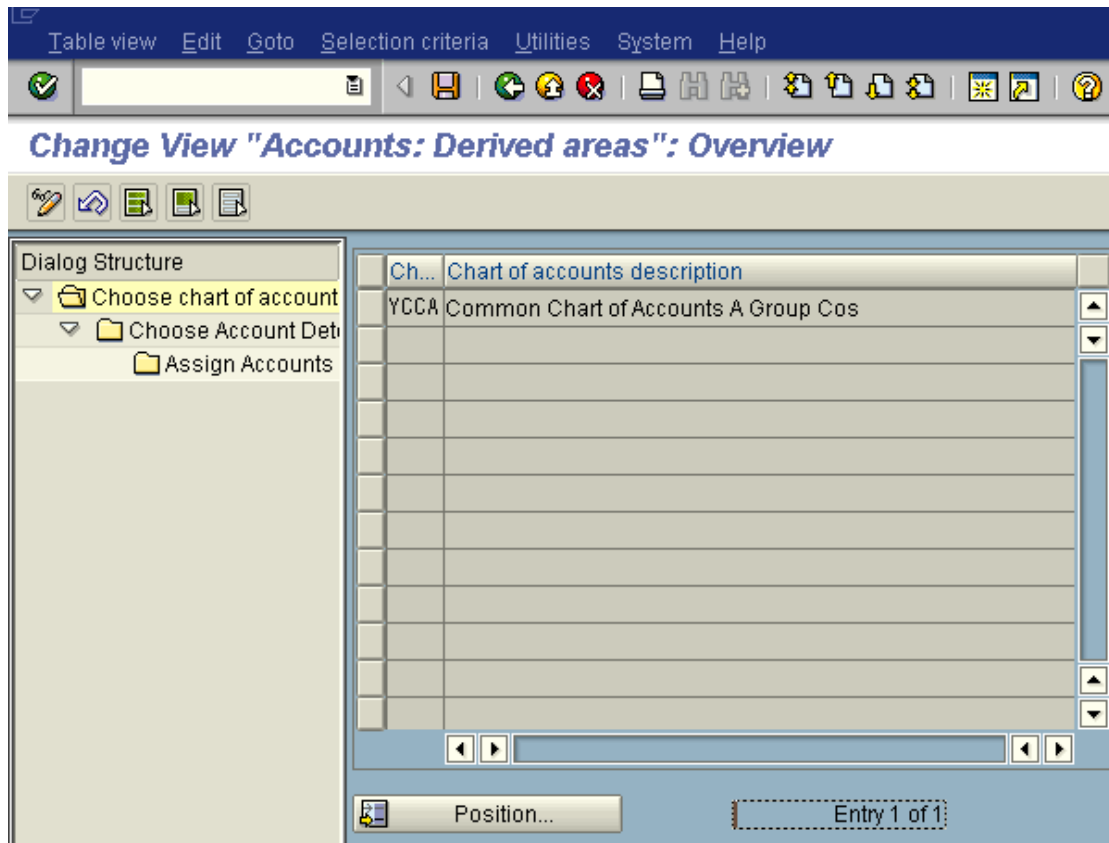


43. Assign Accounts

IMG → Financial Accounting → Asset Accounting → Special Valuation → Reserves for Special Depreciation → Assign Accounts

Here you assign GL codes for the derived depreciation area 03 (Y1-Y2)

SAP TRAINING FI ASSET CONFIGURATION



Select  YCCA: Common Chart of Accounts A Group Cos

Double Click Choose Account Det

910001	Building
910002	Plant & Machinery

Double Click  Assign Accounts

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The screenshot shows the SAP FI Asset Configuration interface. The title bar indicates 'Change View "Accounts: Derived areas": Details'. The left sidebar shows a 'Dialog Structure' with options: 'Choose chart of account', 'Choose Account Det', and 'Assign Accounts'. The main area displays configuration details for 'Chart of accts' (YCCA), 'Account determ.' (910001), and 'Area' (03). Below this, a table titled 'Derived areas account assignment' lists various account types and their corresponding values and descriptions.

Derived areas account assignment		
Special reserves balance	20291	Dep.-Build. Y1-Y2
Expense: Allocation to spec.reserves	460002	Depreciation y1-y2
Revenue: amortiz. special reserves		
Write-off spec.reserves after retiremnt	460002	Depreciation y1-y2
Write-up on special reserves		
Gain from asset sale	470707	P/L Sale FA Y1-Y2
Loss from asset sale	470707	P/L Sale FA Y1-Y2
Clear.revenue Sale to affil.company		
Write-back special reserves with g.par.		

Click on Save 

Likewise assign accounts to other asset classes.

G) Master data

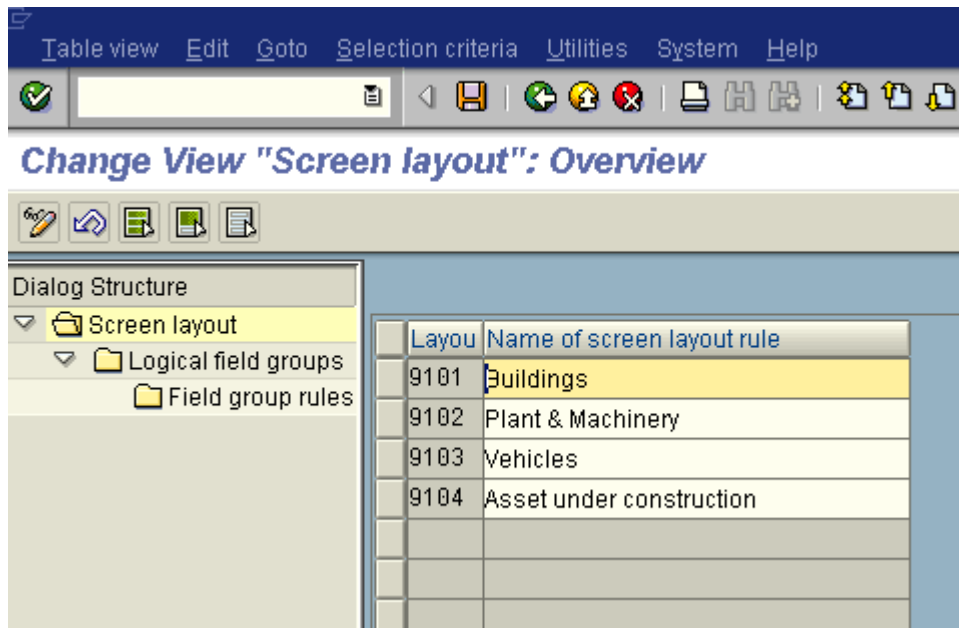
44. Define Screen Layout for Asset Master Data

IMG → Financial Accounting → Asset Accounting → Master Data → Screen Layout → Define Screen Layout for Asset Master Data

You define the screen layout control for asset master data. The screen layout control contains the specifications for the field groups in the asset master record. You enter the screen layout control in the asset class. This method allows you to structure the master record individually for each asset class.

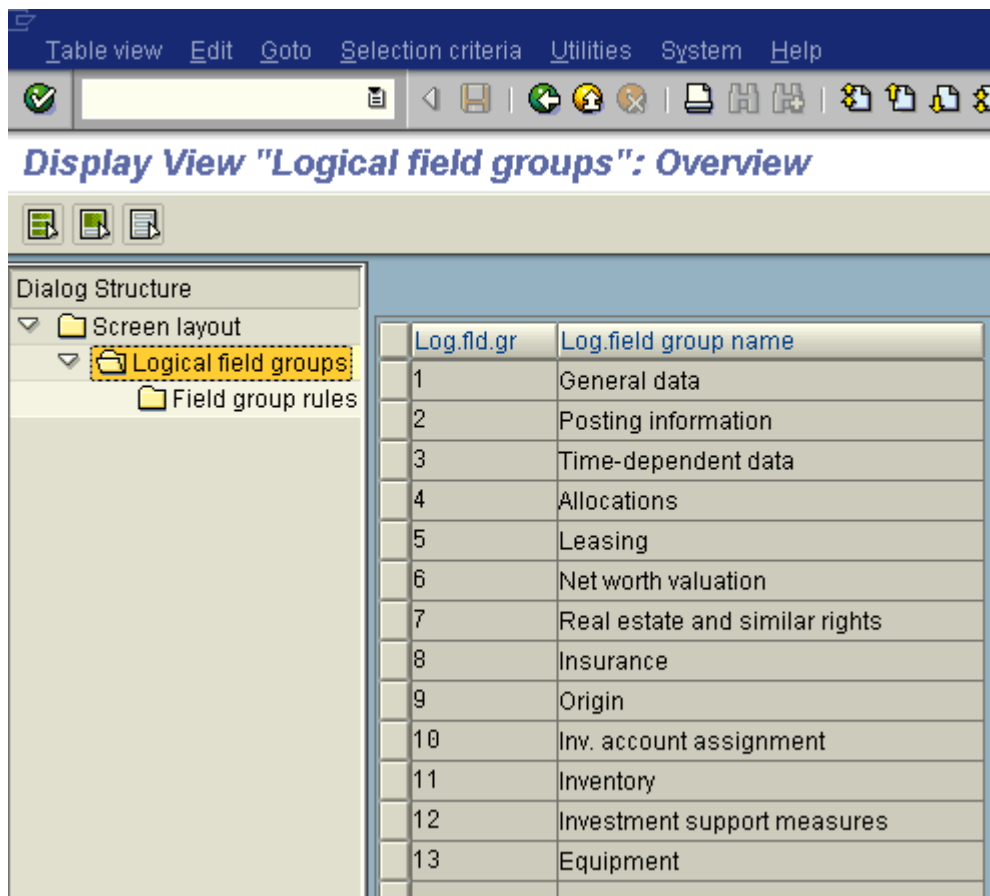
Double Click on Define Screen Layout for Asset Master Data

SAP TRAINING FI ASSET CONFIGURATION



Select **9101 Buildings**

Double Click **Logical field groups** the following screen will appear



SAP TRAINING FI ASSET CONFIGURATION

Select  General data and Double Click  Field group rules

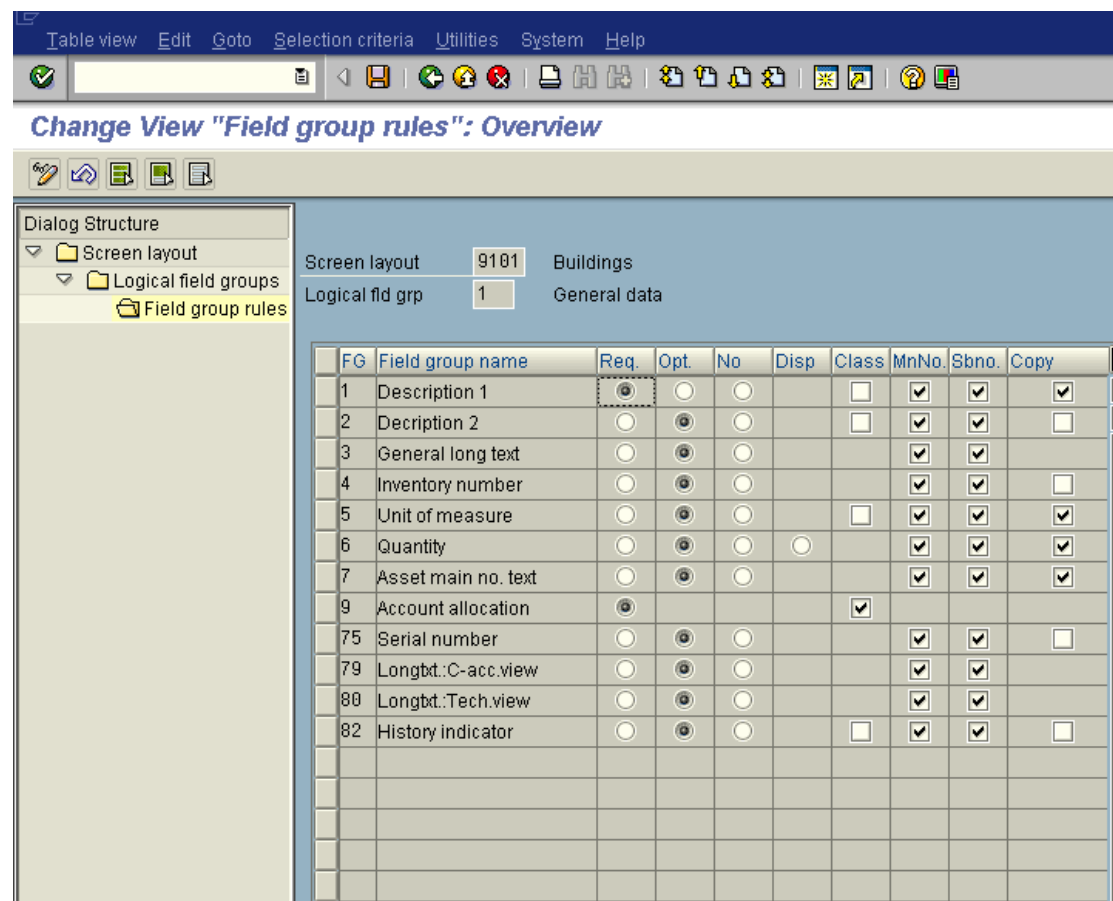
Here you can maintain which is required, optional or No (Suppressed entry) or any display.

Class – If this indicator is set, it means maintenance allowable only at asset class level

MnNo – Transfer entry from Main asset number to Sub number

Sbno – entry allowed in sub asset number

Copy – Copy field group from reference asset



FG	Field group name	Req.	Opt.	No	Disp	Class	MnNo	Sbno	Copy
1	Description 1	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Description 2	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3	General long text	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
4	Inventory number	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5	Unit of measure	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
6	Quantity	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7	Asset main no. text	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
9	Account allocation	<input checked="" type="radio"/>				<input checked="" type="checkbox"/>			
75	Serial number	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
79	Longbt.:C-acc.view	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
80	Longbt.:Tech.view	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
82	History indicator	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

45. Define Screen Layout for Asset Depreciation Areas

IMG → Financial Accounting → Asset Accounting → Master Data → Screen Layout → Define Screen Layout for Asset Depreciation Areas

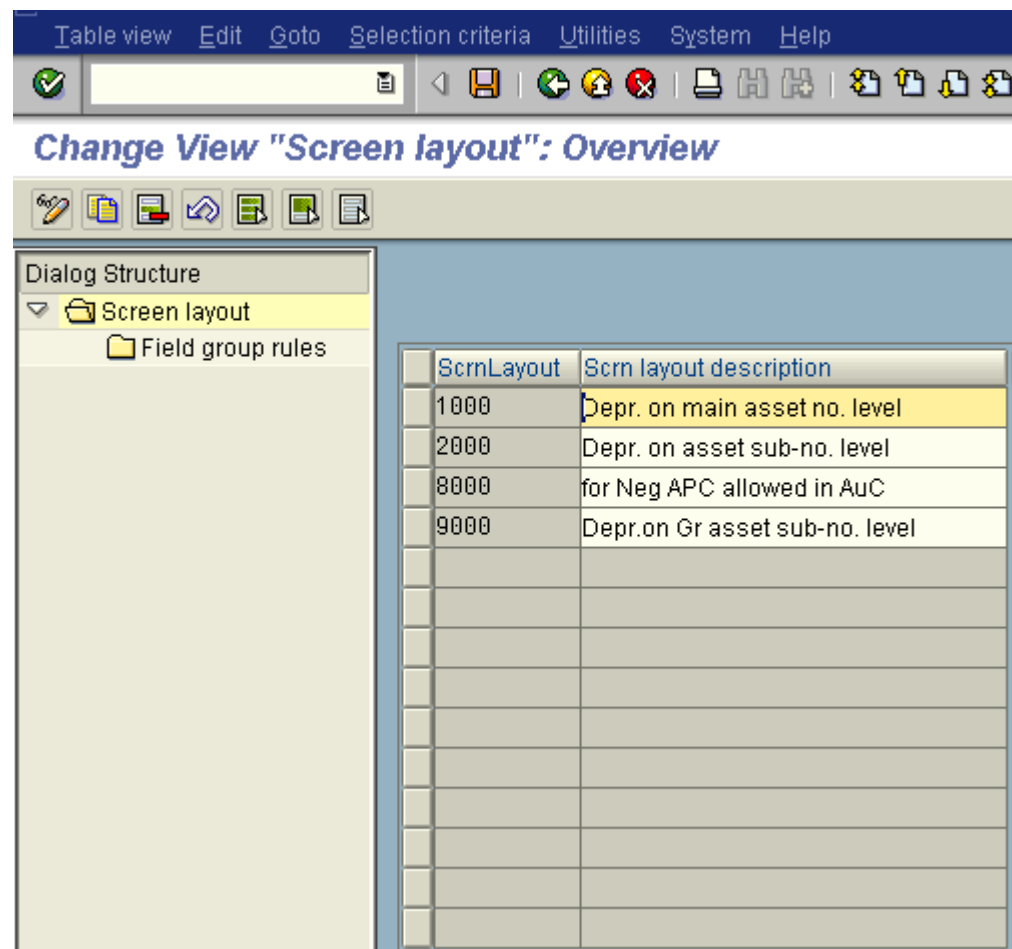
SAP TRAINING FI ASSET CONFIGURATION

You can use it in a similar way to control the features of the depreciation areas in the asset master record. It is possible to make different specifications in each depreciation area.

SAP delivers two standard versions:

Depreciation on main asset number

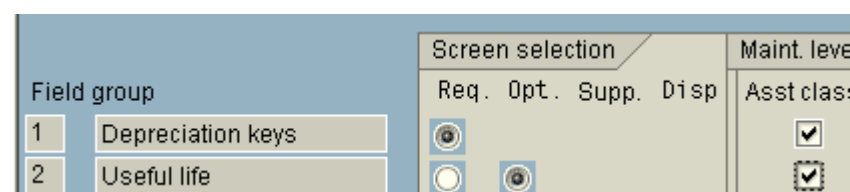
Depreciation on sub number



Select	1000	Depr. on main asset no. level
--------	------	-------------------------------

Double Click on Field group rules

Update the following Maint. level: -



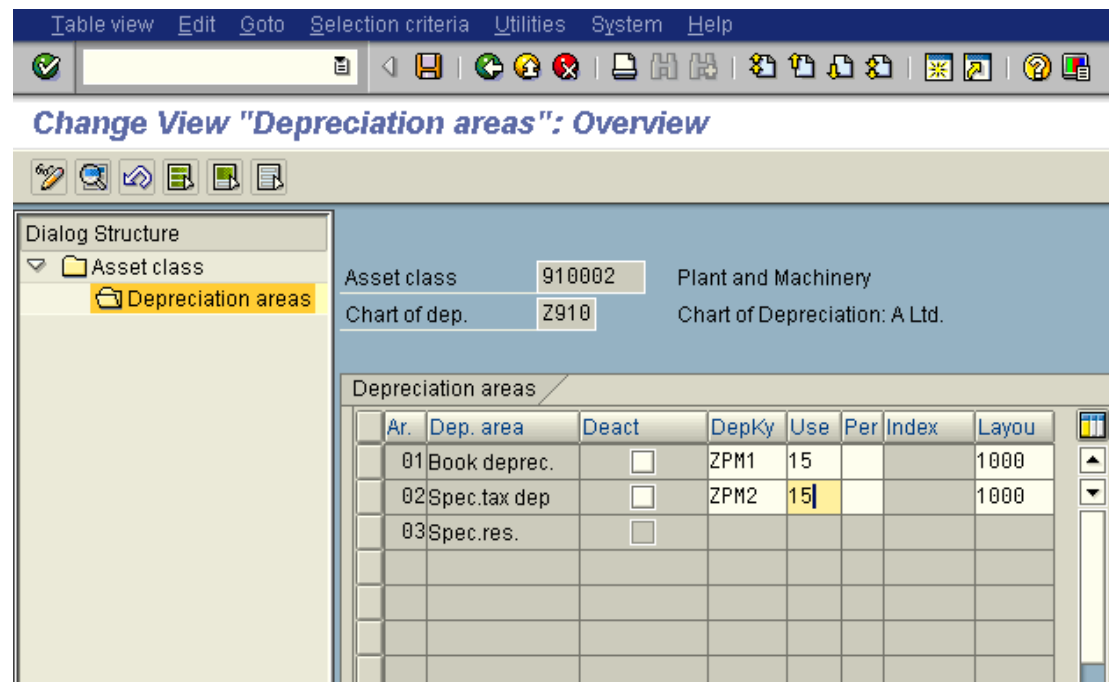
SAP TRAINING FI ASSET CONFIGURATION

Click on Save 


Thereafter update the following using the path:-

IMG → Financial Accounting → Asset Accounting → Valuation → Determine Depreciation Areas in the Asset Class

Update the asset classes with the default values such as depreciation keys, useful life



Ar.	Dep. area	Deact	DepKy	Use	Per	Index	Layou
01	Book deprec.	<input type="checkbox"/>	ZPM1	15			1000
02	Spec. tax dep	<input type="checkbox"/>	ZPM2	15			1000
03	Spec. res.	<input type="checkbox"/>					

Click on Save . Assign depreciation key ZPM2 to area 31 and area 32 also.

H) Information system

46. Define or Assign Forms

IMG → Asset Accounting → Information System → Define or Assign Forms

In this step, you define layout sets (forms) for the evaluation "Asset history" (asset chart) in the Asset Accounting Info system and for printing labels with asset information (barcodes) using the inventory list.

Layout sets determine the layout of the list printout of this report.

You can store a separate layout set in every asset class for the asset chart.

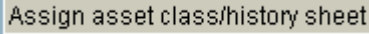
The report then uses this layout set for the fixed assets of this class and creates a corresponding asset chart. Note that the report evaluates only fixed

SAP TRAINING FI ASSET CONFIGURATION

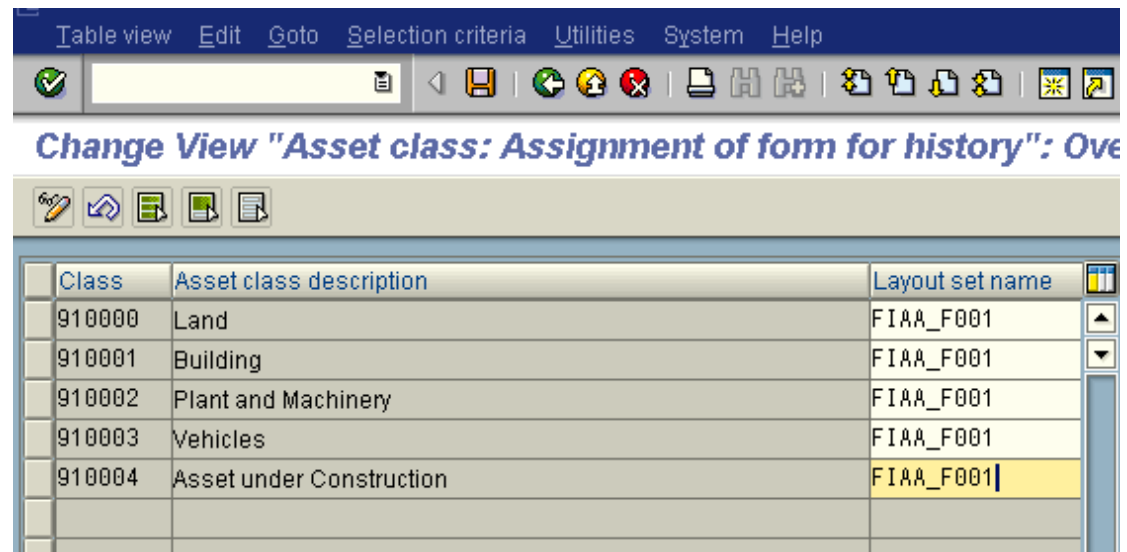
assets with an active history management (indicator in the asset master record).

You can enter the layout set for the inventory list when you start the report.

SAP supplies the layout set FIAA_F001 as a default for the asset chart and the layout set FIAA_0003 for the inventory labels.

Double Click 

Assign Form FIAA_F001 to all the new asset classes created.



Click on Save 

I) Asset data transfer

47. Specify Transfer Date/Last Closed Fiscal Year

IMG → Financial Accounting → Asset Accounting → Asset Data Transfer → Parameters for Data Transfer → Date Specifications → Specify Transfer Date/Last Closed Fiscal Year

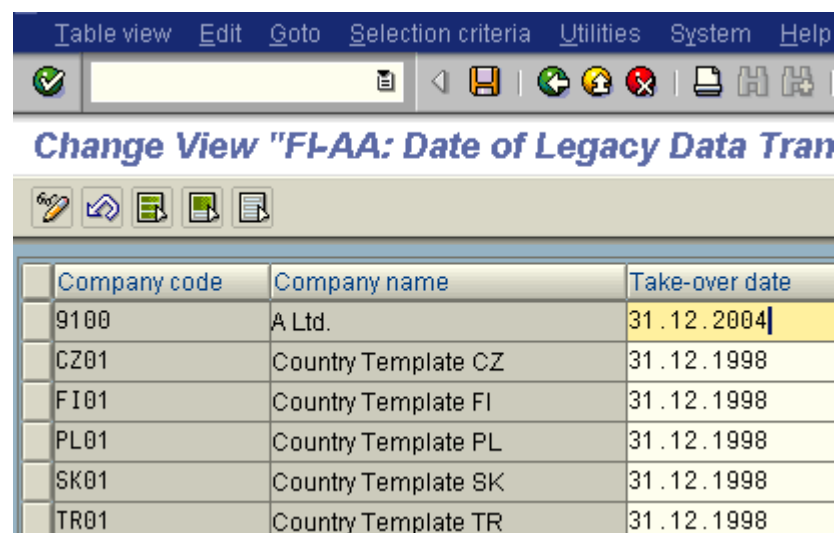
Here you specify the transfer date for the asset data transfer. This date determines the **status of posting** to be used for the transfer. Posting up to this date will be included in the transfer. This specification also determines whether you want to perform the transfer during the fiscal year (with transfer of posted transactions/depreciation in the current fiscal year) or at the end of the fiscal year (without transactions).

If the transfer date is not the last day of the fiscal year (according to the fiscal year variant in FI), the system interprets this as transfer during the fiscal year. The system cannot transfer any historical transactions. It can only transfer cumulative values from the end of the last fiscal year, and the transactions in the current fiscal year (the second is only possible for transfer during the fiscal year).

Example:

Transfer date – December 31, 2004
Last closed fiscal year 2004

Specify the take over date as 31.12. 2004. The company 9100 is going live with SAP on 01.01.2005.



Change View "FI-AA: Date of Legacy Data Tran		
Company code	Company name	Take-over date
9100	A Ltd.	31.12.2004
CZ01	Country Template CZ	31.12.1998
FI01	Country Template FI	31.12.1998
PL01	Country Template PL	31.12.1998
SK01	Country Template SK	31.12.1998
TR01	Country Template TR	31.12.1998

Click on Save 

48. Specify Last Period Posted in Prv.System (Transf.During FY)

IMG → Financial Accounting → Asset Accounting → Asset Data Transfer → Parameters for Data Transfer → Date Specifications → Specify Transfer Date/Last Closed Fiscal Year

This step is only necessary if you want to perform an old assets data takeover during the fiscal year. In this case, you must specify the period up to which depreciation was posted in the previous system. This period refers to the posted depreciation that is to be transferred during old assets data takeover.

E.g.

Company is going live on June 2005, 1 which is in the mid fiscal year. In this case we specify that depreciation was posted upto May 31, 2005 in the previous (legacy) system.

The screenshot shows the SAP IMG configuration screen for 'Specify Transfer Date/Last Closed Fiscal Year'. The title bar indicates 'Change View "Period in which depreciation was posted": Overview'. The main area displays a table for 'Period in which depreciation was posted' with columns 'Area', 'Name of depreciation area', 'FYear', and 'Per'. The table contains four rows of data:

Area	Name of depreciation area	FYear	Per
01	Local Reporting Y1		0
02	Parent Reporting Y2		0
31	Consolidated balance sheet in group currency		0
32	Book depreciation group currency (profit center)		0

The 'Company Code' is set to '9100' and 'A Ltd.'. The 'Dialog Structure' on the left shows the path: Specify company code → Period in which deprecn. The 'Position...' button is at the bottom left, and 'Entry 1 of 4' is at the bottom right.

49. Create/Change/Display Legacy Asset

IMG → Financial Accounting → Asset Accounting → Asset Data Transfer → Manual Online Transfer → Create/Change/Display Legacy Asset

Transaction code : AS91/AS92/AS93

Here you enter assets from the legacy system with the balances. The entry of these asset masters will not update the reconciliation accounts in the General ledger

SAP TRAINING FI ASSET CONFIGURATION

You need to update the Master data, depreciation areas and the take over values.

Journal entry for updating the General ledger code will be through a different transaction code

J) Preparing for Production Startup

50. Transfer Balances

IMG → Financial Accounting → Asset Accounting → Preparing for Production Startup → Production Startup → Transfer Balances

Transaction code : OASV

Here in this step you post balances to G/L accounts, which have already been defined as Asset reconciliation accounts. You can only post entries in company codes, which have implementation status.

The transfer of legacy asset data using the legacy asset transaction (AS91) does not affect the balances of the corresponding reconciliation accounts in Financial Accounting. Therefore no automatic balance formation or reconciliation takes place and you will need to manually reconcile the balances. You can ascertain the Asset Accounting values using one of the reports of asset list. When you start this report, specify January 1st of the current fiscal year as the report date. The system will then provide data as of December 31st of the previous fiscal year (in other words, no depreciation from the current fiscal year is included).

51. Activate Company Code

IMG → Financial Accounting → Asset Accounting → Preparing for Production Startup → Production Startup → Activate Company Code

In the "Activate Company Code" step, you set the live indicator (0) for the company codes in which the test phase and legacy data transfer have ended. The live indicator ensures that data is not deleted from live company codes by programs for deleting test data.

After legacy data transfer and **before** setting a company code to live (production status) it is **mandatory** to reconcile account balances, since the transfer of legacy data does not affect the reconciliation accounts for Financial Accounting. There is no automatic creation and reconciliation of balances during legacy data transfer.

SAP TRAINING FI ASSET CONFIGURATION

Table view Edit Goto Selection criteria Utilities System Help

Change View "FI-AA: Set status of the company code": Overview

Co...	Company name	Status	Status details
5000	SABIC Global	2	Test company code with data transfer always allo.
5200	SABIC Americas Inc.		Asset data transfer completed
5300	SABIC Deutschland	2	Test company code with data transfer always allo.
5400	SABIC France	2	Test company code with data transfer always allo.
5600	SABIC Iberica S.A	2	Test company code with data transfer always allo.
5700	SABIC Italia	2	Test company code with data transfer always allo.
6000	Sabic Asia-Pacific Pte.	2	Test company code with data transfer always allo.
6100	Sabic Hongkong Limited	2	Test company code with data transfer always allo.
6200	Sabic Japan Limited	2	Test company code with data transfer always allo.
6400	SABIC TAIWAN Taipei	2	Test company code with data transfer always allo.
6500	SABIC CHINA	2	Test company code with data transfer always allo.
6600	SABIC PHILIPPINES	2	Test company code with data transfer always allo.
9100	A Ltd.	2	Test company code with data transfer always allo.
CZ01	Country Template CZ	2	Test company code with data transfer always allo.
FI01	Country Template FI	2	Test company code with data transfer always allo.
PL01	Country Template PL	2	Test company code with data transfer always allo.
SK01	Country Template SK	2	Test company code with data transfer always allo.

This marks the end of the SAP Asset Configuration.