

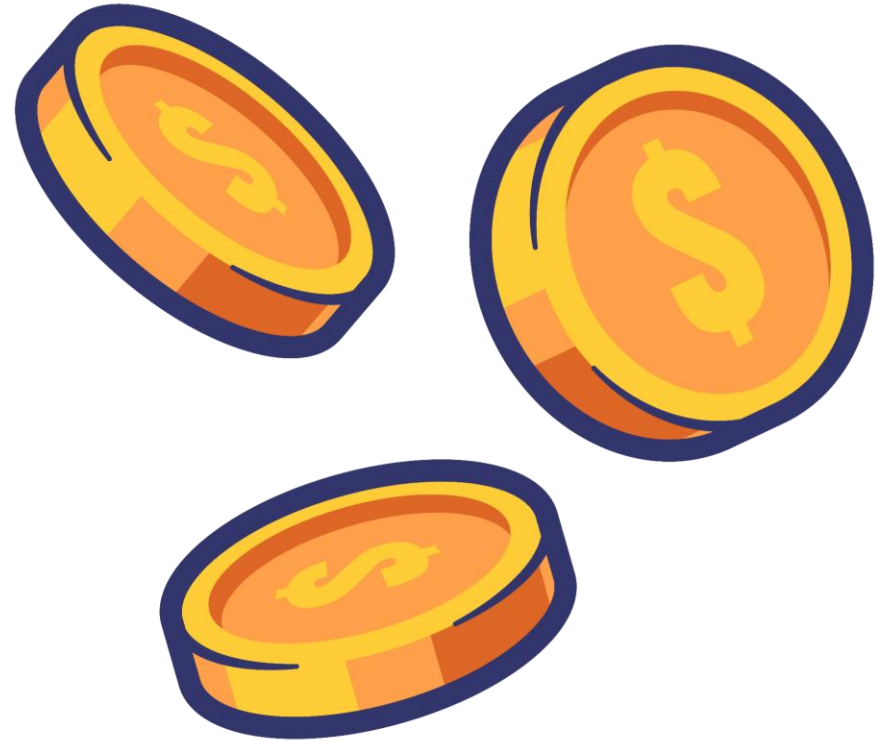
CASH FLOW

Analysis in

SAP Business One

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Configuration & Settings

Essential setup requirements for accurate cash flow tracking for all cash movements including checks, cards, and invoices to predict your future cash position.

SAP Fields	Description
Cash Account	<ul style="list-style-type: none">For Banking: Turn on for accounts that represent actual money (e.g., bank accounts, petty cash) to enable payment processing.
Cash Flow Relevant	<ul style="list-style-type: none">For Reporting: enable for any account you want to appear in the Cash Flow report.Use for all bank/cash accounts, plus any other liquid asset accounts you want to track.
Cash Flow Assignment	<ul style="list-style-type: none">For Accuracy: A system setting that forces users to categorize transactions.Set to Mandatory to prevent users from saving payments without choosing a cash flow reason (e.g., <i>Operations vs Investing</i>).
Cash Flow Line Items	<ul style="list-style-type: none">For Classification: Defines the specific category (Primary Form Item) for each transaction.Essential for the Statement of Cash Flows (Direct Method) to correctly group cash movements.

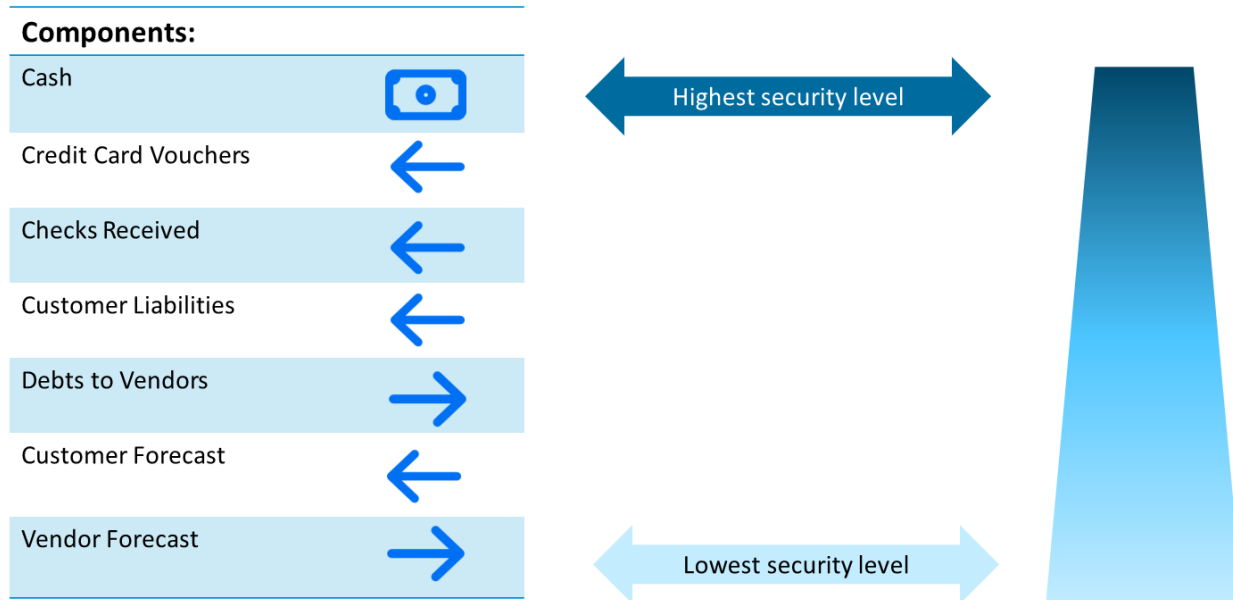
Reports

Overview of available cash flow reports and their specific use cases.

SAP Reports	Description
Cash Flow	<ul style="list-style-type: none">• Operational Report: Shows current cash position + expected incoming/outgoing movements. (Cash flow is a forecast report)• Use for daily or weekly liquidity monitoring.
Statement of Cash Flows	<ul style="list-style-type: none">• Financial Statement: A formal report categorized by activity (Operating, Investing, Financing).• Supports both Direct and Indirect calculation methods.• Use for official financial reporting (audits/management).
Cash Flow Forecast	<ul style="list-style-type: none">• Visual Dashboard: Shows a chart of your predicted future balance.• Use to see if you will run out of cash or have extra cash in the coming weeks/months.

Cash Flow Report

The cash flow report displays **balances of cash holdings** (such as cash in the bank) and expected cash flow in the **future** (such as future incoming payments and open invoices) for the time interval you have requested. Cash Flow is a forecast report and reflects the monetary value of the company. It goes beyond the P&L because it tracks when money actually comes in and goes out, not just accounting profit.



💡 Tips

- **Security level:** Level of probability that the transaction will turn to cash (incoming and outgoing).
- **Cash accounts:** Bank, Petty Cash, Payroll accounts
- **Customer Liabilities:** A/R Invoices
- **Debts to Vendor:** A/P Invoices
- **The customer and vendor forecasts:** the open documents, such as sales and purchasing orders and draft documents.

Cash Flow Report Structure

- The Cash Flow runs according to **Open transactions - not reconciled** (with the option to display fully reconciled postings) and the **transaction Due Date**.
- The Cash Flow is displayed according to **Time Intervals** (days, weeks, months etc.) and **Security levels**.

Cash Flow - Selection Criteria

Date

From

01.06.

To

30.06.

Time Interval

Weekly

☒ Add Recurring Postings

☒ Add Journal Vouchers

☐ Consider Delays in Payments

☐ Display Fully Reconciled Postings

☐ Add Blanket Agreements

☒ Add Marketing Documents

☐ Add Document Drafts

☐ Add Recurring Transactions

☐ Tax

Monthly

Cash

Credit Card

Checks

Business Partner

#

X

Account

1

x

160000 - Petty Cash

2

x

161000 - Bank Account

3

x

161010 - GBP Bank Account No. 1

4

x

161011 - GBP Bank No.1 (cheques payable)

5

x

161012 - GBP Bank No.1 (domestic bank transfers)

6

x

161013 - GBP Bank No.1 (foreign bank transfers)

7

x

161014 - GBP Bank No.1 (bank clearing)

8

x

161015 - GBP Bank No.1 (other postings)

9

x

161020 - GBP Bank Account No. 2

☒ Opening Balance

☐ Calculate Opening Balance

Project

From

1

To

Blanket Agreement

From

To

Include Projected Postings

Date

Description

Project

Incoming Total

Outgoing Amo...

Security Level

Recurrence Pe...

Recurrence ...

Valid Until

1

Cash Account

One Time

-1

2

Cash Account

One Time

-1

3

Cash Account

One Time

-1

4

Cash Account

One Time

-1

5

Cash Account

One Time

-1

6

Cash Account

One Time

-1

7

Cash Account

One Time

-1

8

Cash Account

One Time

-1

9

Cash Account

One Time

-1

10

Cash Account

One Time

-1

Time range: Next Month

Within one time interval - week:

Security Level	Due Date (In the future)	Document	Account	Debit	Credit
Cash Accounts	----	Payments to vendor (Bank transfer)	House Bank		5,000
Credit Cards/ Checks	----	Incoming Payments	Credit Card Clearing acc.	10,000	
Customer Liabilities	----	A/R Invoices	Customer acc.	2,000	
Debts to Vendors	----	A/P Invoices	Vendor		3,000
Vendor Forecast	----	Purchase Orders	Vendor		1,000
Cumulative Balance within the time interval:				3,000	

Navigate to: Banking → Cash Flow → Cash Flow Report

Statement of Cash Flows

The Statement of Cash Flow is a legal document like the profit and loss statement and the balance sheet. Using this report requires initial configuration on the [General Settings](#) window on the Cash Flow tab and set defaults for assigning transactions to relevant items in the Statement of Cash Flow.

General Settings

BP Budget Services Display Font & Bkdg Path Inventory Resources Cash Flow Cockpit Cost Accounting Pricing Hide Functions

Assignment of Cash Flow Line Item

☐ Mandatory
☒ Optional

Default Primary Form Cash Flow Line Item

Incoming Payment

Payments for Invoices from Customers

Outgoing Payment

Payments for Invoices to Suppliers

Assignment in Transaction with All Relevant Cash Flow

☒ Ignore Without Warning
☐ Warning Only

Statement of Cash Flows

Company S Actual Period From 01.01. To 31.12.

Line Items	Line No.	Actual Period
Cash Flow from Operating Activities		
Cash Received from Customers (+)		
Payments for Invoices from Customers	1	22,279.1
Down Payments Received from Customers	2	
Purchase Credit Notes Paid by Suppliers	3	
Cash Paid to Supplier (-)		
Payments for Invoices to Suppliers	4	-58,721.3
Down Payments to Suppliers	5	
Sales Credit Notes Paid to Customers	6	
Cash Paid for Rent/Electricity/Phones (-)		
Cash Paid for Rent	7	
Cash Paid for Electricity	8	
Cash Paid for Phones	9	
Cash Paid to Employees(-)		
Payments to Employees, e.g. Wages	10	
Other Operating Payments (+/-)		
Other Operating Payments	11	
Cash Generated from Operations (Summary Line)		-36,442.2
Less Tax Paid (-)		-36,442.2
Corporate Income Tax Paid	12	
VAT Paid	13	

←

Adjust

Level 10

Direct vs. Indirect Method

Direct Method

- Reports actual cash inflows and outflows from operations.
 - E.g. Cash received from customers: 500,000
 - Cash paid to suppliers: 200,000
- This method requires assigning **Cash Flow Line Item** to every transaction.
- Ideal for detailed operational cash analysis

Indirect Method

- Starts with **Net Profit** from P&L
- Adjusts for non-cash items (depreciation, amortization)
- Adjusts for changes in working capital (AR, AP, Inventory)
- **Financial Report Template:**
 - Configure report structure
 - GL account mapping to line items
 - Calculation formulas
- Ideal for Legal financial reporting (audits, investor presentations)

Which to use?

- Daily management: Use Direct Method logic (similar to Cash Flow Forecast)
- Official reporting: Use Indirect Method (standard for financial statements)

The screenshot shows the 'Financial Report Templates' configuration window. The left pane contains settings for the 'Statement of Cash Flows' template, including 'Template Properties' (Show Missing Accounts) and 'Details' (Line Item: Net Cashflow from Investing, Location: Parent Article: Cashflow from Investing A, Loc. on Tree: After Dividends Received). The right pane displays a hierarchical list of cash flow line items, categorized into 'Cashflow from Operating Activities', 'Cashflow from Investing Activities', and 'Cashflow from Financing Activities'. The 'Net Cashflow from Investing Activities (Sum)' line item is highlighted in yellow. At the bottom, there are buttons for 'OK', 'Cancel', 'Add Same-Level Acct', 'Add Child', and 'Generate From Cash Flow Line Items'.

Cash Flow Forecast Report

The Cash Flow Forecast report offers an instant graphical view of your liquidity. It dynamically updates as you adjust settings. Blue bars show incoming cash; green bars show outgoing cash. The line graph tracks both the Net change (Incoming - Outgoing) and the Accumulated Balance (Start Balance + Net Change), showing exactly how much cash you will have at any point. ([HANA Database](#))

