

SAP Bank Accounting Cash Management

Joshua Ambrose



TRANSACTIONS

Transaction Name	Transaction Code	Description
Bank master data	FI12_HBANK	Create / maintain house bank
Bank GL account structure	FS00	Create / maintain / display GL Account
Display (Bank Activity)	FF.6	Display electronic bank statement
Import Electronic Bank Statement	FF_5	Upload bank statement file
Bank statement post processing	FEBAN	Post process bank statement
Bank Accounts	NWBC - Bank Account Management	Create / maintain bank account

REPORTS, COMMON INQUIRIES, AND PROCESS HEALTH METRICS

Reports

- FI03 – To display bank key
- FI12_HBANK – To edit/display existing and create new house bank
- NWBC - To edit/display existing and create new house bank account
- FEBAN – To display bank statement

Common Inquiries

- NWBC - How do I display bank account?
- FI01 - Where are bank key records created in SAP?
- FEBAN and FCHN - How do I display bank statement, check register?
- FF_5 - How do I import bank statement?

Process Health Metrics

- Late payments report – compare net due date and clearing date in FBL1N
- AR and AP aging reports
- List of GR/IR balances – MB5S
- Cash position



MODULE 1:

BANK ACCOUNTING/CASH MANAGEMENT OVERVIEW

BANK ACTIVITY MANAGEMENT — CLEARING ACCOUNTS

Clearing Account

A clearing account is a general ledger account that is used to keep a running balance of open items. E.g. Check out account (refer accounting entries below)

A clearing account could be used for the value of outstanding checks. On any day, the balance in this account should equal the amount of checks issued that have not cleared the bank

For Treasury, this account reflects the balance of all treasury transactions where the bank activity does not match the general ledger activity (SAP® treasury transactions). Since we may not see the bank detail for today until tomorrow, this account should reflect open SAP® transactions created today

BANK ACTIVITY MANAGEMENT – KEY PROCESS CHANGES

- Reduce the number of bank accounts
- One source to manage bank master data, liquidity and cash management and processing of incoming and out going payments
- Cash pool companies will share bank accounts
 - 1 General account
 - 1 Controlled Disbursements account
- Real time reconciliation possible with upload of electronic bank statement
- Bank transactions will be recorded directly to multiple clearing accounts by type (wires, checks, etc.). This will automate reconciliation process
- Clearing accounts will be reconciled by responsible department, if required
- Bank main and sub GLs will always tally with bank statement balances

DIFFERENT WAYS THAT BANK STATEMENTS ARE RECEIVED

- **Bank Statements Received Manually:**

- Receive bank statement from the bank in printed form or print off from banks web-site
- For manually uploading bank statement, statement received from bank will have to be manually formatted in the unique upload format and uploaded via transaction code FF67

- **Bank Statements Received Electronically:**

- Receive bank activity from the bank electronically
- The file can be received in various formats e.g. BAI, SWIFT MT940, etc.
- File can be uploaded using transaction code FF_5

In both cases the bank statement can be reviewed via transaction code FEBAN

RECORDING BANK ACTIVITY PROCESS

Upload bank activity manually via ff67 or else import in specific format via FF_5

- Line items that match processing rules will process automatically. e.g. if check is issued and cleared by the bank it will automatically be reconciled with reference to matching check number
- Check bank activity for any line items that did not process – The items which could not be processed will remain open and unreconciled. These items can be viewed via transaction code FEBAN
- Investigate reason for any unprocessed line item
- Reprocess all other line items that did not process
- Verify status of treasury clearing accounts

HOUSE BANKS OVERVIEW

House Banks

- The bank with which company code maintains bank account is referred to as a house bank
- You define bank in SAP system using house bank key (Bank ID)
- Bank master is stored centrally in SAP system which includes address data, other control data such as SWIFT code / routing number, linked GL account, etc.



MODULE 2:

CREATE & MAINTAIN BANK MASTER DATA

CREATE AND MAINTAIN BANK MASTER DATA

- Transaction code to create bank master data is FI12_HBANK
- Click **New Entries**, maintain required information and save the bank master

CREATE AND MAINTAIN BANK ACCOUNTS

- Transaction code to create/maintain/display bank master is NWBC
- This will launch NetWeaver client, click
- In next screen click following
- Maintain Bank account information in all tabs and save the bank account

MODULE 3:

ELECTRONIC BANK STATEMENT RECONCILIATIONS

ELECTRONIC BANK STATEMENT RECONCILIATIONS: OBJECTIVES

Module Objectives

Upon completion of this module, you will be able to:

- Execute the steps to perform manual entry
- Display bank activity
- Perform the steps to import electronic bank statements
- Understand bank statement post processing

BANK TRANSACTION SYMBOLS

You can define posting rules in Customizing for Bank Accounting

- Select Business Transactions → Payment Transactions → Electronic Bank Statement → Make Global Settings for the Electronic Bank Statement → Define Posting Rules.
- By defining posting rules, you can:
 - Create the account symbols for the required posting transactions
 - Define the account determination rules for each of the account symbols

Account Symbol Examples (O – Out, I – In)	Description
Y1 WIRES O	Wires Out
Y2 WIRES I	Wires In
Y3 ACH O	ACH Out
Y4 ACH I	ACH In
Y5 CHECKS O	Checks Out
Y6 CHECKS I	Checks In
Y8 OTHER TRAN	Other Transfer

ACCOUNT SYMBOLS AND ASSIGNMENT

- Define the account symbol during Customizing
- Account symbols specify which G/L account is posted to
- Create the prerequisites for this when creating house banks. House banks maintain the bank details and the accounts
- Create a G/L account for each of the accounts
- House banks can be maintained in Customizing for Bank Accounting under Bank Accounts → Define House Banks

PROCESS MANUAL BANK STATEMENT

- Entering a bank statement is a two-step process:

Manual Entry of Bank Statement

Enter account line items



Post the entered line items

IMPORT ELECTRONIC BANK STATEMENT

Importing means pulling the data from the bank's database to the system. To perform this you need:

- Bank Communication Software to communicate with the bank's system
- Transfer program (standardized format) that understands the Business communication software. It reads the required data from the banks, such as the bank statement to an interim store in the system
- Banks across the globe provide bank statement in various formats e.g. BAI2, SWIFT MT940 ,etc. SAP has standard program (FF_5) which can read these files in various formats

IMPORTING A BANK STATEMENT MANUALLY

This process will be used only when problems occur with the scheduled upload, or if there is a problem with the bank statement file

After the import, SAP posts payments to the bank account, bank clearing account, customer accounts, and, if appropriate, vendor accounts.

For posting you have two options

1. Post immediately
2. Create and run batch input session

At the time of importing a bank statement, specify how you want to post it. Options include:

Post Immediately: For the posting, documents are generated immediately.

Batch processing: The sessions are in the background. The result is recorded in the batch input log. Transactions not updated remain in the session as defective records. The sessions are then post-processed online. You can change or delete defective data or add any that was missing. Post processing is complete when there are no more defective records in a session.

BANK STATEMENT POST PROCESSING

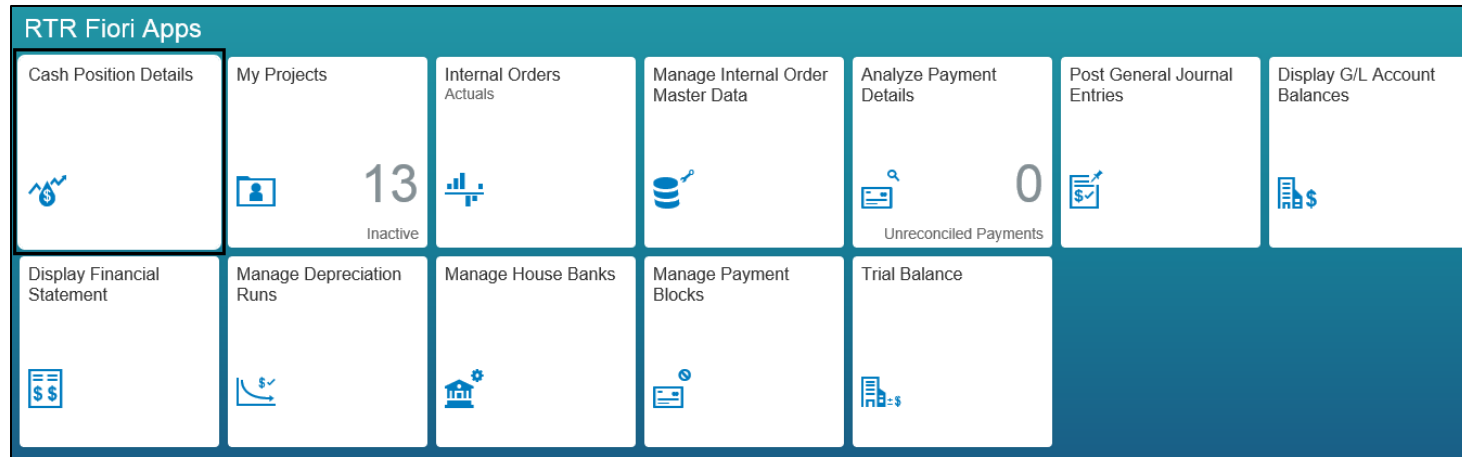
- Once a bank statement is uploaded it can be viewed in transaction code FEBAN
- By opening any statement item, the system will display note to payee and FI documents
- Posting area 1 pertains to bank ledger posting
- Posting area 2 pertains to sub-ledger posting e.g. customer clearing, etc.
- All posted item will have green status and non-posted items will be in red status
- If any item is not posted, it can be posted in FEBAN screen

MODULE 4:

CASH POSITIONS
FIORI APP S/4HANA ONLY



COMPONENTS OF CASH POSITIONING








Following filters are available to fetch desired data

- The four components of cash positioning include:
- The Cash Position Worksheet
- The cash concentration process
- Memo Records, and
- Reports for reviewing cash activity.



COMPONENTS OF CASH POSITIONING

The App displays Opening balance, inflows, outflows and closing balance. It has dimensions to display actuals, forecasted and variances.

Value Date Jan 21, 2016						
Bank Account Currency View ▾				    		
Bank Acct Currency	Actual Amount	Actual Amount in Reporting Currency	Forecasted Amount	Forecasted Amount in Reporting C...	Variance	
▼ USD - United States Dollar	USD 2.000,00	USD 2.000,00	USD -117.700,00	USD -117.700,00	USD 119.700,00	
Opening Balance	USD 2.000,00	USD 2.000,00	USD -117.700,00	USD -117.700,00	USD 119.700,00	
Inflow	USD 0,00	USD 0,00	USD 0,00	USD 0,00	USD 0,00	
Outflow	USD 0,00	USD 0,00	USD 0,00	USD 0,00	USD 0,00	
Closing Balance	USD 2.000,00	USD 2.000,00	USD -117.700,00	USD -117.700,00	USD 119.700,00	
Totals		USD 2.000,00		USD -117.700,00		

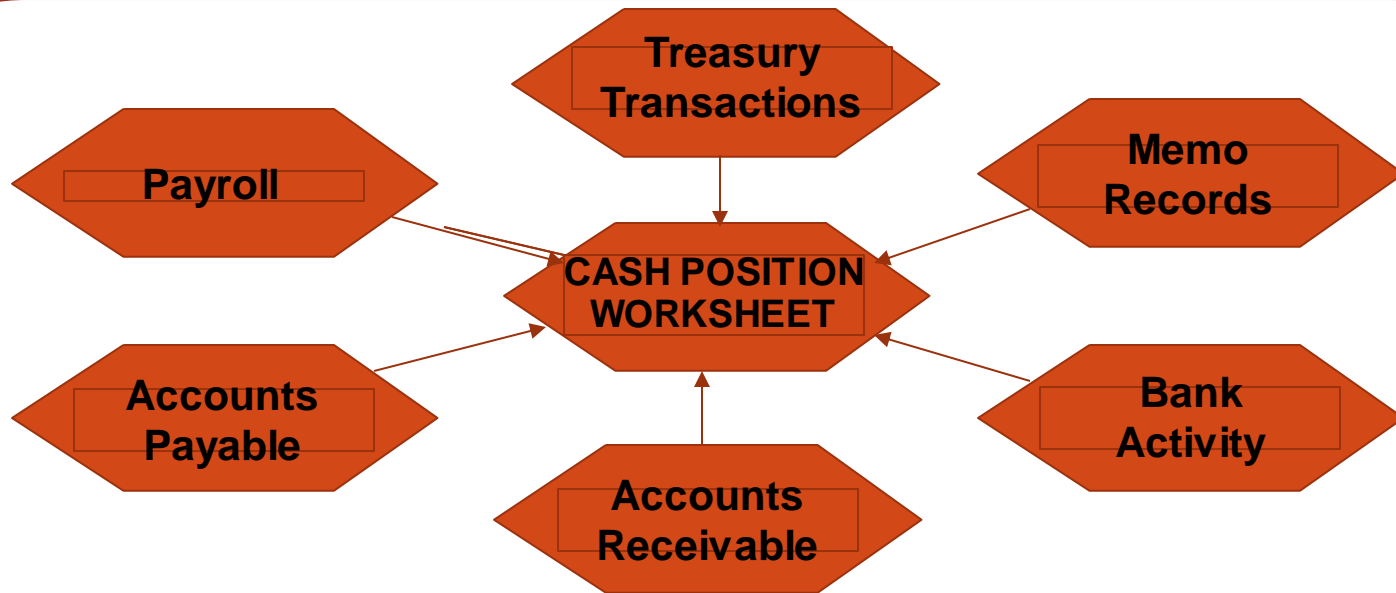


CASH POSITION WORKSHEET

- **Cash Position Worksheet** summarizes all cash flow activity related to bank balances and projected cash flows, and allows us to view all balances:
 - by company in total
 - by bank
 - by account
 - by planning level
- Shows balances for value date, company code, Country, bank or bank account by planning levels (i.e. Beg Bal, Wires in, Wires out, etc.)
- Can also drill down further by double clicking on any liquidity item to see analyze these forecasted amounts



CASH POSITION WORKSHEET



The Cash Position Worksheet is the primary report that will be utilized to make decisions as to whether or not to transfer any funds between bank accounts.

The Cash Position Worksheet is updated continuously by:

Accounts Payable, Accounts Receivable and Payroll activity

Treasury transaction such as cash concentration, and investment/debt maturities

Memo records for forecasted items that are not in SAP®

Bank activity that is updated in SAP®.

