

ASSIGNMENT-1

1. Define Company:

A company is the organizational unit in SAP FI for which you can draw individual financial statements, according to the legal requirements of the country where it's incorporated. A company includes one or more company codes. If a company consists of more than one company code, all company codes need to be assigned with the same operative chart of accounts and fiscal year variant (FYV) even though they can have different local currencies for the day-to-day transactions.

T –Code OX15

It can also be created by using the following path:

SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Define company.

Change View "Internal trading partners": Overview

New Entries

Company	Company name	Name of company 2
	Kanna & Co	
146	swastik finance	
369	TNR EXPORTS	
700	Sure Trust	Sure trust organisation
800	Accenture	Accenture
850	Organic pvt limited	Organic pvt limited
1000	HYDERABAD COM	
1001	Tata steels	
1010	HCL	
1100	VLCC	
1215	tata motors	
1220	Bisleri	
1316	Material Requirements Planning	
1411	BIBA	
1522	NEERU FASHIONS	NEERU FASHIONS
1600	1600	1600

After going to OX15 click on new entries. Then fill the required details and save it as shown below

New Entries: Details of Added Entries

Company 2123

Company name neeru industries

Name of company 2 neeru industries

Detailed information

Street SAI NAGAR

PO Box 515671

Postal code 515671

City DHARMAVARAM

Country IN

Language Key EN

Currency INR

2. COPY COMPANY CODE:

SAP recommends EC01 to copy an existing company code to a new one. This has the advantage that we can also copy the existing company code specific parameters. If necessary, we can then change certain data in the relevant application. This is much less time-consuming than creating a new company code.

T-Code ECO1

SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Edit, Copy, Delete, Check Company Code.

Organizational object Company code

Copy IMG Structure

By executing the T – Code EC01 the above screen is visible, then go to the mentioned field copy

Copy

From Company Code KCB1

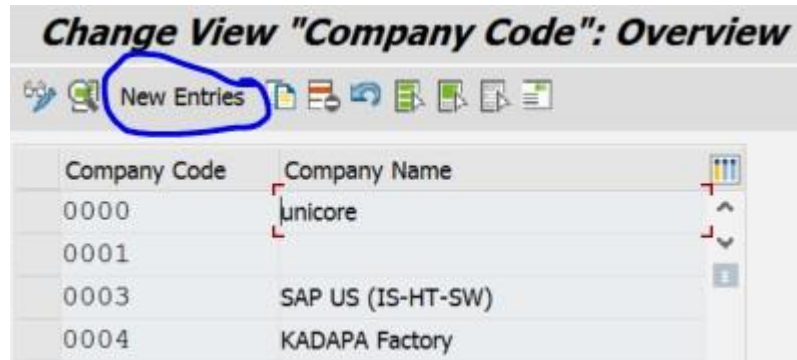
To Company Code 2123

✓ ✗

Now fill the mentioned fields shown as above and execute it then enter required fields and save it.

3. Edit Company Code:

By using the T – Code OX02 we can edit our company code. It can also be done by using the following path: SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Edit, Copy, Delete, Check Company Code.



By executing the T - Code OX02 the above screen is visible. Now go to new entries

Company Code	2123
Company Name	neeru industries
Additional data	
City	DHARMAVARAM
Ctry/Reg.	IN
Currency	INR
Language	EN

4. Assign company code to company:

It is used to structure the business organization from a financial accounting perspective. The company code is an organizational unit used in accounting. It is used to structure the business organization from a financial accounting perspective

T-Code OX16

It can also be created by using the following path: SAP Customizing Implementation Guide > Enterprise Structure > Assignment > Financial Accounting > Assign company code to company

Change View "Assign Company Code -> Company": Overview

CoCd	City	Company
0000	Walldorf	700
0001	Walldorf	
0003	Palo Alto	
0		
0		
0		
0		
0		
0		
0		
0123	manglore	BALA1
0314	BANGALORE	DURVA
0400	Chennai	
0612	SRIKAKULAM	CONVER
0613	Hyderabad	CONVER
0MB1	Walldorf	0MB1
1000	BANGALORE	1000
1001	HYDERABAD	1000
1002	Guntur	1000
1004	Hyderabad	UTTC
1007	Banglore	HARIS

Another entry

Company Code 2123

✓ ✗

Position...

Entry 1 of 959

By executing the T-Code ox16 go to position and keep the company code and execute it the assign the company code to the company and save it as shown below.

Change View "Assign Company Code -> Company": Overview

CoCd	City	Company
2123	DHARMAVARAM	2123
2212	Walldorf	2212
2213	Walldorf	2213

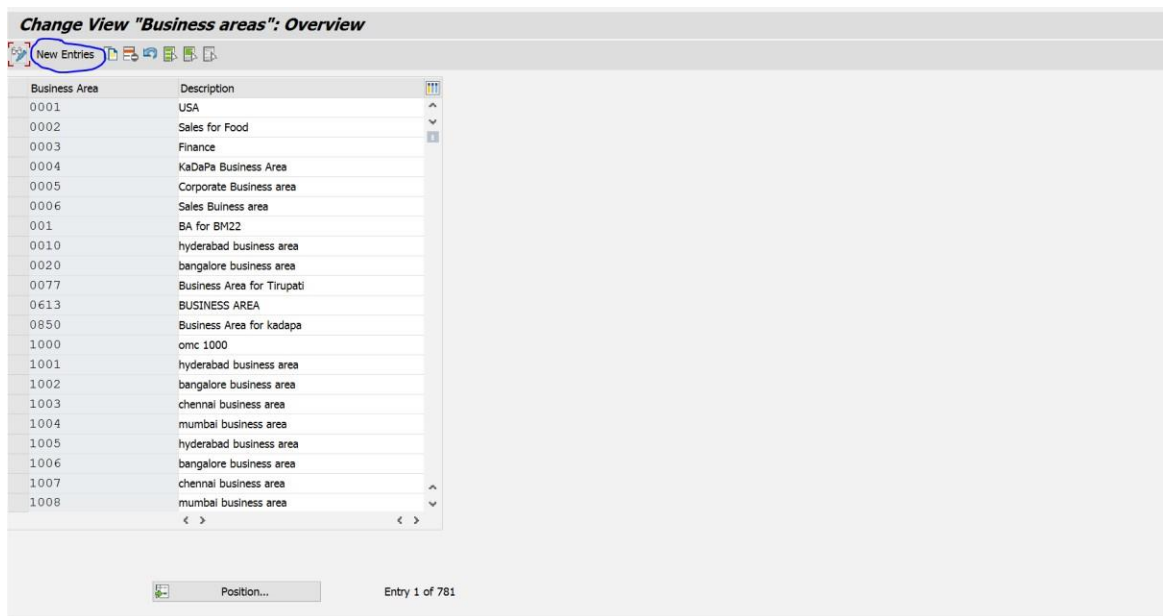
Now our company code is assigned to our company.

5. Define Business Area:

Business Area is an internal organizational unit that represents separate area of operations for internal financial statements (Balance Sheet & Profit and Loss) are produced as per company operational areas product lines, subsidiary, products, geographical areas, etc.

T –Code OX03

It can also be created by using the following path: SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Define Business Area.



By executing the T- Code OX03 the above screen is visible. Now we must go to new entries as shown above. Now we have to give the business area and description and save it as shown as below.

Change View "Business areas": Overview

 New Entries      

Business Area	Description	
2123	business area for ns	
2310	PRABHA DEVELOPS	
2AAD	Smart Core Estate Adamawa	
2AAS	Smart Core Estate Anambra Stat	
2ABS	Smart Core Estate Bauchi State	
2AIS	Smart Core Estate Imo State	
2AKS	Smart Core Estate Kano State	
2ALS	Smart Core Estate Lagos State	

6. Define Segment:

Division of a company for which we can create financial statements for external reporting.

Segment can be defined or created by using the following path: SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Define Segment.

By following the above path, the segment creation session will open and go to new entries and give the segment and the description and save it.

Change View "Segments for Segment Reporting": Overview

 New Entries      

Segments for Segment Reporting	
Segment	Description
10007	Landscape And Architecture
11001	Infrastructure
12001	Engineering
13001	Geo Special
14001	IT
15001	Aero Space and Defense
123456789	SEGMENT FOR AGAS
1000_A	Segment A

Change View "Segments for Segment Reporting": Overview

 New Entries       

Segments for Segment Reporting	
Segment	Description
NS123	Industries of 2123
NS15	
NSP1	NSPL SEGMENT 1 MAIN
NSP2	NSPL SEGMENT 2
NSP3	NSPL SEGMENT 3
PETE	Maintainance FOR PETER ENGLAND

7. Edit Chart of Accounts List:

A chart of accounts (COA) is a list of financial accounts set up, usually by an accountant, for an organization, and available for use by the bookkeeper for recording transactions in the organization's general ledger. Accounts may be added to the chart of accounts as needed; they would not generally be removed, especially if any transaction had been posted to the account or if there is a non-zero balance. Accounts are usually grouped into categories, such as assets, liabilities, equity, revenue and expenses. Each account in the chart of accounts is typically assigned a name. Accounts may also be assigned a unique account number by which the account can be identified. Account numbers may be structured to suit the needs of an organization, such as digit/s representing a division of the company, a department, the type of account, etc. The first digit might, for example, signify the type of account (asset, liability, etc.). In accounting software, using the account number may be a more rapid way to post to an account, and allows accounts to be presented in numeric order rather than alphabetic order.

T-Code OB13

It can also be created by using the following path: SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Master Data > G/L Accounts > Preparations > Edit Chart of Accounts List.

By using the above path, we can go to the below screen then go to new entries as shown below.

Change View "List of All Charts of Accounts": Overview

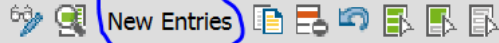


Chart of Accts	Chart of Accounts Description
0004	KADAPA CHART OF ACCOUNTS
0006	GDK KADAPA Chart of Accounts
0007	Chart of Accounts for ALI07
0011	coa for 0011
0101	coa for 0101
0123	coa for 0123
0MB1	IS-B Sample bank - Germany
0MB2	
1000	chart of accounts for
1007	Chart of Account for 1007
1100	BM Enterprise COA
111	Operating COA - Co.Code - 9459
112	Group COA - Co.Code - 7650
113	Country Specific - Co.Code - 9800
123A	Chart of Accounts for 123a
1600	Chart of Accounts for 1600
1800	STARLINK CHART OF ACCOUNTS

After going to the new entries fill the mentioned details and save it. Now the chart of accounts has been created.

New Entries: Details of Added Entries



Chart of Accts
Description

General specifications

Maint. Language
Length of G/L Account Number

Consolidation

Group Chart of Accts

Status

☐ Blocked

8. Assign Company Code to Chart of Accounts:

Chart of Account has great significance in SAP FICO. One needs to prepare and the assign chart of accounts to company code properly in order to maintain the general ledgers in SAP.

T-Code OB62

It can also be created by using the following path : SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Master Data > G/L Accounts > Preparations > Assign Company Code to Chart of Accounts.

Enter T-code OB62 and execute it. Now the below screen is visible.

Change View "Assign Company Code -> Chart Of Accounts": Overview

CoCd	Company Name	City	Chrt/Accts	Cty ch/act
0000	unicore	Walldorf	INT	
0001		Walldorf	INT	
0003	SAP US (IS-HT-SW)	Palo Alto	INT	
0			LOLA	LOLA
0			LOLA	LOLA
0			0007	
0			0011	
0			0101	
0123	bala1	manglore	0123	
0314	D FURNITURE	BANGALORE	D143	
0400	BP India	Chennai	COAD	
0612	CONVERSTO FOOD CORP	SRIKAKULAM	CONV	CONV
0613	Conversto Agri Ltd	Hyderabad	CONV	CONV
0MB1	IS-B Musterbank Deutschl.	Walldorf	0MB1	
1000	LOLA TEXTILE COMPANY	BANGALORE	LOLA	LOLA
1001	Havya Motors H Ltd	HYDERABAD	HOCA	

Another entry

Company Code: 2123

✓ ✗

Position... Entry 1 of 961

Now go to position and enter the company code and press enter. Now we can see our company code at the top. Now enter our chart of accounts and save it. So that our company code has been successfully assigned to the chart of accounts. This can be seen as below

Change View "Assign Company Code -> Chart Of Accounts": Overview

CoCd	Company Name	City	Chrt/Accts	Cty ch/act
2123	neeru industries	DHARMAVARAM	2123	2424
2212	2022 TEST	Walldorf	INT	
2213	2022 TEST	Walldorf	INT	
2238	Metro Global Business Ser	Nagpur	8COA	
2354	Chirag Motors Aus	Melbourne	2354	
2409	Chirag Motors UAE	Sharjah	2409	
2505	2505-COMPANY CODE	CALIFORNIA	2505	
2809	Chirag Motors Ind	Pune	2809	
3009	Jayaprakash Pvt Ltd	Hosur		
3030	sai pvt lmttd	HYDERABAD		
3100	3100-RKB Equipcare LLP	Kolkata	INT	
4100	XYZ Company	Bangalore		
4477	arjun and arjun groups	hassan	4477	
5000	APCPL	Jajjar	NTCH	
5030	PETER ENGLAND	PUNE	PETE	
5100	5100-RKB PS System LLP	Kolkata	INT	
5889	Reliance Industries	Pune		

Position... Entry 71 of 961

9. Define Fiscal Year Variant:

The fiscal year variant contains the number of posting periods in the fiscal year and the number of special periods. We can define a maximum of 16 posting periods for each fiscal year in the Controlling component (CO).

T-Code OB29

It can also be defined by using the following path. SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Maintain Fiscal Year Variant.

Now by following the given path go to change view fiscal year variant. Now go to new entries and create new fiscal year

Change View "Fiscal year variants": Overview

New Entries

Dialog Structure

- Fiscal year variants
 - Periods
 - Period texts
 - Shortened Fiscal Years

FV	Description	Calenda...	Year-de...	Number of po...	No.of special ...	Fiscal W...	Offset Befo...	Offset Afte...
93	van to Dec 12, 4 special	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
99	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12	4	<input type="checkbox"/>		
	; ; APR TO MARCH rrrr	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A	APR TO MAR	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A0	APRIL-1TO MARCH-31	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A1	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A2	V3 - Apr.- March, 4Spl Prd.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A3	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A4	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A5	APR TO MAR IND FIN YE.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A6	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
A7	Calender yr Jan to Dec -0.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AA	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AB	Apr.- March, 1 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	1	<input type="checkbox"/>		
AC	Cal. Year, 4 Special Periods	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AD	APR TO MAR IND FIN YE.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AF	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AG	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AI	Apr.- March, 4 special peri.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
AJ	april to march 12normal 4.	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		

Position...

Entry 37 of 386

After creating the new fiscal year then save it.

Change View "Fiscal year variants": Overview

New Entries

Dialog Structure

- Fiscal year variants
 - Periods
 - Period texts
 - Shortened Fiscal Years

FV	Description	Calenda...	Year-de...	Number of po...	No.of special ...	Fiscal W...	Offset Befo...	Offset Afte...
BB	ns april - march	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input checked="" type="checkbox"/>		
BH	BA FY Variant	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BI	APR TO MAR IND FIN YR	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BK	Apr.- March, 4 Spl Period	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BM	BI Monthly	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6		<input type="checkbox"/>		
BN	APR TO MARCH bnp	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BP	APR TO MAR	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BS	SB02 Periods 4 SPL	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BT	APR TO MARCH BEMO	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
BU	Jan to Dec 12 month 4 S...	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
C1	1st period (calendar year)	<input type="checkbox"/>	<input type="checkbox"/>	1		<input type="checkbox"/>		
C2		<input type="checkbox"/>	<input type="checkbox"/>	1		<input type="checkbox"/>		
C3	Apr.- March, 4 special peri...	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
C4	apr to march 12, 4 special	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12	4	<input type="checkbox"/>		
C5	Jan to Dec + 4 SPL Period	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
C6	Apr.- March, 4 special peri...	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
CA	REDDYS	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
CC	C3- Apr.- March, 4Spl Prds	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
CG	Cal. Year, 4 Special Periods	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
CI	April to March CGIT	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		

Position... Entry 79 of 386

Now by selecting the created fiscal year variant go to periods and fill the mentioned below data and save it.

Change View "Periods": Overview

New Entries      

Dialog Structure

- ▼ Fiscal year variants
 - Periods
 - Period texts
 - Shortened Fiscal Years

Fi.Year Variant ns april - march

No.posting periods No.special periods

☐ Year-dependent ☐ Calendar year ☐ Weekly calendar

☒ Fiscal Weeks

No. FYs Before Fiscal Year

No. FYs After Fiscal Year

Periods

	Month	Day	Period	Year shift
1	31	10	-1	
2	29	11	-1	
3	31	12	-1	
4	30	1	0	
5	31	2	0	
6	30	3	0	
7	31	4	0	
8	31	5	0	
9	30	6	0	

Now go back and again select the fiscal year variant then go to period texts. Now mention the required data in the period text and save it.

Change View "Period texts": Overview

New Entries

Dialog Structure

- Fiscal year variants
 - Periods
 - Period texts**
 - Shortened Fiscal Years

Fi. Year Variant: BB ns april - march

No. posting periods: 12 No. special periods: 4

☐ Year-dependent ☐ Calendar year ☐ Weekly calendar

☒ Fiscal Weeks

No. FYs Before Fiscal Year: 0

No. FYs After Fiscal Year: 0

Period texts			
Language	Period	Txt	Text
DE	1	APR	April
DE	2	MAI	Mai
DE	3	JUN	Juni
DE	4	JUL	Juli
DE	5	AUG	August
DE	6	SEP	September
DE	7	OKT	Oktober
DE	8	NOV	November
DE	9	DEZ	Dezember
DE	10	JAN	Januar

Now the fiscal year variant is successfully created.

10. Assign Company Code to a Fiscal Year Variant:

T-Code OB37

It can also be assigned by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Assign Company Code to a Fiscal Year Variant.

By following the above path, the below screen will open. Then go to position and enter our company code and select it.

Change View "Assign Comp.Code -> Fiscal Year Variant": Overview

CoCd	Company Name	Fiscal Year Variant	Description
0000	unlcore	Y5	fy- Oct to Sep
0001		K4	Cal. Year, 4 Special Periods
0003	SAP US (IS-HT-SW)	K4	Cal. Year, 4 Special Periods
0			Apr.- March, 4 special periods
0			Apr.- March, 4 special periods
0			Calender yr Jan to Dec -0007
0			Apr.- March, 4 Spl Period
0			V3 - JAN.- DEC, 4 Spl riod
0			Apr.- March, 4 Spl Period
0123	bala1	V3	Apr.- March, 4 Spl Period
0314	D FURNITURE	F3	APRIL TO MARCH
0400	BP India	K4	Cal. Year, 4 Special Periods
0612	CONVERSTO FOOD CORP	C3	Apr.- March, 4 special periods
0613	Conversto Agri Ltd	A3	Apr.- March, 4 special periods

Another entry

Company Code 2123

✓ ✗



Position...

Entry 1 of 961

Now we have to enter our fiscal year variant and save it. So our company code is successfully assigned to fiscal year variant.

Change View "Assign Comp.Code -> Fiscal Year Variant": Overview



CoCd	Company Name	Fiscal Year Variant	Description
2123	neeru industries	BB	ns april - march
2212	2022 TEST	K4	Cal. Year, 4 Special Periods
2213	2022 TEST	K4	Cal. Year, 4 Special Periods
2238	Metro Global Business Ser	38	Fis Yr Varien -2238
2354	Chirag Motors Aus	V9	Oct.- Sept., 4 special periods
2409	Chirag Motors UAE	V6	July - June, 4 special periods
2505	2505-COMPANY CODE	K4	Cal. Year, 4 Special Periods
2809	Chirag Motors Ind	V3	Apr.- March, 4 Spl Period
3009	Jayaprakash Pvt Ltd	V3	Apr.- March, 4 Spl Period
3030	sai pvt lmted	V3	Apr.- March, 4 Spl Period
3100	3100-RKB Equipcare LLP	V3	Apr.- March, 4 Spl Period
4100	XYZ Company	V3	Apr.- March, 4 Spl Period
4477	arjun and arjun groups	V3	Apr.- March, 4 Spl Period
5000	APCPL	V3	Apr.- March, 4 Spl Period

11. Define Variants for Open Posting Periods:


Posting period variant is used to control which accounting period is open for posting. This is an important control tool for every organization which has monthly closing.











T-Code OBBO

It can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Posting Periods > Define Variants for Open Posting Periods.

By using the T- Code OBBO we can open the below screen. Now, click on new entries

Change View "Posting Periods: Define Variants": Overview

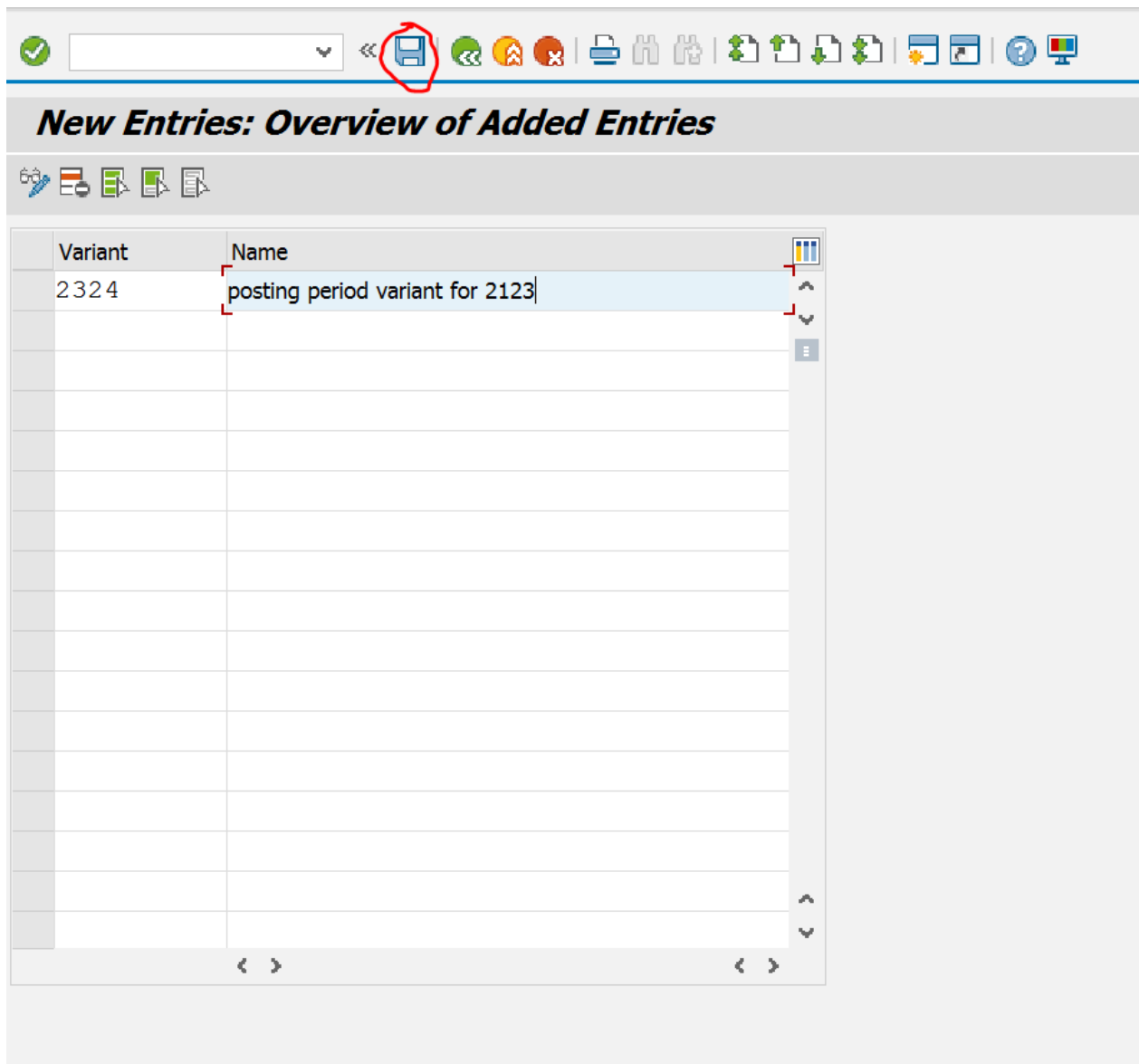
 **New Entries**     

Variant	Name	
	Sure	
0001	0001	 
0002	Variant 0002	
0007	007 posting period var.A7	
0011	ppv for 0011	
0012	ppv- 9083	
0013	ppv- 9084	
0123	ppv for 0123	
0400	Posting period Variant -0400	
0612	POSTING PERIOD	
0613	POSTING PERIOD	
1100	Variant for IDEA	
1111	PP for 1111	
1122	ppv-9459	
1133	PPV - 7650	
1144	PPV - 9800	 
1150	Posting Period Variant PSPL	
 		 



Position...

Entry 1 of 505



12. Assign Variants to Company Code:

Usually, every posting period is assigned to one company code, but you could assign one posting variant to many company codes.

T- Code OBBP

This can also be assigned by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Posting Periods > Assign Variants to Company Code.

Change View "Assign Comp.Code -> Posting Period Variants": Overview

CoCd	Company Name	City	Variant
0000	unicore	Walldorf	0001
0001		Walldorf	0001
0003	SAP US (IS-HT-SW)	Palo Alto	0001
0			LOLA
0			LOLA
0			0007
0			0011
0			
0			AXIS
0123	bala1	manglore	0123
0314	D FURNITURE	BANGALORE	DPV
0400	BP India	Chennai	0400
0612	CONVERSTO FOOD CORP	SRIKAKULAM	0612
0613	Conversto Agri Ltd	Hyderabad	0613
0MB1	IS-B Musterbank Deutschl.	Walldorf	0001
1000	LOLA TEXTILE COMPANY	BANGALORE	LOLA
1001	Havya Motors H Ltd	HYDERABAD	HPPV

Another entry

Company Code 2123

✓ ✗



Position...

Entry 1 of 961

Now go to position and enter the company code and press enter as shown above.

Change View "Assign Comp.Code -> Posting Period Variants": Overview

CoCd	Company Name	City	Variant
2123	neeru industries	DHARMAVARAM	2324
2212	2022 TEST	Walldorf	0001
2213	2022 TEST	Walldorf	0001
2238	Metro Global Business Ser	Nagpur	3PPV
2354	Chirag Motors Aus	Melbourne	2354
2409	Chirag Motors UAE	Sharjah	2409

Now enter the variant and save it. Now it is successfully assigned to the company code.

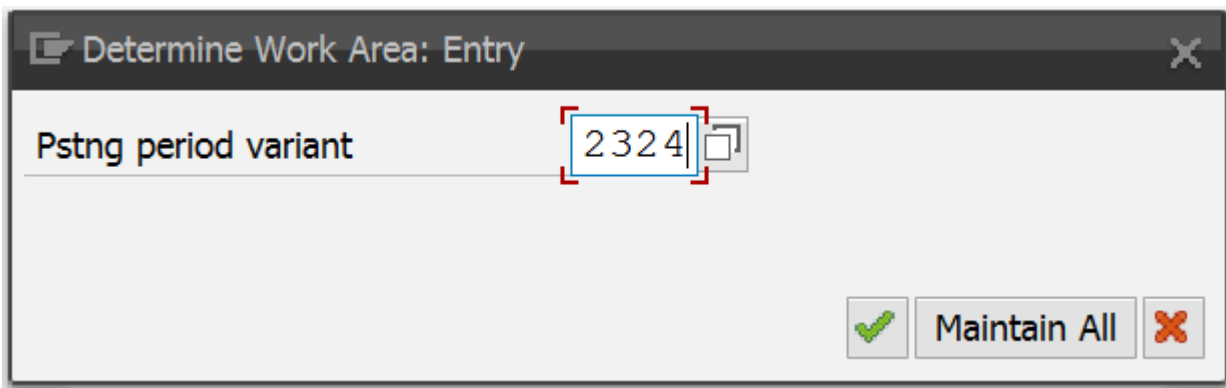
13. Open and Close Posting Periods:

Open and close posting periods variant enables to open the current posting periods and other posting periods remains in closed. It controls what are the posting periods to open and close for entries. Through posting period variant, we can determine which company codes are open for posting period.

T-Code OB52

It can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Posting Periods > Open and Close Posting Periods.

By using the T- Code OB52 the below screen will open, now enter the Posting period variant and enter.



Determine Work Area: Entry

Pstng period variant 2324

Maintain All

Now go to new entries and fill the required fields and save it.

New Entries: Overview of Added Entries

Pstng period variant 2324

Posting Periods: Specify Time Intervals

A From Acct	To Account	From Per.1	Year	To Per. 1	Year	AuGr	From Per.2	Year	To Per. 2	Year	From Per.3	Year	To Per. 3	Year
A 0	ZZZZ9999	1	2023	4	2023	13	2022	16	2022					
D 0	ZZZZ9999	1	2023	4	2023	13	2022	16	2022					
K 0	ZZZZ9999	1	2023	4	2023	13	2022	16	2022					
M 0	ZZZZ9999	1	2023	4	2023	13	2022	16	2022					
S 0	ZZZZ9999	1	2023	4	2023	13	2022	16	2022					
V		1	2023	4	2023	13	2022	16	2022					

14. Define Field Status Variants:

In SAP FICO, a field status variant is a predefined set of field statuses that control the status of fields is a screen for a particular transaction or master record in SAP.

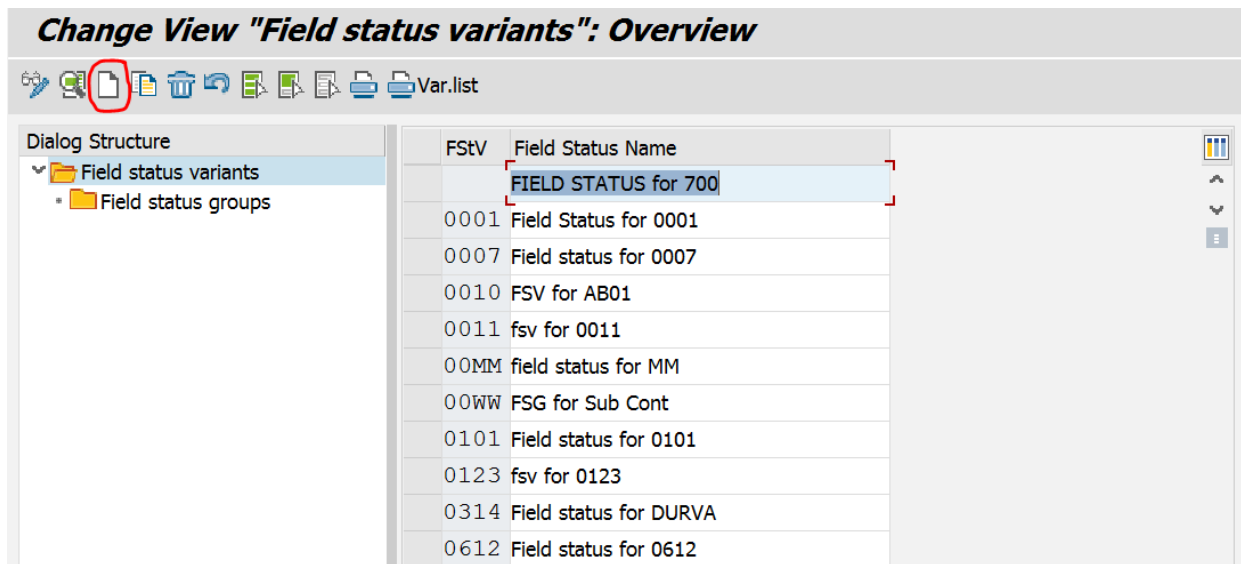
A field has one of the three statuses:

- Suppressed: The field status is hidden from display

- Required Entry: Status is also known as mandatory
- Optional Entry: It is up to you to make entry, if you don't enter anything you can keep blank.

T-Code OBC4

It can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fields > Define Field Status Variants.



T-Code OBC4

Click on new entries as shown above. Now give the field status variant and field status name.
Now save it.

Change View "Field status variants": Overview

Var.list

Dialog Structure

Field status variants
Field status groups

FStV	Field Status Name
212	FIELD STATUS for ni23
2354	FSV - 2354
2409	FSV - 2409
2505	Field status -2505
2809	FSV - 2809
2F	FSV - tel2
3F	FSV - tel3
3FSV	Field Status variant-2238
4477	fsv 4477
5889	Field status for RIL
6500	Field status for 6500
6565	Field status for 6501

Now selecting the fiscal year variant go to field status group and complete by saving it.

New Entries: Overview of Added Entries

Field status

Dialog Structure

Field status variants
Field status groups

Field status variant 212 FIELD STATUS for ni23

Field status group	Text
0001	General
0002	Expenses account
0003	Material consumptions account
0004	Cost account
0005	Bank account

15. Assign Company Code to Field Status Variants:

After creating field status variant, it needs to be assigned to company code. The link between the field status variant and company code is established through assignment.

The field status variant is taken from the company code when company code assigned to field status variant. Either one or more company codes can be assigned to field status variant.

T- Code OBC5

It can also be assigned by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fields > Assign Company Code to Field Status Variants.

Change View "Assign Company Code -> Field Status Variant": Overview

CoCd	Company Name	City	Fld stat.var.
0000	unicore	Walldorf	1111
0001		Walldorf	1111
0003	SAP US (IS-HT-SW)	Palo Alto	0001
0			LOLA
0			LOLA
0			0007
0			0011
0			0101
0123	bala1	manglore	0123
0314	D FURNITURE	BANGALORE	0314
0400	BP India	Chennai	B000
0612	CONVERSTO FOOD CORP	SRIKAKULAM	0612
0613	Conversto Agri Ltd	Hyderabad	0613
0MB1	IS-B Musterbank Deutschl.	Walldorf	0001
1000	LOLA TEXTILE COMPANY	BANGALORE	LOLA
1001	Havya Motors H Ltd	HYDERABAD	HFSV

T- Code OBC5

Enter the company code and press enter. Now enter the field status variant near our company code and save it as shown below. Now our company code is assigned to the field status variant as it is shown below.

Change View "Assign Company Code -> Field Status Variant": Overview

CoCd	Company Name	City	Fld stat.var.
2123	neeru industries	DHARMAVARAM	212
2212	2022 TEST	Walldorf	0001
2213	2022 TEST	Walldorf	0001
2238	Metro Global Business Ser	Nagpur	3FSV
2354	Chirag Motors Aus	Melbourne	2354
2409	Chirag Motors UAE	Sharjah	2409
2505	2505-COMPANY CODE	CALIFORNIA	2505

16. Define Account Group:

The account group is a summary of accounts based on criteria that effects how master records are created. The account group determines:

- ♣ The number interval from which the account number is selected when a G/L account is created.

- ♣ The screen layout for creating G/L accounts in the company code-specific area

T- Code OBD4

It can also be defined by using the following path: SAP Customizing Implementation Guide >Financial Accounting>General Ledger Accounting>Master Data>G/L Accounts>Preparations>Define Account Group.

Change View "G/L Account Groups": Overview				
Field status New entries Print field status				
Chrt/Accts	Acct Group	Name	From Acct	To Account
		CURRENT ASSETS	100100	100199
	ADMN	Administration	400300	400399
	CAST	Current Assets, Loans & Adv	200100	200199
	CLPR	Current Liabilities & Prov	100500	100599
	FAST	Fixed Assets	200000	200099
	INCR	Increase / Decrease in Stock	300200	300299
	INTR	Interest	400400	400499
	MFRG	Manufacturing cost	400200	400299
	OTHE	Other income	300100	300199
	OTHR	Other Income	300100	300199

T- Code OBD4

Now click on new entries. Now enter the chart of Accounts, Account group, Name, From Account and To Account details and save it as shown below.

Change View "G/L Account Groups": Overview				
Field status New entries Print field status				
Chrt/Accts	Acct Group	Name	From Acct	To Account
2123	ASSE	ASSESTS	123445	124999
2123	CA	CURRENT ASSETS	125000	140000
2123	EXPN	EXPENSES	140001	145500
2123	INCO	INCOME	167000	224500
2123	LIAB	LIABILITIES	100000	123444

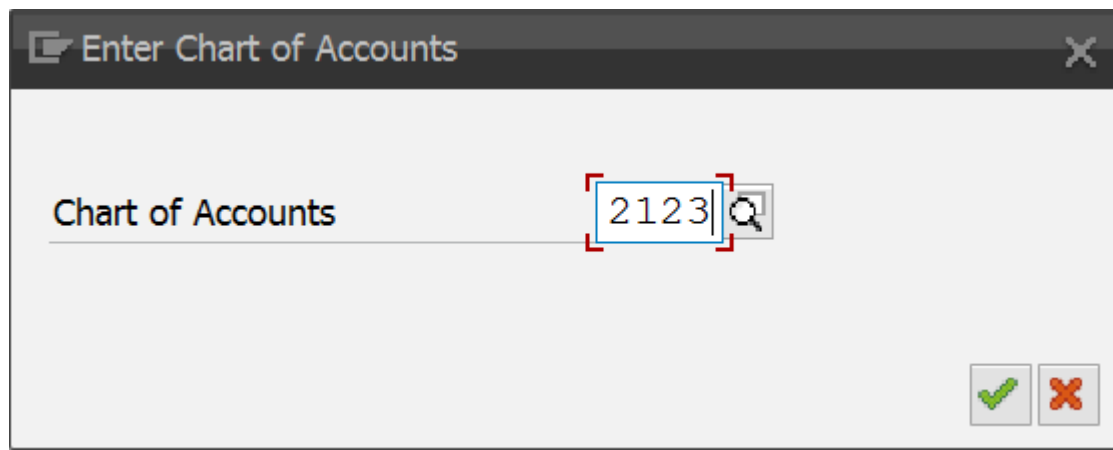
17. Define Retained Earnings Account:

Retained earnings are the amount of profit a company has left over after paying all its direct costs, indirect costs, income taxes and its dividends to shareholders. This represents the portion

of the company's equity that can be used, for instance, to invest in new equipment, R&D, and marketing.

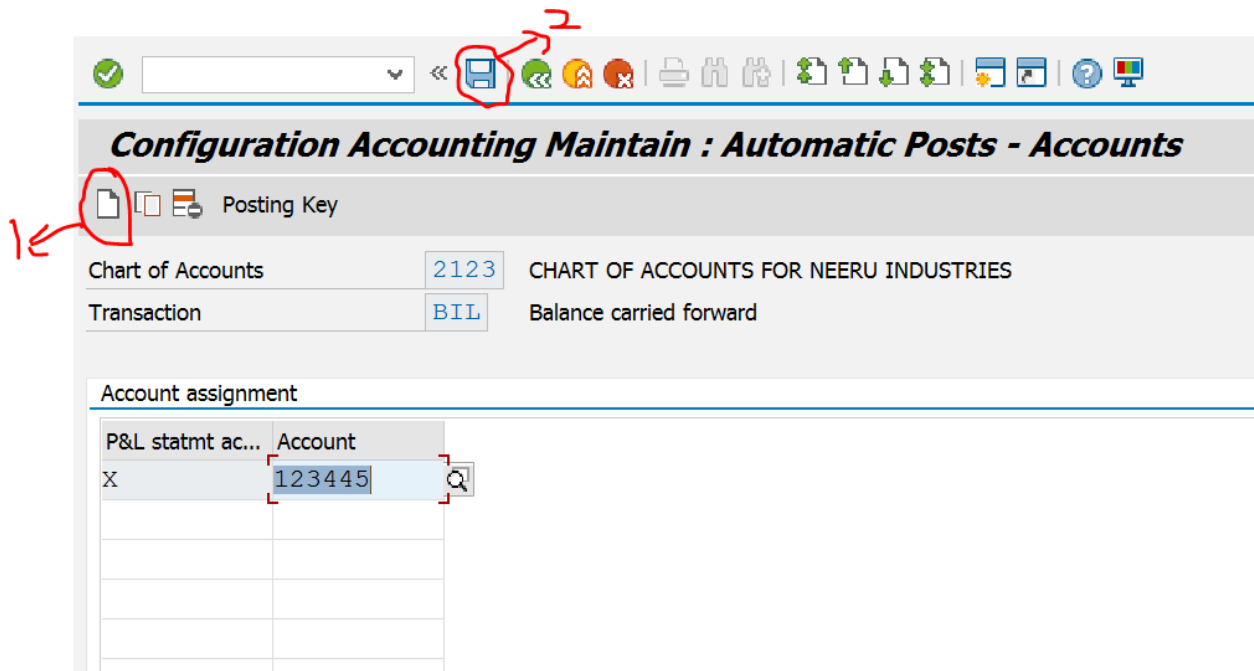
T- Code OB53

It can also be defined by using the following path: SPRO > Financial Accounting > General Ledger Accounting > Master Data > G/L Accounts > Preparations > Define Retained Earnings Account.



T-Code OB53

Enter the chart of accounts and press enter.



P&L statmt ac...	Account
X	123445

Now go to new entries which was marked as 1. Then, enter X in the P&L statement and in the Account go to drop down button and click on Retained earnings i.e., 123445 and save it.

18. Create G/L Account – Centrally:

General Ledger (G/L) accounts are used to provide a picture of external accounting and accounts and to record all the business transactions and will get posted with the base of master data. Master data will be used as reference for all the reporting and the transactional figures will get stored under respective master data.

T- Code FS00

It can also be created by using the following path: SAP Menu > Accounting > Financial Accounting > General Ledger > Master Records > G/L Accounts > Individual Processing > Centrally.

Edit G/L Account Centrally

Company code 2123

- ASSETS
- CURRENT ASSETS
- EXPENSES
- Create G/L account

G/L Account: 167000
Company Code: 2123

G/L Account: ☒
Company Code: 2123 neeru industries

Type/Description | Control Data | Create/bank/interest | Key word/translation | Information (C/A) | Information (CoCd)

Control in Chart of Accounts 2123 CHART OF ACCOUNTS FOR NEERU INDUSTRIES

G/L Account Type:
Account Group:

Description

Short Text:
G/L Acct Long Text:

Consolidation Data in Chart of Accounts 2123 CHART OF ACCOUNTS FOR NEERU INDUSTR

Trading Partner No.:

T- Code fs00

Click on create and enter the GL account and execute it. In the Type /Description fill the required details as shown below.

G/L Account: 167000
Company Code: 2123 neeru industries

Type/Description | Control Data | Create/bank/interest | Key word/translation | Information (C/A) | Information (CoCd)

Control in Chart of Accounts 2123 CHART OF ACCOUNTS FOR NEERU INDUSTRIES

G/L Account Type: Balance Sheet Account
Account Group: INCOME

Description

Short Text: INCOME
G/L Acct Long Text: INCOME A/C

Consolidation Data in Chart of Accounts 2123 CHART OF ACCOUNTS FOR NEERU INDUSTR

Trading Partner No.:

Now in the control data add currency and sort key

G/L Account	167000	
Company Code	2123	neeru industries

Type/Description	Control Data	Create/bank/interest	Key word/translation	Information (C/A)	Information (CoCd)
Account control in company code					
Account currency	INR	Indian Rupee			
Balances in Local Crpy Only	<input type="checkbox"/>				
Exchange Rate Difference Key					
Valuation Group					
Tax Category					
Posting without tax allowed	<input type="checkbox"/>				
Recon. Account for Acct Type					
Alternative Account No.					
Acct Managed in Ext. System	<input type="checkbox"/>				
Inflation key					
Tolerance Group					
Account Management in Company Code					
Open Item Management	<input type="checkbox"/>				
Clearing Spec. to Ledger Gps	<input type="checkbox"/>				
Sort key	001				
Authorization Group					
Clerk Abbreviation					

In the bank/interest details give the field status group.

G/L Account 167000
Company Code 2123 neeru industries

Type/Description	Control Data	Create/bank/interest	Key word/translation	Information (C/A)	Information (CoCd)
Control of document creation in company code					
Field status group	0001				
Post Automatically Only	<input type="checkbox"/>				
Supplement Auto. Postings	<input type="checkbox"/>				
Recon. Acct Ready for Input	<input type="checkbox"/>				
Bank/financial details in company code					
Planning Level	<input type="checkbox"/>				
<input type="checkbox"/> Relevant to Cash Flow					
House Bank					
Account ID					
Interest calculation information in company code					
Interest indicator	<input type="checkbox"/>				
Interest Calc. Frequency	04 <input type="button" value="Q"/>				
Key Date of Last Int. Calc.					
Date of Last Interest Calc.					

Check the translation and save it. GL A/c has been created successfully.

G/L Account	167000
Company Code	2123 neeru industries

Type/Description	Control Data	Create/bank/interest	Key word/translation	Information (C/A)	Information (CoCd)
------------------	--------------	----------------------	-----------------------------	-------------------	--------------------

Keywords in Chart of Accounts 2123 CHART OF ACCOUNTS FOR NEERU INDUSTRIES

Language	Keyword

Translation

Language Key	Short Text	Long Text
English	INCOME	INCOME A/C

19. Create G/L Account - in COA:

T- Code FSP0

It can also be created by using the following path: SAP Menu > Accounting > Financial Accounting > General Ledger > Master Records > G/L Accounts > Individual Processing > in Chart of Account.

By executing the T-Code FSP0 the below screen is visible. To create the GL in the chart of accounts go to create and enter the GL Account and press enter.

Edit G/L Account Chart of accts data

Edit financial statement version Edit set Time-Dependent Attributes

Chart of accts 2123

ASSETS
CURRENT ASSETS
EXPENSES
Create G/L account

G/L Account 140001
Chart of Accts 2123

G/L Account ☒
Chart of Accts 2123 CHART OF ACCOUNTS FOR NEER.

Type/Description Key word/translation Information

Control in Chart of Accounts

G/L Account Type
Account Group

Description

Short Text
G/L Acct Long Text

Consolidation Data in Chart of Accounts

Trading Partner No.

Now in the type/description fill the required fields means G/L Account type, Account group and description as shown below.

G/L Account 140001
Chart of Accts 2123 CHART OF ACCOUNTS FOR NEER..

Type/Description Key word/translation Information

Control in Chart of Accounts

G/L Account Type Balance Sheet Account
Account Group EXPENSES

Description

Short Text EXPENSES
G/L Acct Long Text EXPENSES ACCOUNT

Consolidation Data in Chart of Accounts

Trading Partner No.

Now go to translation and check the information and then save it.

G/L Account 140001
Chart of Accts 2123 CHART OF ACCOUNTS FOR NEER..

Type/Description Key word/translation Information

Keywords in Chart of Accounts

Language	Keyword

Translation

Language Key	Short Text	Long Text
English	EXPENSES	EXPENSES ACCOUNT

Now our GL in the chart of accounts has been created successfully.

20. Create G/L Account - in CoCd:

The company-code-specific area of a G/L account contains data that is only valid for one company code, such as the currency in which the account may be posted.

T- Code FSS0

It can also be created by using the following path: SAP Menu > Accounting > Financial Accounting > General Ledger > Master Records > G/L Accounts > Individual Processing > In Company Code.

Now by executing the T-Code FSS0 which is used to create G/L Account in the company code we can able to see the below screen. Simply click on new entries and enter the GL account and press enter.

Edit G/L Account Company code data

Company code 2123

ASSETS
CURRENT ASSETS
EXPENSES
Create G/L account

G/L Account 140001
Company Code 2123

G/L Account ☒
Company Code 2123 neeru industries

Control Data Create/bank/interest Information

Account control in company code

Account currency	
Balances in Local Crpy Only	<input type="checkbox"/>
Exchange Rate Difference Key	
Valuation Group	
Tax Category	
Posting without tax allowed	<input type="checkbox"/>
Recon. Account for Acct Type	
Alternative Account No.	
Acct Managed in Ext. System	<input type="checkbox"/>
Inflation key	
Tolerance Group	

Account Management in Company Code

Open Item Management	<input type="checkbox"/>
Clearing Spec. to Ledger Gps	<input type="checkbox"/>
Sort key	
Authorization Group	
Clerk Abbreviation	

Now in the control data enter the account currency and the sort key.

G/L Account 140001 EXPENSES ACCOUNT
Company Code 2123 neeru industries

Control Data Create/bank/interest Information

Account control in company code

Account currency	INR	Indian Rupee
Balances in Local Crpy Only	<input type="checkbox"/>	
Exchange Rate Difference Key		
Valuation Group		
Tax Category		
Posting without tax allowed	<input type="checkbox"/>	
Recon. Account for Acct Type		
Alternative Account No.		
Acct Managed in Ext. System	<input type="checkbox"/>	
Inflation key		
Tolerance Group		

Account Management in Company Code

Open Item Management	<input type="checkbox"/>
Clearing Spec. to Ledger Gps	<input type="checkbox"/>
Sort key	001
Authorization Group	
Clerk Abbreviation	

In the next step go to bank/interest and enter field status group and save it as mentioned below.

G/L Account 140001 EXPENSES ACCOUNT
 Company Code 2123 neeru industries

Control Data Create/bank/interest Information

Control of document creation in company code

Field status group 0001
 Post Automatically Only ☐
 Supplement Auto. Postings ☐
 Recon. Acct Ready for Input ☐

Bank/financial details in company code

Planning Level ☐
☐ Relevant to Cash Flow
 House Bank
 Account ID

Interest calculation information in company code

Interest indicator ☐
 Interest Calc. Frequency 04
 Key Date of Last Int. Calc.
 Date of Last Interest Calc.

21. Define Document Types:

Document type is a key used for classifying accounting documents & differentiate between trade transactions to be posted. Purpose of document type is:

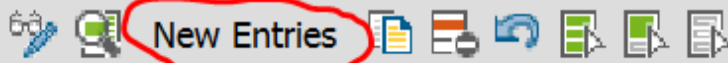
- Distinguish between business activities: Document types differentiate business transactions and control document filing.
- Control the posting of account types (for vendors, customers, or G/L accounts): Document type decides which account types a particular document can post to.
- Assigning document numbers: Document type also helps to determine the assignment of document number to every document type. It should store the original documents from one number range together.

T- Code OBA7

It can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting Global Settings > Document > Document Types > Define Document Types

After executing the T-Code OBA7 the below screen is visible. Go to new entries

Change View "Document Types": Overview



Type	Description	
SA	G/L Account document	⌵
SB	G/L Account Posting	⌵
SC	Transfer P&L to B/S	
SE	Inventory Postings	
SJ	JV's for G/L A/C doc	
SK	Cash Document	
SP	GL DOCUMENT	

Now enter the required fields and save it. Now add description for the document type.

New Entries: Details of Added Entries

Document Type

SA

Properties

Number range

SA

Number range information

Reverse DocumentType

Authorization Group

Account types allowed

☒ Assets
☒ Customer
☒ Vendor
☐ Material
☒ G/L Account
☐ Secondary Costs

Control data

☐ Net document type
☐ Cust/vend Check
☐ Negative Postings Permitted
☐ Inter-Company
☐ Enter trading partner

Special usage

☐ BI Only

Default values

Exchange Rate Type for FC Documents

Required during document entry

☐ Reference Number
☐ Document Header Text

Joint venture

Debit Rec.Indic

Rec.Ind. Credit

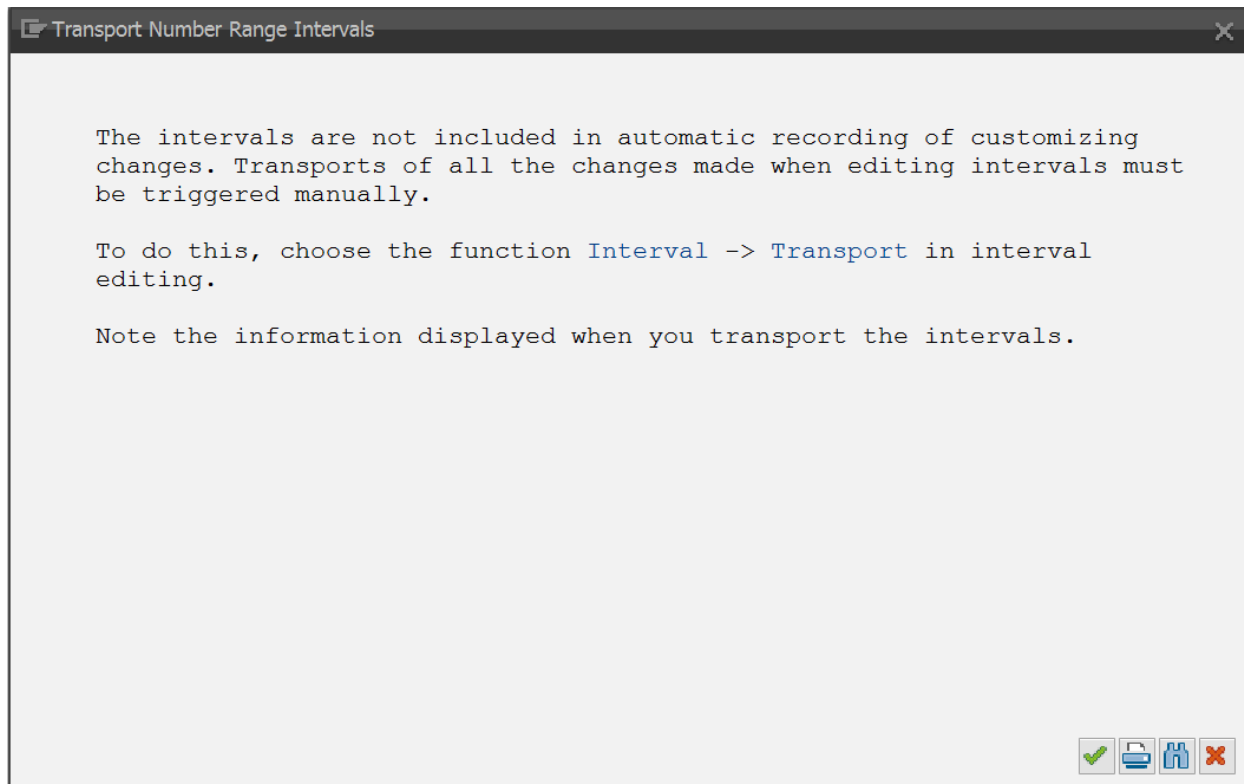
So the document type is defined successfully.

22. Copy Number Ranges:

Here we have to copy number ranges from one company code to another company code.




T- Code OBH1

After executing the T- Code OBH1 the below screen is visible. Then execute it.





After executing it, the below screen is visible. Enter number range, fiscal year, source company code and the target company code. After entering the mentioned details save it.

Document Number Ranges: Copying to Company Code



General Selections

Number range number	SA	to		
Fiscal year	2023	to		

Source company code details

Company code	KCB1
--------------	------

Target company code details

Company code	2123 	to		
--------------	--	----	--	---

23. Define Document Number Ranges:

Document number ranges are defined at the specific interval within which documents should be created in SAP. Document number ranges depend upon company code and are valid for the defined year. We can assign one or more document types to each number range. The number range becomes effective by the document type specified in document entry and posting.

T- Code FBN1

It can also be defined by using the following path : SAP Customizing Implementation Guide > Financial Accounting Global Settings > Document > Document Number Ranges > Define Document Number Ranges. By entering the T- Code FBN1 the below screen is visible. Now enter the company code and press intervals.

Edit Intervals: Accounting document, Object RF_BELEG

Number Range Object RF_BELEG Number Ranges For Accounting Documents

Company Code 2123

Intervals Intervals NR Status

After that the below screen is visible. By clicking on the below mentioned field, enter the number range number, year, from no. to no. now save the number ranges that has been created.

Edit Intervals: Accounting document, Object RF_BELEG, Subobject 2123

Number Range No.	Year	From No.	To Number	NR Status	External
01	2022	0100000000	0199999999	0	<input type="checkbox"/>
01	2023	0100000000	0199999999	0	<input type="checkbox"/>
02	2022	0200000000	0299999999	0	<input type="checkbox"/>
02	2023	0000000501	0000001000	0	<input type="checkbox"/>
03	2022	0300000000	0399999999	0	<input type="checkbox"/>
03	2023	0000001001	0000001500	0	<input type="checkbox"/>
04	2022	0400000000	0499999999	0	<input type="checkbox"/>
04	2023	0400000000	0499999999	0	<input type="checkbox"/>

By following the above steps number ranges has been successfully created.

24. Define Posting Keys:

Posting Keys in SAP FI are used to determine Account types (A, D, K, M, and S) and also the type of posting. It is 2-digit numerical key.

Different Account Types in SAP FI –

- A = Assets
- D = Customers
- K = Vendors
- M = Materials
- S = General Ledger Account

T- Code OB41

This can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting Global Settings > Document > Define Posting Keys.

Maintain Accounting Configuration : Posting Keys - List



Posting Key	Name	Debit/Credit	Account Type
00	Act assignment model		
01	Invoice	Debit	Customer
02	Reverse credit memo	Debit	Customer
03	Expenses	Debit	Customer
04	Other receivables	Debit	Customer
05	Outgoing payment	Debit	Customer
06	Payment difference	Debit	Customer
07	Other clearing	Debit	Customer

After executing the T-Code OB41 the above screen is visible. Go to new entries by clicking on the mentioned field. Now enter the mentioned details as mentioned below and save it.

Maintain Accounting Configuration : Posting Keys - Detail Screen

Maintain Field Status

Posting Key SA 2324

Debit/credit indicator

- ☒ Debit
☐ Credit

Account type

- ☒ Customer
☐ Vendor
☐ G/L account
☐ Assets
☐ Material

Other attributes

- ☐ Sales-Related
☐ Special G/L

Reversal Posting Key

- ☐ Payment Transaction



25. Define Tolerance Groups for GL:

GL tolerance group is assigned to individual GL account master data. Tolerance groups for G/L accounts define the limits within which credit and debit differences in local currencies are considered acceptable.

T- Code OBA0

It can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Business Transactions > Open Item Clearing > Clearing Differences > Define Tolerance Groups for G/L Accounts.


Change View "Tolerances for Groups of G/L Accounts in Local Currency":

 **New Entries** 

CoCd	Tol.group	Name
0000		Standard Example
0001		Standard Example
0004		LOLA GROUP
0006		LOLA GROUP
007		Tolerance Group for 007
0123		blank tolerance group for 0123
0123	A	upper limit 100
0123	B	upper limit 200

By executing the T- Code OBA0 the below screen is visible. Then go to new entries. Now enter the company code, tolerance groups of GL in the local currency details as shown below, and save it.

New Entries: Details of Added Entries



Company Code

Tolerance Group G/L tolerance group for 2123

Tolerances for Groups of G/L Accounts in Local Currency			
Debit Posting	<input type="text" value="99.900"/>	Percentage	<input type="text" value="2,0"/> %
Credit Posting	<input type="text" value="99.900"/>	Percentage	<input type="text" value="2,0"/> %

26. Define Tolerance Groups for Employees:

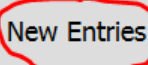

The tolerance group for Employees determines the maximum document amount the employees are authorized to post. The maximum amount can enter as a line item in a Vendor account or customer account.

T- Code OBA4

It can also be defined by using the following path: SAP Customizing Implementation Guide >Financial Accounting Global Settings>Document >Tolerance Groups > Define Tolerance Groups for Employees.

By executing the T- Code OBA4 the below screen is visible, go to new entries.

Change View "FI Tolerance Groups For Users": Overview

Tol. G	Company Code
	0000
	0001
	0003
	0123
	0314
	0612

Now enter the required details and save it.

New Entries: Details of Added Entries

Group:
 Company code: 2123
 Currency:

Upper limits for posting procedures

Amount per document	10.000.000.000.000
Amount per open item account item	10.000.000.000
Cash discount per line item	5,000 %

Permitted payment differences

	Amount	Percent	Cash discont adj.to
Revenue	1.000.000	10,0 %	100.000
Expense	1.000.000	10,0 %	100.000

The tolerance limit for employees has been successfully created by following the above steps.

27. Define Tolerances for Customers and Suppliers:

Tolerances referred as payment differences. Tolerance groups deals with adequate, allowable differences and authorizations given to the user of the organization to post a document easily.

Tolerance group allows the users to process the transaction with the gain or loss payment difference for customers or vendors in SAP. The payment differences are defined by tolerance group.

When an incoming invoice is processed, the system checks for each item whether the invoice differs in any way from the purchase order or goods receipt.

T- Code OBA3

It can also be defined by using the following path: SAP Customizing Implementation Guide > Financial Accounting > Accounts Receivable and Accounts Payable > Business Transactions > Incoming Payments > Manual Incoming Payments > Clearing Differences > Define Tolerances for Customers and Suppliers.

Change View "Customer/Vendor Tolerances": Overview

 New Entries     

Company Code	Tolerance Group	Name
0000		
0000	DEB1	
0000	DEB2	
0000	DEB3	
0000	DEB4	
0000	KRE1	
0001		

By executing the T- Code OBA3 the above screen is visible. Now click on new entries. Now enter the company code, currency, tolerance group, payment differences, tolerances for payment advices details as shown below and save it.

New Entries: Details of Added Entries

Company Code: 2123
 Currency:
 Tolerance Group: NPB Tolerance group 2123

Specifications for Clearing Transactions

Grace Days Due Date:
 Arrears Base Date:
 Cash Discount Terms Displayed:

Permitted Payment Differences

	Amount	Percent	Adjust Discount By
Rev.	999	10,0 %	5
Loss	5	5,0 %	5

Permitted Payment Differences for Automatic Write-Off (Function Code AD)

	Amount	Percent
Rev.		%
Loss		%

Specifications for Posting Residual Items from Payment Differences

☐ Payment Term from Invoice Fixed Payment Term:
☐ Only Grant Partial Cash Disc
 Dunning Key:

Tolerances for Payment Advices

	Amount	Percent
Outst. Receiv. From	999	10,0 %
Outst. Payable From	999	5,0 %

28. Define Ledgers and Accounting principles:

Ledgers are used to generate different financial statements as per accounting principles.

Accounting principles are rules for legal accounting and financial statements and govern how companies record and report their financial data. Accounting standards are collections of accounting principles, for example, the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Leading Ledger: We have to define one ledger as the leading ledger and in the standard system leading ledger is 0L. The leading ledger is assigned to all the company codes. A Leading ledger contains the same setting like currencies, fiscal year variant, and posting period variant that apply to the company code.

Non-Leading Ledger: Non-Leading ledgers are also called extension ledgers. Non-Leading ledgers are based on local accounting principles.

T- Code Finsc_ledger

It can also be defined by using the following path: SAP Customizing Implementation Guide>Financial Accounting > Financial Accounting Global Settings > Ledgers > Ledger > Define Settings for Ledgers and Currency Types. By following the above-mentioned path, the below screen is visible. Now click on the below mentioned field

Change View "Ledger": Overview

New Entries All Table Views

Dialog Structure

- Currency Types
- Global Currency Conversion Settings
- Currency Conversion Settings for

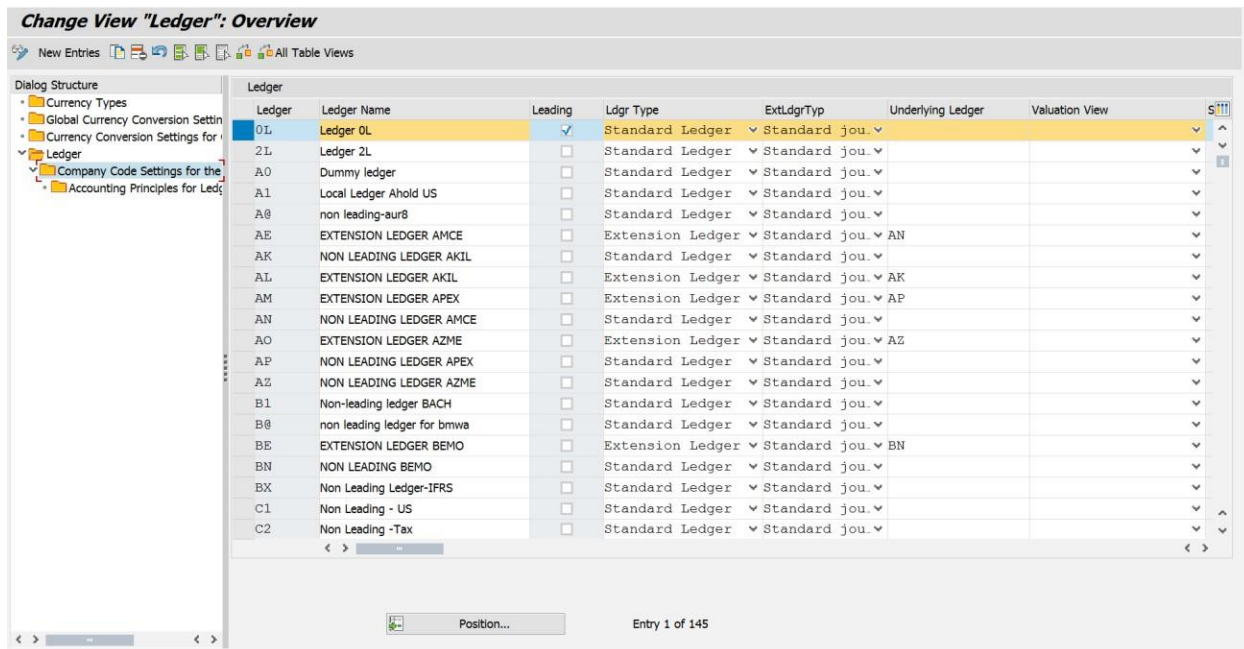
Ledger				
Ledger	Ledger Name	Leading	Ldgr Type	
OL	Ledger OL	<input checked="" type="checkbox"/>		

Consistency Check: Display messages

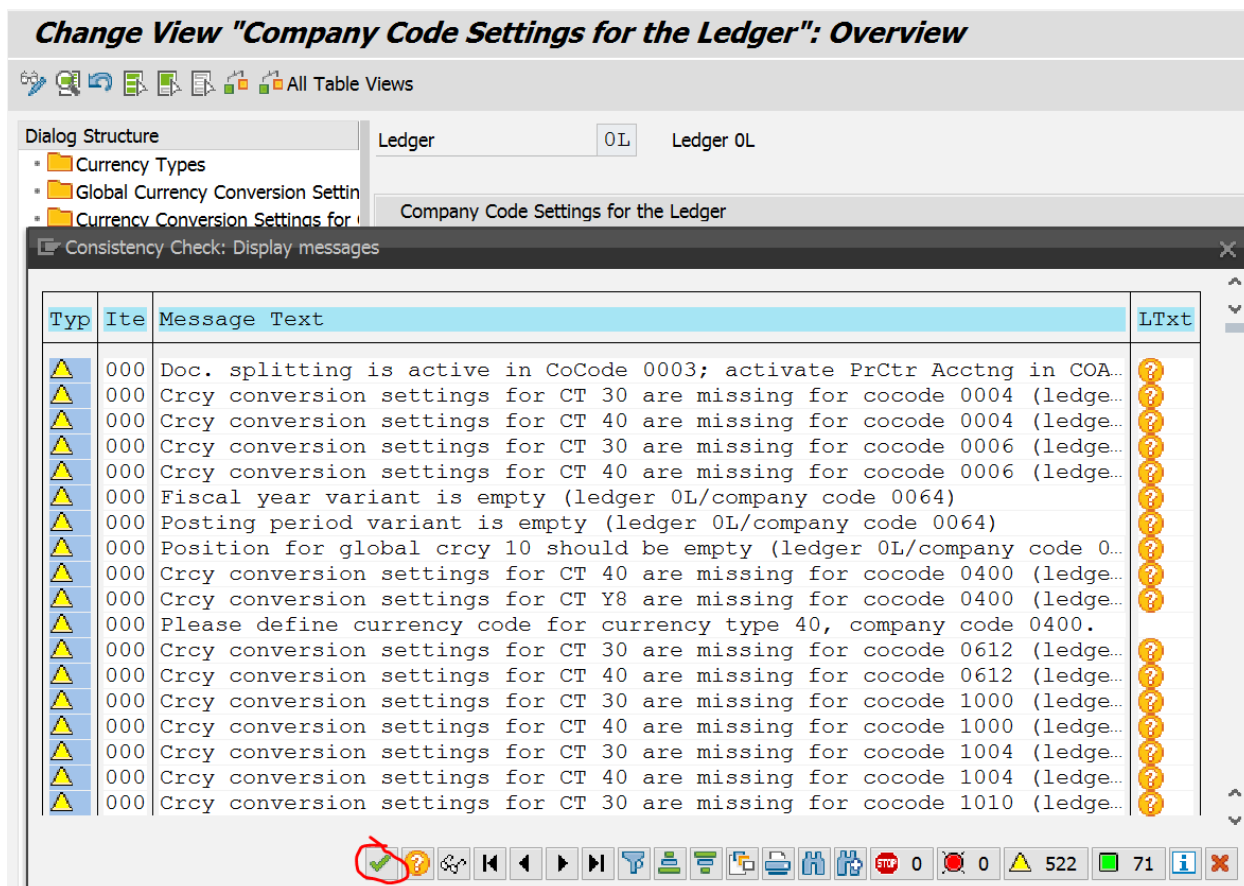
Typ	Itc	Message Text	Ltxt
▲	000	Some internal inconsistencies have been found:	?
▲	000	Accounting principles B002 and R001 assigned in ledger T3 company cod...	?
▲	000	Accounting principles GAAP and LG assigned in ledger OL company code ...	?
▲	000	Accounting principles K002 and L002 assigned in ledger L1 company cod...	?
▲	000	Accounting principles KLGP and LG assigned in ledger OL company code ...	?
▲	000	Accounting principles SHGA and SHIF assigned in ledger S6 company cod...	?
▲	000	Allocation indicator should not be empty (ledger OL/company code LPIC)	?
▲	000	Allocation indicator should not be empty (ledger OL/company code MTUK)	?
▲	000	Allocation indicator should not be empty (ledger OL/company code TSAM)	?
▲	000	Allocation indicator should not be empty (ledger H2/company code LPIC)	?
▲	000	Allocation indicator should not be empty (ledger H2/company code MTUK)	?
▲	000	Allocation indicator should not be empty (ledger H2/company code TSAM)	?
▲	000	Allocation indicator should not be empty (ledger H3/company code LPIC)	?
▲	000	Allocation indicator should not be empty (ledger H3/company code MTUK)	?
▲	000	Allocation indicator should not be empty (ledger H3/company code TSAM)	?
▲	000	Allocation indicator should not be empty (ledger IE/company code LPIC)	?
▲	000	Allocation indicator should not be empty (ledger IE/company code MTUK)	?
▲	000	Allocation indicator should not be empty (ledger IE/company code TSAM)	?

0 0 3.289 218

Now the below screen is visible. By selecting the leading ledger OL go to company code settings as shown below.



Now click on the mentioned field.



After that by enter our company code and execute it as shown below.

Change View "Company Code Settings for the Ledger": Overview

Dialog Structure

- Currency Types
- Global Currency Conversion Settings
- Currency Conversion Settings for Ledger
- Ledger
 - Another entry
 - Company Code

Ledger: OL, Ledger OL

Company Code Settings for the Ledger

CoCd	Company Name	Local Curr. Type	Global Curr. Type	FreeDef CrCY 1	FreeDef CrCY 2	FreeDef CrCY 3	FreeDef CrCY 4	FreeDef CrCY 5
10		10	10	30	40			
10		10		30	40			
10		10	10					
10		10						
10		10	10					
0123	bale1	10	10					
0314	D FURNITURE	10	10					
0400	BP India	10		40	Y7	Y8		
0612	CONVERSTO FOOD CORP	10	10	30	40			
0613	Conversto Agri Ltd	10	10					
0MB1	IS-B Musterbank Deutschl.	10	10					
1000	LOLA TEXTILE COMPANY	10		30	40			
1001	Havya Motors H Ltd	10	10					
1002	Havya Motors G Ltd	10	10					
1004	UTTC	10		30	40			
1007	Haris Group of Company	10	10					
1010	HCL	10		30	40			

By selecting the company code go to accounting principles and enter the accounting principles and save it.

Change View "Accounting Principles for Ledger and Company Code": Overview

New Entries

Dialog Structure

- Currency Types
- Global Currency Conversion Settings
- Currency Conversion Settings for Ledger
- Ledger
 - Company Code
 - Accounting Principles for Ledger and Company Code

Ledger: OL, Ledger OL

Company Code: 2123, neeru industries

Accounting Principles for Ledger and Company Code

Accounting Principle	Name of Accounting Principle
INAP	India GAAP

Now go to new entries and create non leading ledger. Here non leading ledger NS has been created.

By selecting the non leading ledger go to company code settings as shown below.

Change View "Ledger": Overview

New Entries

Dialog Structure

- Currency Types
- Global Currency Conversion Settings
- Currency Conversion Settings for Ledger
- Ledger
 - Company Code Settings for the Ledger
 - Accounting Principles for Ledger and Company Code

Ledger

Ledger	Ledger Name	Leading	Ldgr Type	ExtLdgrTyp	Underlying Ledger	Valuation View	Subtype Val	Man
NS	NON LEADING LEDGER 2123	<input type="checkbox"/>	Standard Ledger	Standard jo...				
NX	Extension Ledger NR00	<input type="checkbox"/>	Standard Ledger	Standard jo...				
OL	local ledger-ssp	<input type="checkbox"/>	Standard Ledger	Standard jo...				
OM	EXTENSION LEDGER zoom	<input type="checkbox"/>	Extension Ledger	Standard jo... Z0				
P1	LocalLedger PPM	<input type="checkbox"/>	Standard Ledger	Standard jo...				

Now enter the mentioned details as shown below and save it.

Change View "Company Code Settings for the Ledger": Details

New Entries All Table Views All Details

Dialog Structure

- Currency Types
- Global Currency Convers
- Currency Conversion Set
- Ledger
 - Company Code Setti
 - Accounting Princ

Ledger: NS NON LEADING LEDGER 2123
Company Code: 2123 neeru industries

Company Code Settings for the Ledger

Company Code Settings

Fiscal Year Variant: ns april - march
Pstng period variant: PPV FOR NEERU INDUSTRIES

Accounting Principle:
Functional Currency:

☐ Parallel Accounting Using G/L Accounts

Local Currency (Legal Valuation) - 1st FI Currency

Currency Type: 10 Company Code Currency (INR - Indian Rupee) Source Currency Type: 00

Global Currency (Legal Valuation) - 2nd FI Currency

Currency Type: 30 Group Currency (USD - US Dollar) Source Currency Type: 10 Company Code Currency (INR - Indian Rupee)

Currency Currency

29. Maintain Controlling Area:

The controlling area is the central organizational unit within the CO module. It is representative of a contained cost accounting environment where costs and revenues can be managed. The Controlling module is designed to enable organizations to collate, manipulate, and coordinate huge financial data accumulated from business operations into concise and meaningful management reports.

T- Code OX06/OKKP

It can also be maintained by using the following path: SAP Customizing Implementation Guide > Controlling>General Controlling>Organization>Maintain Controlling Area.

Change View "Basic data": Overview



Controlling Area		Overview of Controlling Areas	
<ul style="list-style-type: none"> Basic data <ul style="list-style-type: none"> Assignment of company code(s) 		COAr	Name
		0001	Kostenrechnungskreis 0001
		0002	Controlling area for BP
		0003	SAP US (is-ht-sw)
		0004	KADAPA COAr
		0011	coa for 0011
		0101	0101 coa
		0123	coa for 0123
		0314	CONTROLLING AREA DURVA

Now create the controlling area by entering the mentioned fields shown below and save it.

New Entries: Details of Added Entries

Controlling Area <ul style="list-style-type: none"> Basic data <ul style="list-style-type: none"> Assignment of company code(s) 	Controlling Area	212C	COArea = CCode
	Name	controlling area for 2123	
	Person Responsible		
	Assignment Control		
	CoCd->CO Area	Cross-company-code cost accounting	
	Currency Setting		
	Currency Type	30	
	Currency	USD	<input type="checkbox"/> Diff. CCode Currency
	Curr/Val. Prof.		<input type="checkbox"/> Active
	Other Settings		
Chart of Accts	2123		
Fiscal Year Variant	BB	V3 - JAN.- DEC, 4 Spl riord	
Leading FS Version			
<input type="checkbox"/> Hide Controlling Area in F4			
Setting for Authorization Hierarchies for Cost Centers			
Do Not Use Std Hier.	<input type="checkbox"/>	Alternative Hierarchy1	<input type="checkbox"/>
		Alternative Hierarchy2	<input type="checkbox"/>
Setting for Authorization Hierarchies for Profit Centers			
Do Not Use Std Hier.	<input type="checkbox"/>	Alternative Hierarchy1	<input type="checkbox"/>
		Alternative Hierarchy2	<input type="checkbox"/>

Go to assignment of company code and enter the company code and company name save it.

Change View "Assignment of company code(s)": Overview

New Entries

Controlling Area: 212C Controlling area for 2123

Basic data

Assignment of company code(s)

Assigned Company Codes	
CoCd	Company Name
2123	neeru industries

Position...

Entry 1 of 1

30. Assign company code to controlling area :

T-Code OX19

SAP Customizing Implementation Guide > Controlling>General
cControlling>Organization>Maintain Controlling Area > Assign company code to controlling area.

By executing the T- Code OX19 the below screen is visible and click on the below mentioned screen.

By executing the T- Code OX19 the below screen is visible and click on the below mentioned screen.

Change View "Basic data": Overview



Controlling Area

- Basic data
 - Assignment of company code(s)

Overview of Controlling Areas

COAr	Name
0001	Kostenrechnungskreis 0001
0002	Controlling area for BP
0003	SAP US (is-ht-sw)
0004	KADAPA COAr
0011	coa for 0011
0101	0101 coa
0123	coa for 0123
0314	CONTROLLING AREA DURVA

Enter the required fields as mentioned below and save it.

New Entries: Details of Added Entries

Controlling Area

Basic data

Assignment of company code(s)

Controlling Area: 212C COArea = CCode

Name: controlling area for 2123

Person Responsible:

Assignment Control

CoCd->CO Area: Cross-company-code cost accounting

Currency Setting

Currency Type: 30

Currency: USD

Curr/Val. Prof.:

Diff. CCode Currency: ☐

Active: ☐

Other Settings

Chart of Accts: 2123

Fiscal Year Variant: BB V3 - JAN.- DEC, 4 Spl ri od

Leading FS Version:

Hide Controlling Area in F4: ☐

Setting for Authorization Hierarchies for Cost Centers

Do Not Use Std Hier.: ☐

Alternative Hierarchy1: ☐

Alternative Hierarchy2: ☐

Setting for Authorization Hierarchies for Profit Centers

Do Not Use Std Hier.: ☐

Alternative Hierarchy1: ☐

Alternative Hierarchy2: ☐

After saving this assignment of company code and company name and save it.

Change View "Assignment of company code(s)": Overview

New Entries

Controlling Area

Basic data

Assignment of company code(s)

Controlling Area 212C Controlling area for 2123

Assigned Company Codes	
CoCd	Company Name
2123	neeru industries

Position...

Entry 1 of 1

31. Activate components/control indicators in Controlling Area :

T-Code OX06

SAP Customizing Implementation Guide > Controlling>General

Controlling>Organization>Maintain Controlling Area > Activate compenonents.

By executing the T- Code OX06 the below screen is visible and click on it as shown below.

Change View "Basic data": Overview

New Entries

Controlling Area

- Basic data
 - Assignment of company code(s)

Overview of Controlling Areas

COAr	Name
0001	Kostenrechnungskreis 0001
0002	Controlling area for BP
0003	SAP US (is-ht-sw)
0004	KADAPA COAr
0011	coa for 0011
0101	0101 coa
0123	coa for 0123
0314	CONTROLLING AREA DURVA

Now enter the required fields and save it.

New Entries: Details of Added Entries

Controlling Area

- Basic data
 - Assignment of company code(s)

Controlling Area 212C COArea = CCode

Name controlling area for 2123

Person Responsible

Assignment Control

CoCd->CO Area Cross-company-code cost accounting

Currency Setting

Currency Type 30

Currency USD ☐ Diff. CCode Currency

Curr/Val. Prof. ☐ Active

Other Settings

Chart of Accts 2123

Fiscal Year Variant BB V3 - JAN.- DEC, 4 Spl rioid

Leading FS Version

☐ Hide Controlling Area in F4

Setting for Authorization Hierarchies for Cost Centers

Do Not Use Std Hier.	<input type="checkbox"/>	Alternative Hierarchy1	<input type="checkbox"/>
		Alternative Hierarchy2	<input type="checkbox"/>

Setting for Authorization Hierarchies for Profit Centers

Do Not Use Std Hier.	<input type="checkbox"/>	Alternative Hierarchy1	<input type="checkbox"/>
		Alternative Hierarchy2	<input type="checkbox"/>

32. Version's in controlling Area configuration:

A version is a comprehensive set of planning data. A user may create as many versions as desired (alpha-numeric possible). Versions are comprehensive for all types of CO planning.

T – Code OKEQ

It can also be configured by using the following path: SAP Customizing Implementation Guide > Controlling>General Controlling>Organization>Maintain Versions. Now by entering the T – Code OKEQ the below screen is visible. Select the version 0 as shown below.

General Version Definition

New Entries

Dialog Structure

- General Version Definition
 - Settings in Operating Concern
 - Settings for Profit Center Account
 - Controlling Area Settings
 - Settings for Each Fiscal Year
 - Delta Version: Bus. Transaction
 - Settings for Progress Analysis (f

General Version Overview

Version	Name	Plan	Actual	WIP/RA	Variance
0	Plan/actual version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1	Plan Version: Change 1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	Plan Version: Change 2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	Actual Costs vs. Target Costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
30	Group Valuation-S000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
90	Profit Center Valuation-S000	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
0GP	Grp.Val	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
100	PS: Progress Version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
101	Progressive Analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
102	Progressive Analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
110	PS: Forecast Version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
200	test plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B1	Plan/actual version-BIRS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
S2	DEG controlling version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
SQ	Plan/actual version-SIDQ	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
SU	Plan/actual version-SUBH	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Now go to controlling area settings and save it.

General Version Definition

Controlling Area: 212C controlling area for 2123


Valuation

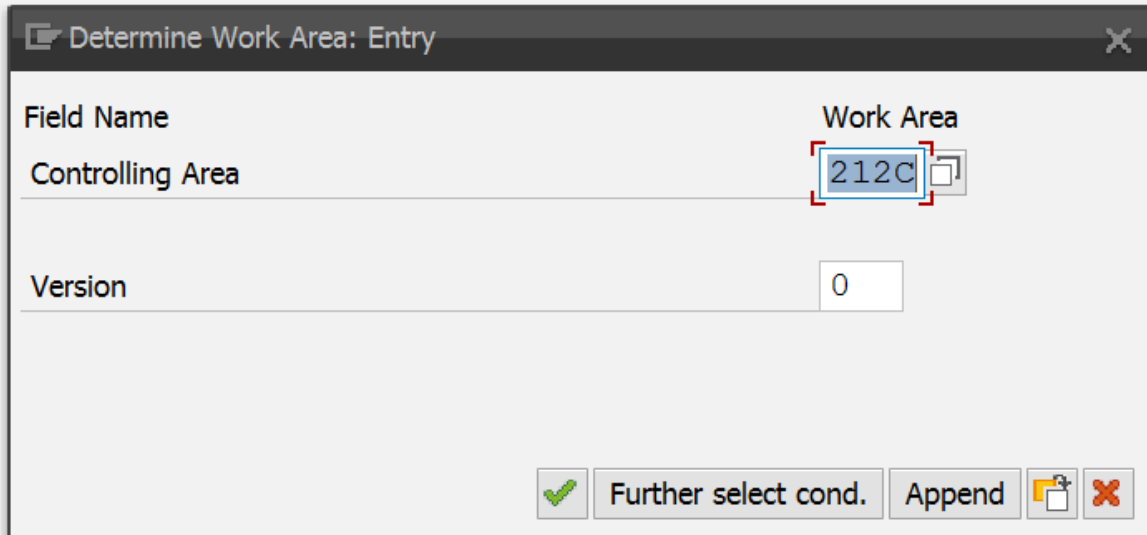
Version Settings in Controlling Area

Version	Version Description	Plan	Actual	Valuation View	WIP/RA
0	Plan/Act - Version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Legal Valuation	<input type="checkbox"/>

By selecting the settings for each fiscal year the below screen will be open and enter the controlling area and execute it.

View Cluster Editing: Initial Screen

 Find Maintenance Dialog

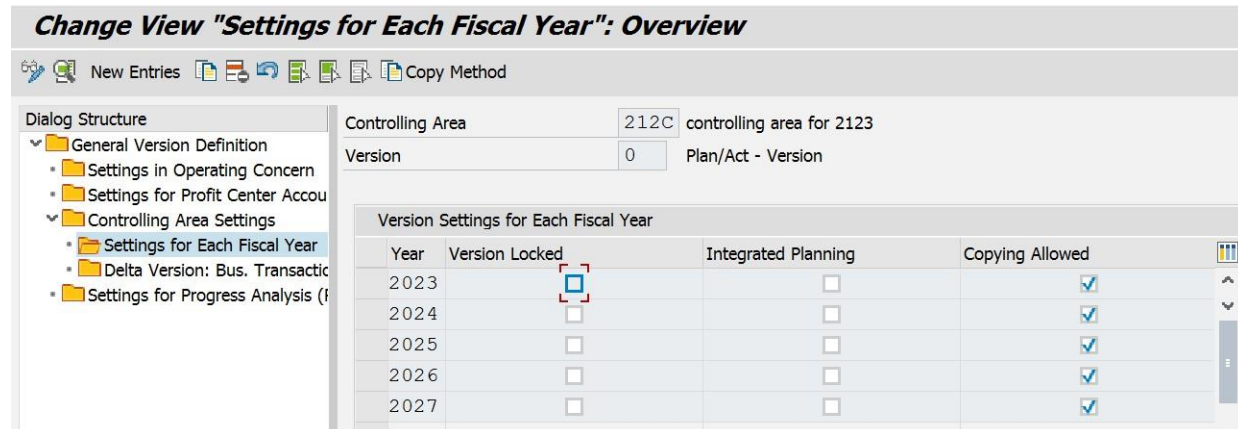


The dialog box titled "Determine Work Area: Entry" contains the following fields and controls:

Field Name	Work Area
Controlling Area	212C
Version	0

At the bottom of the dialog are four buttons: a green checkmark icon, "Further select cond.", "Append", and a red X icon.

Enter the following data shown below and save it.



The screen titled "Change View 'Settings for Each Fiscal Year': Overview" displays the following information:

Dialog Structure:

- General Version Definition
 - Settings in Operating Concern
 - Settings for Profit Center Accounting
- Controlling Area Settings
 - Settings for Each Fiscal Year**
 - Delta Version: Bus. Transaction
 - Settings for Progress Analysis (f)

Controlling Area: 212C controlling area for 2123

Version: 0 Plan/Act - Version

Year	Version Locked	Integrated Planning	Copying Allowed
2023	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2025	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2026	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2027	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Versions in controlling area has configured successfully by following the above steps.

33. Maintain Controlling Area for Profit Center Accounting:

The controlling area settings enables the configuration of standard hierarchy, profit center reporting currency type, Valuation views ALE distribution method and controlling indicators.

T – Code 0KE5

This can also be done by using the following path: SAP Customizing Implementation Guide > Controlling > Profit Center Accounting > Basic Settings > Controlling Area Settings > Maintain Controlling Area Settings.

By executing the T – Code 0KE5 the above screen is visible, then press enter. Now enter the following details in the below screen and save it

Change View "EC-PCA: Controlling Area Settings": Overview

Controlling Area: 212C controlling area for 2123

Controlling Area Settings

Dummy Profit Center		
Standard Hierarchy	2123_NEERU	profit center hierarchy
Elim. of Int. Business Vol.	<input type="checkbox"/>	
Pctr Local Currency Type	<input checked="" type="checkbox"/>	
Profit Center Local Currency		
Store Transaction Currency	<input type="checkbox"/>	
Valuation View	Legal Valuation	
ALE Distribution Method	No distribution to other systems	

Control Indicators

From Yr	Active Indicator
2023	<input checked="" type="checkbox"/>

Position... Entry 1 of 1

34. Define Ledgers and Accounting principles (Controlling):

The following path is used to define ledgers and accounting principles (controlling):

SAP Customizing Implementation Guide>Controlling >General Controlling > Organization > Define Ledger for CO Version

Change View "Ledger From Which CO Reads Actual Data": Overview

New Entries

Ledger From Which CO Reads Actual Data					
CO Area	Version	Ledger (Compat.)	Controlling Area Name	Version Description	Val. View of Version
0001	0	OL	Kostenrechnungskreis 0001	Plan/Actual Version	Legal Valuation
0002	0	OL	Controlling area for BP	Plan/Act - Version	Legal Valuation
0003	0	OL	SAP US (is-ht-sw)	Plan/Actual Version	Legal Valuation
0004	0	OL	KADAPA COAr	Plan/Act - Version	Legal Valuation
0101	0	OL	0101 coa	Plan/Act - Version	Legal Valuation
0123	0	OL	coa for 0123	Plan/Act - Version	Legal Valuation
0612	0	OL	controlling area	Plan/Act - Version	Legal Valuation

Now by going to the new entries create the ledgers and accounting principles for controlling.

Change View "Ledger From Which CO Reads Actual Data": Overview

New Entries

Ledger From Which CO Reads Actual Data					
CO Area	Version	Ledger (Compat.)	Controlling Area Name	Version Description	Val. View of Version
212C	0	OL	Controlling area for 2123	Plan/Act - Version	Legal Valuation
2212	0	OL	Kostenrechnungskreis 2212	Plan/Act - Version	Legal Valuation
2213	0	OL	Kostenrechnungskreis 0001	Plan/Act - Version	Legal Valuation
2238	0	OL	Controlling Area -2238	Plan/Act - Version	Legal Valuation
2505	0	OL	2505 -controlling	Plan/Act - Version	Legal Valuation

Here it has been successfully created and saved.

35. Define profit centre group:

A profit center group is a hierarchical structure of profit centers. You can use profit center groups to group profit centers together according to company-specific criteria.

Profit center groups are used for reporting, allocations or in various planning functions.

T- Code KCH1

It can also be defined by using the following path: SAP Customizing Implementation Guide > Controlling > Profit Center Accounting > Master Data > Profit Center > Define Profit Center Groups.

Create Profit Center Group: Initial Screen



Controlling Area

212C

Profit Center Group

2123_NEERU

Reference

Profit Center Group

Controlling Area

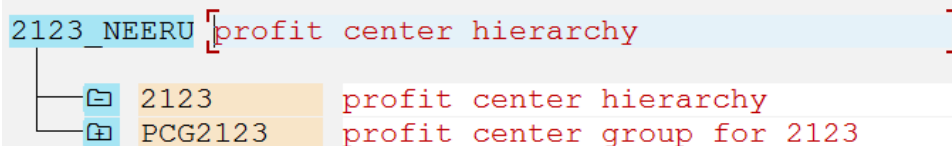
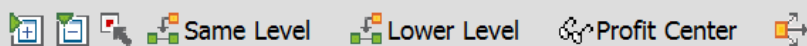
36. Define standard hierarchy for profit center group:

The standard hierarchy is a special form of a profit center group. It has to contain all profit centers belonging to the controlling area and reflect the organizational structure of Profit Center Accounting.

T- Code KCH1

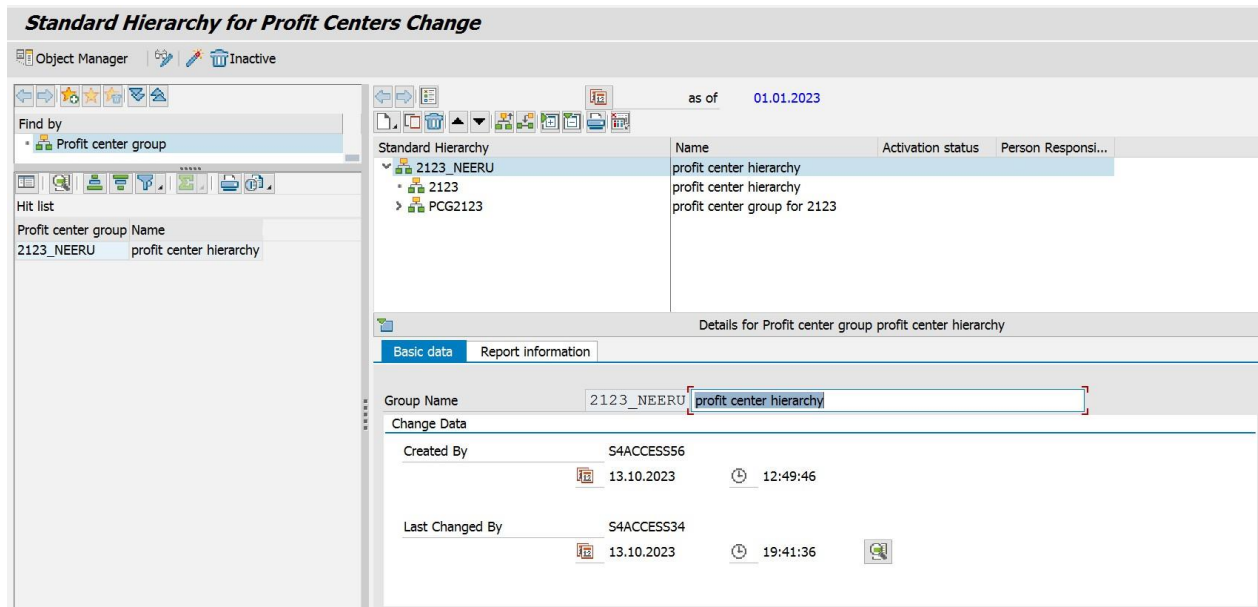
It can also be defined by using the following path: SAP Customizing Implementation Guide > Controlling > Profit Center Accounting > Master Data > Profit Center > Define Standard Hierarchy.

Change Standard Hierarchy (Profit Center Group): Structure



From the above screen we can able to see the standard hierarchy for the profit center group.

T-Code KCH5N



37. Creation of profit center:

A profit center is an organizational unit in accounting that reflects the structure of the organization for the purpose of internal control. You can analyze operating results for profit centers using either the cost-of-sales or the period accounting approach.

By calculating the fixed capital as well, we can use your profit centers as investment centers.

The main aim of creating a Profit Center in SAP CO is to analyze the cost of a product line or a business unit.

We can also generate P&L accounts according to a Profit Center and also generate balance sheets, however a Profit Center should only be used for internal reporting purpose.

The key components of a profit center include – name of the profit center, the controlling area under which it is assigned, time period, person responsible for the profit center, standard hierarchy, etc.

T – Code KE51

This can also be defined by using the following path: SAP Easy Access > Accounting > Controlling > Profit Center Accounting > Master Data > Profit Center > Individual Processing. Now enter the T- Code KE51 and execute it, the below screen is visible. Enter the profit center and press enter.

Create Profit Center

Master Data

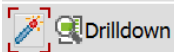
Profit Center	PCG2123
CO Area	212C

Copy from

Profit Center	
CO Area	212C

Enter the required fields like name, long text, person responsible, profit center group, segment and go to status and click on the mentioned field i.e., activate it and save it as shown below.

Create Profit Center









General Data

Controlling Area	212C	controlling area for 2123
------------------	------	---------------------------

Basic Data	Indicators	Company Codes	Address	Communication	History
------------	------------	---------------	---------	---------------	---------

Descriptions

Profit Center	PCG2123	Status	Inactive: Create		
Analysis Period	01.01.2023	to	31.12.9999		
Name	Profit centre				
Long Text	Profit centre creation 2123				

Basic Data

User Responsible	
Person Respons.	XYZ
Department	
Profit Ctr Group	PCG2123
Segment	NS123

By executing the T-Code KCH5N we can check whether our profit center is created or not. From the below we can see that our profit center PCG2123 has been created successfully.

Standard Hierarchy for Profit Centers Change

Object Manager | Inactive

as of 01.01.2023

Find by
Profit center group

Hit list
Profit center group Name
2123_NEERU profit center hierarchy

Standard Hierarchy

Name	Activation status	Person Responsi...
2123_NEERU		
2123		
PCG2123		

Details for Profit center group profit center hierarchy

Basic data | Report information

Group Name 2123_NEERU profit center hierarchy

Change Data

Created By	S4ACCESS56	13.10.2023	12:49:46
Last Changed By	S4ACCESS56	17.10.2023	10:49:17

38. Change standard hierarchy for Cost center:

A cost center hierarchy consists of nodes and sub-nodes that cost centers are attached to. A cost center hierarchy comprises all cost centers for a given period and therefore, represents the entire enterprise. This hierarchy is known as the standard hierarchy.

T-Code OKEON

This can also be done by using the following path : Accounting > Controlling > Cost Center Accounting > Master Data > Standard Hierarchy > Change.

Standard Hierarchy for Cost Centers Change

Object Manager | 60

Find by

- > Cost center
- Cost center group

Hit list

Cost center group Name
NCSH

Standard Hierarchy

as of 01.01.2023

Name	Activation sta...	Person Respo...	Company Code
NCSH			
• NPS102			
• NCSH123			
cost center building	■	X1	2123
Cost centre area			

Details for Cost center cost center building

Basic data | Organization | Indicators | Templates | Address | Communication | History

General Data

Cost Center	NPS102	Status	Active
Analysis Time Frame	01.01.2023 to 31.12.9999		
Name	Building		
Description	cost center building		

Basic Data

User Responsible	
Person Responsible	X1
Department	
Cost Center Category	1 Production

After executing the T-Code OKEON the above screen is visible.

39. Create Cost Center :

A cost center is an organizational unit or department (sales, services, IT, finance, marketing, engineering, and so on) that is used to allocate the cost of a business activity to an existing budget. Cost centers are usually described in a hierarchy or grouping so that a management structure may own multiple cost centers. Cost centers are used for spend analysis in all sourcing documents. You can generate reports to show the activity in your cost center. SAP Sourcing can support a hierarchy of cost centers. Typically, cost centers are imported from the financial or ERP system of record. You can also create and edit cost centers manually. Cost centers are custom optional data.

T-Code KS01


This can also be created by using the following path : SAP Menu > Accounting > Controlling > Profit Center Accounting > Master Records > Cost Center > Individual Processing > Create.



Create Cost Center: Initial Screen			
Master Data			
Controlling Area	212C		
Cost Center	NPS102		
Valid From	01.01.2023	to	31.12.9999
Reference			
Cost Center			
Controlling Area			

Now by executing the T- Code KS01 the above screen is visible, now press enter. By pressing enter we can able to see the below screen. Enter the required details like

- Name
- Description
- Person responsible
- Cost center category
- Hierarchy area
- Business area
- Currency
- Profit center


Now save it after entering all the details as mentioned above. Now our cost center has been created successfully. It is shown below.



Create Cost Center: Basic Screen


 Drilldown

Cost Center
 Controlling Area controlling area for 2123
 Valid From to

Basic data | Control | Templates | Address | Communication | History

Names
 Name
 Description 

Basic data
 User Responsible
 Person Responsible
 Department
 Cost Center Category
 Hierarchy area
 Business Area
 Functional Area
 Currency
 Profit Center 

40. Creation of cost element group:

We can use the cost element group structure to define the row structure of our reports. Totals are calculated in the report for each node. We can also use cost element groups whenever we want to process several cost elements in one transaction. For example, in cost center planning, distribution or assessment.

Cost element group can be created by using the T- Code KAH1. This can also be created by using the following path:

SAP Menu > Accounting > Controlling > Cost Center Accounting > Master Data > Cost Element Group > KAH1 – Create.

Create Cost Element Group: Initial Screen



Cost Element Group

NPS103

Reference

Cost Element Group

Chart of Accounts

By entering the T-Code KAH1 the above screen is visible. Enter cost element group and press enter.

The screenshot shows the SAP 'Change Cost Element Group: Structure' screen. The top toolbar contains various icons, with the save icon (a floppy disk) circled in red. Below the toolbar, the screen title is 'Change Cost Element Group: Structure'. Underneath, there are several icons and labels: 'Same Level', 'Lower Level', 'Cost Element', and 'Cost Element'. The main area displays a hierarchical structure of cost elements. At the top is 'NPS103 Cost Centre Group'. Below it is 'ABC123 Buildings'. Under 'ABC123' is 'XYZ369 Land'. The 'Land' text is highlighted in blue.

Now go to lower level and add the cost centers, then save it. Our cost element group has been created successfully as shown above.

41. Classify G/L Accounts for Document Splitting:

Document splitting allows you to display documents using a differentiated representation. In the representation, line items are split according to selected dimensions. In this way, you can draw up complete financial statements for the selected dimensions at any time.

You can use the document splitting procedure to split up line items for selected dimensions (such as receivable lines by profit center) or to effect a zero balance setting in the document for selected dimensions (such as segment). This generates additional clearing lines in the document.

For classifying G/L Accounts for document splitting the following path is used:

SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Business Transactions > Document Splitting > Classify G/L Accounts for Document Splitting.

Determine Work Area: Entry

Field Name	Work Area
Chart of Accounts	2123

Further select cond. Append

After executing the path the above screen is visible. Put the chart of accounts. Go to new entries.

Change View "Classify G/L Accounts for Document Splitting": Overview

New Entries

Chart of Accts: 2123 CHART OF ACCOUNTS FOR NEERU INDUSTRIES

Acct From	Account To	Overrd.	Cat.	Description
100000	123444	<input type="checkbox"/>	01000	Balance Sheet Account
123445	124999	<input type="checkbox"/>	01000	Balance Sheet Account
125000	140000	<input type="checkbox"/>	01000	Balance Sheet Account
140001	145500	<input type="checkbox"/>	20000	Expense
167000	224500	<input type="checkbox"/>	30000	Revenue