Configuring Financial Accounting and Controlling

by

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ROADMAP

Week 1 :

Introduction	To SAP, view and understand the overview file.
Enterprise Structure	Define Company, Company code & Assign the same. Maintain Fiscal Year Variant, Posting Period Variant, Document Number Ranges, Document Type, Posting Keys, Field Status Variants & Groups & Assignment of the same wherever necessary.
Simple Chart of Accounts	Create a simple Chart of Accounts, Assign the same, Edit GL A/c's, Enter Transactions, Post with reference, Account Assignment Model, Recurring Document and Batch Processing, Document Parking and Document Extract.
Period End Closing	Understand the Closing concept, Close the company created, view the Balance Sheet, Accounts, carry forward balances to the next year, and view the Retained Earnings Account.

Week 2 :

International COA	Create a company encompassing all features of the SAP standard company 0001, create a COA in line with the INT COA, Assign as necessary, Edit Gl A/c Collectively, Enter Transactions, Post with reference, Account Assignment Model, Recurring Document and Batch Processing, Document Parking and Document Extract.
Cash Journal	Create GL A/c for Cash Journal, Document Types, Number Range Interval, Setup Cash Journal, Business Transactions, and Posting.
Taxation	Understand the concept of a non-jurisdictional Tax Proceedure, Condition Type, Access Sequence, Account Key, Tax Codes, Input / Output Tax, Calculation and Posting. Jurisdictional Tax Proceedure will be configured independently by the student at this stage.

Week 3 :

Accounts Receivable	Create Customer Master Records, raise invoices, receive incoming payment, assign and clear open items, Down payment request, creation and clearing, Maintain Terms of Payment. Instalment Payment terms to be configured independently by the student.
Dunning	Define Dunning Area, Dunning Keys, Dunning Proceedure, Dunning Notices.
Interest	Define Interest Calculation Types, Number Ranges, Arrears Interest Calculation, Interest Run and Posting. Balance interest to be configured independently.

Week 4 :

Accounts Payable	Create Vendor Master Records, Input Tax, raise bills, create outgoing payments.
Std Witholding Tax	Understand the concept of WT, Basic Settings, Calculation and Postings. Extended WT will be configured independently by the student.
House Banks	Define House Banks, Outgoing Payment Configuration, Number Ranges for Cheques, and Bank Reconciliation. Automatic Payment Run to be configured independently.
Foreign Currency Translation	Understand the concept of foreign currency translations, enter exchange rates, valuate open items at closing with reversals.

Week 5 :

SD/MM definition, assignment, and integration	Define Credit Control Area, Valuation Level, Plant, Location, Division, Sales Organisation, Distribution Channel, Storage Location, Shipping Point and Assignment of the same. Define Common Distribution Channel and Division. Check Enterprise Structure for Sales and Distribution. Understand integration concepts, and assign GL A/c's.
Create Material [FERT]	Create material, initial stock entry, check stock of material.
Pricing Proceedure	Understand the concept of pricing procedure, condition type, access sequence, account key, proceedure determination, and maintenance of condition records.
Sales Order & Billing	Create Sales Order, Outbound Delivery, Billing Document, Accounting Entries.

Week 6 :

Asset Accounting	Understand Organisation Structure, Chart of Depreciation, Depreciation Areas, Asset Classes.
Integration	Define and Assign GL A/c's, Posting Keys, Field Status Variants, Tax Indicators.
Asset Data	Create Asset, acquire with / without vendor [opening balances].
Depreciation	Understand Depreciation Keys.
Transactions	Understand Acquisitions, Retirements, Depreciation Run and Posting.
Legacy Data Upload	Understand Legacy Data Upload using Microsoft Excel.

Week 7 :

Controlling	Maintain Controlling Area, Assign the same and maintain number ranges
Cost Element Accounting	Create Default Cost Center, Primary Cost Element, Secondary Cost Element
Cost Center Accounting	Activate Cost Center Accounting in Controlling Area, Maintain Standard Hierarchy, Create Cost Center Groups and Cost Centers, Select Planner Profile, Cost and Activity Input, Enter Plan and Actual amounts, Generate Variances, Redistribution and Assessment of Primary and Secondary Cost Elements across Cost Centers.

FI - Notes :

SM01 : LIST OF ALL TRANSACTION CODES
SM04 : TO DISPLAY OTHER USERS
SM12 : TO CLEAR LOCKS
SM35 : TO PROCESS SESSIONS
SE09 : TO RELEASE TRANSPORT REQUESTS [sap/tools/abap …………workbench/overview/transpost organizer]
SE11 : FOR DATABASE TABLES
SE17 : TO ANALYSE TABLE ERRORS
SE38 : ABAP EDITOR & ALL OPTIONS TO GENERATE , EXECUTE ETC.
SHDB : Batch Data Communication
SBWP : Business Workplace [for SAP Mail etc]
SEARCH_SAP_MENU : TO SEARCH FOR MENU PATH THRU TRAN CODES
Some Commonly Used Terms :

IDES	International Demonstration Evaluation Server
ASAP	Accelerated SAP [systems, applications and products]
CIN Version	Country India Version
LSMW	Legacy System Migration Workbench
CATT	Computer Aided Testing Tool
BDC	Batch Data Communication
CRM	Customer Relationship Management
SEM	Strategic Enterprise Management
BIW	Business Information Warehouse
KM	Knowledge Management
BOR	Business Object Repository
SQL	Structured Query Language
GUI	Graphical User Interface
RFID	Radio Frequency Identification
APO	Advanced Planning Optimiser
EAI	Enterprise Application Integration
IDOC	Intermediary Document
EDI	Electronic Data Interchange
ALE	Application Link Enabling - used to distribute data [master & tran] across different systems
BAPI	Business Application Programming Interface
ABAP	Advance Business Application Programing Language
LES	Logistics Execution System
BPML	Business Process Master List
OLAP	Online Analytical Processing
ATP	Available to Promise
B2B	Business to Business
OSS	Online Support System
BADI	Business Add In
CMOD	Customer Modification
ERP	Enterprise Resource Planning
EWS	Enterprise Wide System
BPR	Business Process Re Engineering
SME	Small & Medium Enterprises

ENTERPRISE STRUCTURE : IMG > Enterprise Structure > Definition > Financial Accounting

- In "Definition" stage, we define
    - Company
    - Credit control Area
    - Company codes
    - Business Area
    - Functional Area, and
    - other organizational units.
- DEFINE COMPANY : Define company, enter address etc.

> Use "New Entries" to define a new Company. It is to put in existence a Company with all its addresses and other details. A Company serves as a Global group under which various Subsidiaries, Branches & Offices can be configured. A lot of data or SAP implementation variables can be defined at the Company level and shall be applicable to all the Subsidiaries, Branches & Offices under this group, eg. Chart of Accounts.
>
> ☞ Note: While saving, a 'Customizing Request' Organizer prompts up – This stores changes made by every individual configuration w.r.t tables changed, date of change made, etc. It can be used as a tool to troubleshoot the changes & also to put accountability on configuration makers. Changes made can be viewed via Header > Utilities > Change Request Organizer (available only inside an IMG screen)
>
> ☞ Note: Any In-house Document (created by any user on the same client) can be recalled entering '*' in the Reference Field and opting for 'Tree On'.
>
> ☞ Note: If in run-time, while still in some activity, server goes down connection is lost, such activity will be locked for editing. To unlock, use SM12 transaction.

- DEFINE / DELETE / CHECK COMPANY CODE :
    - Edit company code data [OX02] : Create your co code. **DO NOT COPY AT THIS STAGE.**

- IMG/ES/ASSIG/FA : ASSIGN COMPANY CODE TO COMPANY : Assign the company created under 1 to the company code created under 2.

> IMG > Enterprise Structure > **Assignment** > Financial Accounting
>
> **Assign Company Code to Company**
>
> All the company codes which were under one group are assigned to the Group. The purpose is to assign common variables defined at the Company level to the company codes also and for consolidated reporting purposes.

TO CHECK GLOBAL SETTINGS - [OBY6]

- IMG/FA/GLOBAL SETTINGS/FISCAL YEAR - [OB29]

> IMG > Financial Accounting > FA Global Settings > **Fiscal Year**
>
> Fiscal year variant is maintained at the company code level. SAP has provided various fiscal year variants, hence only assignment is needed. eg:
>
> K4 Type : JAN –DEC 1 - 12
>
> V3 Type : APR-MAR 1 - 12
>
> All fiscal types come with 12 posting periods (months) and 4 special periods (months) i.e, after regular entries in 12 normal posting periods, adjustment entries can be passed in following 4 special periods, which though falling in next fiscal period will be reflected in the accounts of preceding fiscal only.
>
> ☞ Note: In case of fiscal types which are different from calendar year, SAP adjusts the months that fall in next calendar by "an year shift variable of -1".

- Maintain Fiscal Year Variant : fiscal year can be
    1. Year dependent
    2. Year independent
    3. Calender
    4. Shortened
- Period : Fiscal year is made up of periods 1 – 12. There can be a maximum of 12 normal posting periods and 4 special 13-16 posting periods. Thus for a General Ledger there can be a maximum of 16 posting periods, and for a Special Ledger (where cross flow exists like PCA, PCC etc) there can be a maximum of 65 posting periods. Once the FYV is defined, periods can be accessed and defined. Every business transaction is allocated to a posting period. Weekly will have 52 posting periods.
- Day : Last valid calender date to be specified for each period. FYV 24 PP

Month	Day	Period	Year Shift
1.	1	15	1	+1 for next yr
2.	1	31	2	-1 for last yr
3.	2	14	3	0 for cur yr
4.	2	28	4	<u>periods cannot be maintained for</u>

<u>calender dependent FYV.</u> FYV does not contain info whether a period is open or closed. This is accessed thru open / close posting periods.

- Year dependent fiscal year means the start and end date of the PP of some FY will be different from the dates of other FY, and / or if some FY use a different no of PP. If one year of a FYV has less posting periods than others, it is called a shortened FY. This could be required if closing has to be made before the end of the normal FY. <u>The shortened FY and its no of PP has to be specified before the definition of period dates</u> and for this year only, a lesser no of PP can be assigned. FY can be defined separately in different modules, which will take precedence over global settings for that module. Year Independent FY
-

	Month	Day	Period	Year Shift
1.	Jan	31	10	-1
2.	Feb	28	11	-1
3.	Mar	31	12	-1
4.	Apr	30	1	0
5.	May	31	2	0
6.	Jun	30	3	0
7.	Jul	31	4	0
8.	Aug	31	5	0
9.	Sep	30	6	0
10.	Oct	31	7	0
11.	Nov	30	8	0
12.	Dec	31	9	0

- Assign company code to Fiscal Year Variant. [OB37]

IMG/FA/GLOBAL SETTINGS/DOCUMENT

- Posting Periods : The variant principle is widely used in the R/3 system to assign special properties to one or more R/3 objects. The advantage of using variants is that it is easier to maintain properties which are common among several business objects (FSV, FYV, PPV)
  1. Steps : Define the variant - K4
  2. Populate the variant - calender year
  3. Assign the variant to the appropriate company code.
- Define Variants for Open Posting Periods : define as necessary. [OBBO]
- Open & Close Posting Periods : In case of a FY which spills over 2 years, define 2002-03 as 2002,2003 with periods 1-12, & 13-16. OB52
- Assign Posting Period Variants to Company Code : assign. [OBBP]

IMG > Financial Accounting > FA Glo

Define Variants for open Posting

Here a name is given to the posting

Imp: '+' type can be defined without 'frm a/c' & 'to a/c' limit, but for others i.e, A, D, K, M & S, a/c limits are required. However if posting periods are across accounts, "zzzzzzzzz" must be entered in 'to a/c' field.

Open & Close Posting Periods

This function is used to allow posting any particular account within a any desired period only. The variant type defined above is populated with characteristics i.e, in the combination of Variant type, Account type, Account Nos and Posting Period.

Account types maintained by SAP are

'+'	Valid for all account types	Populating '+' type is necessary even if all account types have been defined separately
'A'	Assets	
'D'	Customers	
'K'	Vendors	
'M'	Materials	
'S'	G L Accounts	
'V'	Contract Accounts	

Activity:

Variant	type	frm a/c	to a/c	frm pd1	year	to prd	year	frm pd2	year	to prd	year
0001	+			1	2004	12	2005	13	2005	16	2005
0001	A		ZZZZZ	1	2004	12	2005	13	2005	16	2005
0001	D		ZZZZZ	1	2004	12	2005	13	2005	16	2005
0001	K		ZZZZZ	1	2004	12	2005	13	2005	16	2005
0001	M		ZZZZZ	1	2004	12	2005	13	2005	16	2005
0001	S		ZZZZZ	1	2004	12	2005	13	2005	16	2005

Assign Variants to Company Code

Variant properties are assigned to a Company code.

- Document Number Ranges : Copy from. Once copied, internal no range is given. External No range if checked, is to be given by the user. [OBA7]
- Define Document Number Ranges : not necessary if copied earlier.
- Copy to Company Code : not necessary if copied earlier.
- Copy to Fiscal Year : not necessary if copied earlier.

IMG > Financial Accounting > FA Global Settings > Document > **Document No Range**

Define Document Number Ranges

Here Document No Ranges can be copied from any other existing Company code, Intervals / Ranges be changed, Status (i.e, whether any external no. is to be used or what should be the status of current document no.) can also altered. When 'External' is selected, SAP does not use internal Number range but allows user to enter Document number manually.

SAP has defined 54 Document No Ranges (00 – 51 & X1 – *used for Recurring Documents*, X2 – *used for Sample Document*). One can select a document number range out of these ranges or range can also be altered according to ones own specification.

Activity :

Copy	*from*	0001 (SAP standard company)	*(IN01 does not have any doc no range)*
	to	ABCD	

Copy to Company Code

Document number ranges are Company code specific. Hence Document number range(s) used by any Company code can be copied to any other Company code.

☞ Note: Copy function can be possible only if there is no other number range existing in the target fiscal year or the target company code.

Copy to Fiscal Year

If Document Number ranges have been defined as year-dependent, here range of one year can be copied to anther year within the same company code.

☞ Note: If document no range has been defined for any specific year only (first activity as above), the same can be copied to another year in the same co code. By putting 9999 in 'To Year' field, document no ranges are defined for all years in that co code.

☞ Note: Copy function can be possible only if there is no other number range existing in the target fiscal year or the target company code.

IMG/FA/GLOBAL SETTINGS/DOCUMENT HEADER

- Define Document Type : [OBA7] Predefined document types are already in place. SA – G/L a/c type. A/c type allowed :
    1. Assets
    2. Customers
    3. Vendors
    4. Material
    5. G/L Account.
- Control Data :
    1. Net Doc Tyoe – whether NETT
    2. Customer vendor check
    3. Negative postings allowed.
    4. Inter Company Posting.
- Required during Document Entry :
    1. Reference No.
    2. Document Header Text.
- Special Usage :
    1. Batch Input only.
    2. Rollup – minimum details saved.
    3. Planning
    4. Account Allocation
- Default Value : Exchange rate type for foreign currency document …….. [M avg translation rate]
- Assignment of Document Class to Document Type : Document class for Cr Memo would be C.
    1. A - Invoice
    2. B - Payment
    3. C - Credit Memo
    4. D - Debit Memo
    5. E - Customs Document
    6. F - RG ----
    7. G - RG ----
- Maximum Exchange Rate Difference : in %age terms for each co code.

IMG > Financial Accounting > FA Global Settings > Document > Document Header > **Document Types**

- Document types are defined for customer, vendor and general ledger business transactions in Financial Accounting. Document types differentiate business transactions and control document filing.
- A number range is specified for each document type. Document numbers are chosen from this number range. One number range can be used for several document types.
- Document types are valid for all clients. A *number range key* is specified for each document type. Moreover the *desired number range intervals* for each number range key based on the *company code*. This means that one can specify intervals of different sizes for the same number range.
- The preset document types cover business transactions in Financial Accounting for:
    - ? General ledger accounting SA
    - ? Accounts receivable Cust Invoice – DR, Cust Pymt – DZ Int – DA
    - ? Accounts payable Vendor Inv – KR, Vendor Pymt – KZ Int – DA
    - ? Asset accounting AA
    - ? Consolidation

IMG/FA/GLOBAL SETTINGS/LINE ITEM/CONTROLS

- Posting Key [OB41] : 40/50 Dr / Cr GL A/c [global]
- Field Status Variant [OBC4] : [local] - normally copy as. You group several field status groups into one field status variant. Assign a company code to a FSV. This allows you to work with the same FSG in any no of co codes. A FSG determines the screen layout for doc entry. Fields can have the following statuses. Optional / Required / Suppresed entry. Enter the FSG in the master record of the GL a/c. When a doc is entered, the definitions stored for the group are effective. The FSG determines which fields are ready for input, required and hidden. Bear in mind that additional assignments [i.e. cost centers or orders] are only possible if data can be entered in the corresponding fields.
- Assign FSV to Company Code : assign. [OBC5]
- Screen Variants for Doc Entry :
    1. Standard - to be used.
    2. Austria & Switzerland
    3. France & Witholding Tax – for TDS.

IMG > Financial Accounting > FA Global Settings >

One can customize the status of these groups as required.

Define Posting Keys

There are standard SAP defined posting keys which

40	Dr	G/L Account
50	Cr	G/L Account

Maintain Field Status Variant

Field Status Variants determine which fields are 'required', 'optional' or 'suppressed' out of available fields w.r.t various information General, Accounting, Material, Sales, etc in any particular data entry screen.

SAP has defined a variant type 0001 which contains more than 50 variant groups (all groups pertain to different information types say, general, material management, Cost account, Asset account, etc.

These groups are associated with respective G/L Accounts so that any data entry relating to that G/L Account will have fields based on properties of the FSV associated with such G/L Account.

Data fields that can be controlled by FSVs here are:

General Data
Additional account assignments
Payment transactions
Asset accounting
Taxes
Foreign Payments
Consolidation
Real Estate Management
Financial Assets management

Assign Company Code to Field Status Variant

Here a Company is given the properties of FSV as defined above.

- Define Tolerance Groups for Employees : Not defining tolerance groups will restrict data entry. [OBA0 / OBA4]
    1. Valuewise [upto 1,000,000 etc]
    2. Cash Discounts
    3. Payment Difference [not recd full amount]
- Assign User / Tolerance Groups : assign. [Smith = generic]

IMG > Financial Accounting > FA Global Settings > Document > Line Items > **Define Tolerance Group for Employees**

In this activity, amount limits are pre-defined for employees w.r.t the following:

- ? the maximum document amount the employee is authorized to post
- ? the maximum amount the employee can enter as a line item in a customer or vendor account
- ? the maximum cash discount percentage the employee can grant in a line item
- ? the maximum acceptable tolerance for payment differences for the employee.

Apart from the above, 'maximum' payment difference can also be defined whereby differences are automatically posted to cash discount, revenue or expense account as required. Any difference is first adjusted to cash discount (to the extent allowed here and permitted by max cash discount % defined above) and if this limit is exhausted, balance is adjusted to the revenue or expense account (which can be a combination of absolute amount & a %)

☞ Note: Allowed Payment differences are posted automatically within certain tolerance groups. This way the system can post the difference by correcting the cash discount or by posting to a separate expense or revenue account.

☞ Note: There must be at least one Tolerance Group for each Company. Leaving 'Group' field 'blank' means the limits are applicable to all the employees. If any employee(s) is to be allowed some other limits, another Tolerance Group has to be created and populated with the employee identification (via next IMG step : "Assign users to Tolerance Groups"). Rest of the employees will be governed by 'blank' Tolerance Group.

SIMPLE CHART OF ACCOUNTS

- IMG / FA / GL / Master Records :
  - Preparation : Edit COA List : Desc, Lang, Length [10], Manual Creation of Cost Element.

IMG > Financial Accounting > General Ledger Accounting > G/L Accounts > Master Records > **Preparations**

Edit Chart of Accounts

- A Chart of Accounts is created with various parameters like Maintenance Language (EN), Length of G/L Accounts (6), Manual / Automatic creation of cost elements, Group Chart of Accounts for consolidation purposes, etc.
- Chart of Accounts can be assigned to many companies i.e, it is specific to Company level and not Company code level.
- G/L Accounts work in association with a specific Chart of Accounts. i.e, If in a company code G/L accounts have been created w.r.t a Chart of Accounts, such Company code cannot be assigned any other Chart of Accounts. To do so, first G/L account company code data has to be deleted via IMG > FA > GL Accounting > GL Accounts > Master Records > Deletion.
- Chart of Accounts can only be deleted if it has not been assigned to any Company or no entry has been made.

Activity :

Define ABCD ABCCO Chart of Accounts [CAIN is SAP standard COA for India]

Important settings:

Length of G/L accounts 8 (INT has 6 digits)

Note : even after some G/L a/c s have been created with 8 digits, length can be changed and the changed length will be applicable to new G/L a/c s created thereafter. *This should not be allowed by SAP.*

Controlling integration "manual creation of cost elements"

i.e. user has the option to create related cost element by himself w.r.t the G/L a/c

other option "automatic creation of cost element"

i.e. related cost element is automatically created on saving the G/L a/c if a default value for the cost element category has already been set for this cost element

- Assign Co Code to COA : assign.

Assign Chart of Accounts to Company Code

Unless a Chart of Accounts is assigned, no G/L Account can be created.

Activity :

Assign ABCD (ABCCO – Plant) ABCD (ABCCO Chart of Accounts)

Note : There is an option of assigning Country COA also in addition to Co Code specific COA. This would be needed in the following two circumstances:

? where usage of country chart of accounts is required by law in some countries.

? the connection between the account in the worldwide standard chart of accounts - used by the parent company, and the account in the country chart of accounts can be set up

- Define A/c Group : COA, A/c group – name, from a/c to a/c which will decide the no range for the GL a/c, and the entry screens for which dbl click & a/c control, doc entry etc – Supress / Reqd / Optional.

Define Account Groups

- When creating a G/L account, you must specify an account group.
- The account group determines:
  - ? the Interval in which the account number can be created using FS00
  - ? which Fields are 'Required', 'Optional' and 'Suppressed' when creating and changing master data.
- Account groups for G/L accounts are based on the chart of accounts
- SAP has defined 5 standard Account Groups

AS	CASH	GL	MAT	PL	RECN

- Define Retained Earnings A/c : Like a P&L a/c to collect & carry forward. [Enter X {table populated} & 900000] If it gives error message, repeat, & it will save.

Define Retained Earnings Account

You assign a retained earnings account to each P&L account by specifying a P&L statement account type in the chart of accounts area of each P&L account.

At the end of a fiscal year, the system carries forward the balance of the P&L account to the retained earnings account. You can define one or more P&L statement account types per chart of accounts and assign them to retained earnings accounts.

SAP has kept this activity in main IMG (instead of leaving it on implementer to create in FS00 mode) becoz unless this is defined, incomes & expenses of previous period cannot be brought forward.

SAP standard Retained Earnings a/c

INT	Sample Chart of Accounts (by SAP)	900000
GKR	German Standard Accounting System (used by 0001)	900000
IKR	Chart of Accounts – Industry	332000
CAIN	Chart of Accounts – India	11610000

(this activity is done using an account assignment key 'X')

i.e.	P&L Stat	G/L a/c
	X	11610000

- Individual Procesing : GL A/c Creation & Processing/ Edit GL A/c [INDIVIDUAL PROCESSING]/ Edit GL Ac Centrally
  - FS00 : Edit GL a/c centrally
  - Screens : Type desc : A/c group, P&L/BS, Text [enter some text]
  - Control Data : INR, Tax Category, Posting w/o tax allowed, Open Item Mgmt [will allow open item mgmt like for GR/IR clg]
  - Create Bank Int : Field status group, House Bank, A/c Id
  - Fin Stat Version for Reporting : for statutory reporting.

IMG > Financial Accounting > General Ledger Accounting > G/L Accounts > Master Records > G/L Account Creation & Processing > **Edit G/L Account (Individual Processing)**

Edit G/L A/c (Individual Processing)

A G/L Account has two parts :

→ *Chart of Accounts data* – Name of G/L account, whether P&L or B/S item, Language, etc

→ *Company code data* – Currency, Taxation, Field Status Group, Tolerance Group, Financial Planning aspect, etc.

Edit G/L Accounts (Centrally) FS00

→ Both Chart of Accounts & Company coed data can be edited

Edit Chart of Accounts data FSPO

→ Only Chart of Accounts data can be edited

Edit Company code data FSSO

→ Only Company code data can be edited

- List of A/c created : Info/GL Reports/Master Data S_ALR_87012326 for COA, S_ALR_87012347 for Doc Extract.

[SAP Menu > Accounting > Financial Accounting > General Ledger > Information Systems > G/L Reports > Master Data > Chart of Accounts]

Chart of Accounts List (& FS00 details) S_ALR_87012326

G/L Accounts List (with properties) S_ALR_87012328

[SAP Menu > Accounting > Financial Accounting > General Ledger > Information Systems > G/L Reports > Document > General > Document items extract]

Document Item Extract (statement of entries) S_ALR_87012347

[SAP Menu > Accounting > Financial Accounting > General Ledger > Account]

G/L Account Balances (Ledger Balances) FS10N

- Post with Reference : SAP/A/C/FA/GL/DocEntry/Others under F-02 general posting, it is possible to Post with reference. This allows you to call back the document. Post with reference will auto return the latest DOC no, so it is important to remember the latest Doc no pr obtain it from the list. CAN BE USED FOR REVERSAL POSTINGS ALSO.

G/L Documents Entry FB50 & F-02

☞ Note: F-02 is basic SAP G/L Document entry screen where each Dr. & Cr. are entered in separate running screens. While FB50 is fast entry screen where in one screen only all transactions can be entered.

☞ Note: F-02 besides the normal entry screen, gives you the option of post with reference.

- o Account Assignment Model : FKMT - like a template. The entire entry can e prepared & stored under a variant name [xxyyzz etc]. Equivalence is like a %age, where the various a/c's are denoted in %age terms & when the entry is called, the amounts get distributed. The entry is stored but not saved, hence dr/cr need not tally. First create and then go to line items by icon Q [can also be created from FB50 *[use F-02 wef 470]* & header edit option]. Use F-02 for entry & recall the AAM from top button. In case of equivalence enter dr & cr items etc. FB50 can also be use to recall AAM thru Header/Environment/Complex posting etc.

> *Recalling Account Assignment Model :* Before recalling an Account Assignment Model, it should have been created via Document Entry > Reference Document (FKMT). It can be created independently or with reference to some existing Model.
>
> "equivalence to" to pre-define % allocation to G/L accounts
>
> "calculate tax" to allow SAP to calculate tax automatically on line items.
>
> ☞ Note: This function is used to pass entries where specific and pre-defined %s are allocated to various G/L accounts (expenses or income or any other item) out of a gross Expense or Income for which a G/L document has to entered. eg. annual payments at fixed point of time in an year which may include pre-paid expenses.
>
> ☞ Note: While passing G/L Doc using Acct Assgn Model, only gross dr & cr amount has to be entered and "on saving" it calculates the %s automatically and brings to the F-02 screen.

- o Sample Document : F-01 this is a document which can be prepared and stored for future use. Dr/Cr need not tally. The entry is not saved. Recall with reference & complete.
- o Recurring Document : FBD1
  - Scheduled to run on a particular date. The amounts have to be known & predefined. [repetitive sales entry etc]
  - The document is scheduled to run on a particular date within the 1st & last run & an interval. Transfer amounts in local currency KEEP ON. A run schedule can also be setup. Here the run date is very important & must be remembered. To find run date use Lists – F.15 GL/Periodic processing/Recurring entries Execute F.14 / Lists F.15.
  - When you execute, after entering only the necessary parameters [1st run etc] at [process], you will get a message that a session has been created. If the params are incorrect, the session will not be created.
  - To run the session, from header System/services/batch input/sessions select & process [in background] [sm35]
  - Instead of processing above, you can also save as variant, which can be recalled when a job is created. [The variant saves the parameters defined. Hence a new parameter is required everytime. Execute thru sessions]

> **Recurring Document** FBD1
>
> If certain transactions appear periodically, and is same in all respect viz amount, Recurring Document feature allows such entry to be made automatically at regular interval.
>
> First Run time, Last Run time and interval is defined while creating a Recurring document.
>
> Document type need to be specified. i.e, all types of entries can be passed thru Recurring document feature.
>
> Recurring documents can be Viewed (FBD3), Changed (FBD2), Deleted (F.56) and Changes be displayed (FBD4)

- Document Parking : SAP/A/c/FA/GL/Doc Entry
  - FV50 *[use F-02 wef 470]* - edit or park G/L Doc
  - F-65 - gen doc parking [posting] clear with FBV0

  The document is parked with a sys generated doc no, but not posted. Hence it will not appear in the reports like Doc Extract etc. When FV50 is used with select parked doc [header], you can change the figures, but you can save only if Dr=Cr. For parking the Dr need not = Cr. [Useful to leave an entry halfway.] When saved, the entry is still not posted. Use post to close the issue. To clear F-65 parking goto Parked Documents under Documents & clear with FBV0.

Parking of G/L Documents FV50

A G/L Document can be parked for purposes like capturing of transaction in run-time but posting is desired later say, after thorough verification by a senior. Various features of Parked Documents are as follows:

⇒ Transaction recorded but not posted

⇒ Dr. & Cr. need not be tallied for saving Parked documents.

⇒ All Parked documents can be Viewed (FBV3), Changed (FBV2) and Posted (FBV0)

⇒ All changes in Parked document can be viewed thru Display Changes (FBV5)

⇒ Parked Documents, no longer relevant, can be refused thru Refuse Parked Documents (FBV6)

☞ Note: Parked Docs can also be "Saved as Completed" i.e, all 'Preparation', 'Completion' and 'Posting' function can be segregated for different authorities.

☞ Note: If the entry screen is in some other Company's environment, it can be changed thru "Edit" menu on header (as against "Environment" in some other cases).

PERIOD END CLOSING

- IMG/FA/GLA/Business Transactions/Closing
  - Valuating - define valuation areas, valuation methods & prepare automatic postings for foreign currency valuations.
  - Regrouping - define valuation areas, define adjustment accounts for GR/IR clearing [for goods recd, invoice not recd etc],
  - Documenting - define financial statement versions [BAIN for India]
  - Reporting - sales/purchases tax returns etc
  - CarryForwarding - define retained earnings account
- SAP/AC/FA/GL/Periodic Processing/Closing/
  - Check/Count - F.03 Comparison gives a list of differences due to documents not posted etc if any.
  - Valuate - F.05 foreign currency valuation
  - Regroup - F.19 GR/IR clearing
  - Document - audit trails
  - Report - Balance sheet, Profit & Loss etc
  - Carrying Forward - F.16 balance carry forward

CHART OF ACCOUNTS

[OB13]

1. Create a company from scratch, : IMG/ES/DEF/FA :
   - Define Company
   - Define,copy,delete,check co code : copy org object, change currency

Edit, Copy, Delete, Check, Company Code

- *Edit Company Code data* – Here separate companies are defined within one Company (i.e, a Group, as defined above) for which separate accounting is being done. Configuration can be made at the company code level for things which are specific to the company code apart from the general configuration done at Company level. Here Name, Address & other information are configured w.r.t the Company Code. Further configuration shall be at other places but the concept is that those will be specific to a Company code.
- *Copy, Delete, Check, Company Code* – One can also copy any existing company code data to a new company code. Or any existing company code data can be changed / deleted. In case of copying from some existing Company Code all Variants eg. Fiscal Period, Posting Period, Document No ranges, Field Status variant, Company code data pertaining to G/L Account, etc (defined at various places) gets copied as is available with the source company.

☞ Note: If copy function is used after a company code has been defined earlier (as above), i.e, by giving a new name of target Company, company code data (various parameters) of source company are not properly copied to the target company code.

☞ Note: However if copy function is used without defining a Company code first (as above), SAP copies the address & other details of the source company. So, take care to change the details accordingly.

☞ Note: While copying, SAP asks for if the G/L Accounts company code data is also to be copied ? This should be done only when the source & target companies both come under the same group and uses the same Chart of Account & G/L Account company code data. Becoz by saying 'yes' here would allow SAP to copy Chart of Accounts & G/L Accounts as used by the source Company. If any other Chart of Accounts is to be used by the target company, Chart of Accounts & G/L Accounts Company code data should be copied at IMG > FA > GL Accounting > GL Accounts > Master Records > GL Account Creation & Processing > Alternative Methods (Here 'copy company code data' means company code data pertaining to G/L Accounts only). Otherwise first G/L Accounts company code data has to be deleted via IMG > FA > GL Accounting > GL Accounts > Master Records > Deletion and then any other Chart of Accounts & G/L Account company code data be assigned / copied to the target company.

☞ Note: G/L Account company code data means G/L accounts and all settings pertaining to G/L accounts viz reconciliation a/c, taxes allowed or not, FSVs, etc. other company code data are – fiscal year variants, document no ranges, posting period, etc.

   - Assign Co Code to Company.

2. IMG / FA / GL / Master Records : Chart of accounts can be copied for simplicity, though in realtime, it is created from the opening trial balance, schedules to the annual accounts etc.
3. GL A.c Creation & Proc/Alternative Methods :
   - Copy COA [OBY7] – normally copied from INT. Target COA must be NEW. The COA is copied, but not the co code data like variants etc. It is possible to delete a COA, if no data is entered, and it is not assigned.

> IMG > Financial Accounting > General Ledger Accounting > G/L Accounts > Master Records > G/L Account Creation & Processing > **Alternative Methods**
>
> *Copy Chart of Accounts* : Here Chart of Accounts i.e G/L accounts (*but not company code data pertaining to a G/L accounts*) can be copied from an existing Chart of Accounts respectively.
>
> ☞ Note: This function can only be done for a new COA (not an existing one), but remember to assign the copied COA to the company code first and tehn proceed to copy company code data (*why* – see the note below)
>
> *Copy Company Code* : Here G/L Account Company code data can be copied from an existing company code similar to the type being created, or can also be defined independently via FSSO.
>
> (both of the above functions saves the user to define everything from the scratch)
>
> ☞ Note: G/L Accounts are always in relation to a Chart of Account, so when G/L Account company code data is copied either at IMG stage while copying Company code or here without creating and assigning a required Chart of Accounts, SAP copies Chart of Accounts associated with the source company, and hence it partakes all the parameters of that Chart of Account.

4. Assign Co Code to COA - [OB62] [Check COA by editing where necessary – Manual Creation of Cost Elements, Group COA BLANK]
5. Deletion : As the co code data is not copied, the existing co code data must be deleted, so that the co code data for the COA can be copied. Therefore DELETE GL A/C WITH GENERAL MASTER DATA IN CO CODE -----.

> IMG > Financial Accounting > General Ledger Accounting > G/L Accounts > Master Records > **Deletions**
>
> - *Delete G/L Accounts :* Deletion here means deletion of G/L Account company code data. If these data are not deleted, the concerned Chart of Accounts cannot be de-assigned.
>   → You can only delete master records of G/L accounts that do not contain any transaction data. The program does not delete the chart of accounts section of a G/L account if the account is also a primary cost element in Controlling. You can delete cost elements using program RKSCUS03.
> - *Delete Chart of Accounts :* Chart of Accounts can only be deleted if it is not assigned to any company, or after assignment, if no entry has passed (i.e, only then G/L Account data can be deleted and Chart of Account de-assigned)

   - Copy Co Code G/L A/c's from 0001 : [OBY2] copy. [Message of Diff COA is ok]

6. Batch Data Communication : /NSHDB
    - New recording - ZFS00
    - Trancode FS00 - start recording.
    - FS00 scr comes up. Pass a sample entry & save.
    - On save, the recorded code comes up.
    - Save recording.
    - /NSHDB
    - You can either run the process by Process Button [top], or create a program thru the program button [top].
    - Enter program name & transfer from recording.
    - Title “Z---“ & save.
    - You can change the source code.
    - Select local object [message is program was created.]
    - On selection you can view the source code.
    - You can then generate & activate & test the prg thru the program option [top]. *[Use F8 to run, and give data file on server details].*
    - On process as mentioned earlier, a small window opens, and you can change the a/c no & other fields are entered auto.
    - On test you can process thru batch or call trans as above.

7. Master Records
    - Preparation : Edit COA List : Desc, Lang, Length [10], Manual Creation of Cost Element. [FSP1 / FSP2 / FSP3]
    - Change GL A/c Collectively : Mass maintenance where a lot of a/c’s can be changed one shot. Selection thru top left icon & τ & υ. To get rid of the characteristics, put a “ “ on the top line, & to check use . Any other field left blank, wil be updated as “ “ in all such fields. Hence deselect all such fields which need not be changed. Useful for “Posting w/o tax allowed etc etc “.
    - Define A/c Group : COA, A/c group – name, from a/c to a/c. Field status for a/c control – Supress / Reqd / Optional. - [OBD4]
    - Define Retained Earnings A/c : Like a P&L a/c to collect & carry forward. If it gives error message, repeat, & it will save. - [OB53]
    - Individual Procesing : SAP / A/C / FA / GL / MASTER RECORDS / INDIVIDUAL PROCESSING
        - FS00 : Edit GL a/c centrally
        - Screens : Type desc : A/c group, P&L/BS, Text [enter some text]
        - Control Data : INR, Tax Category, Posting w/o tax allowed.
        - Create Bank Int : Field status group, House Bank, A/c Id
        - Fin Stat Version for Reporting : for statutory reporting.

- Cross Co Transactions : IMG/FA/GLA/BT/PREPARE CROSS CO CODE TRANSACTIONS : From to is not important, as the a/c is created in both companies. Dr/Cr for the same a/c. BUV – clearing against 2 co codes. When a transaction is entered, even though the expense a/c of another co is given, in the 1st co the default cross co code will be picked up, and in the 2nd co, the other effect will be borne by the default code. Hence for one entry, two sets of entries are passed in 2 companies. Ensure that co code is entered in the appropriate line entry. [New Co Code in F-02]. You can setup pool a/c's in both companies, and pass one entry in any one co code. The line where the cross co code is mentioned, will result in an entry to that a/c, with the pool a/c bearing the other effect in both co codes.

IMG > Financial Accounting > General Ledger Accounting > Business Transactions > **Prepare cross-co codes transactions**

One can define the accounts for the clearing entries the system makes when posting cross-company code transactions. These clearing entries represent the receivables and payables between company codes which result from central purchasing or payment.

You can specify G/L accounts as well as customer and vendor accounts for clearing between company codes.

However, if the company code for which you are posting these items is an external one, then you can specify only G/L accounts as the clearing accounts.

Customers sometimes make payment to the wrong company in a group of affiliated companies. You can use cross-company code entry to minimize the number of entries for posting this payment. In doing so, you debit your bank account (company code 1) and credit the customer account (company code 2), and the system automatically generates clearing entries between both company codes.

<u>Activity</u> :

Create one pool account (G/L a/c), say 149999 for inter-company transactions in both the companies that will be debited & credited depending upon the nature of transactions i.e. it is like inter-company a/c.

Then while in data entry F-02 , note the following :

<u>Situation</u> : Co MRCM receiving payments on behalf of MRCD from the customer (say 2935) of MRCD

1st line item entry	40 (dr for SA doc)	113100	(Bank a/c in MRCM)
2nd line item entry	15 (cr for incoming pymts)	2935	(customer acct no in MRCD)

(also put MRCD in 'other co code' field in case of second line item)

now this will suitably be reflected in both the companies as follows :

<u>MRCM</u>					<u>MRCD</u>		
40	dr	113100	amount	15	cr	2935	amount
50	cr	149999	amount (payable)	40	dr	149999	amount (recvable)

(SAP presents dr & cr in increasing order of numbers)

- Reconciliation A/c : Control account 140000 for Customers, 160000 for Vendors.
- List of A/c created : Info/GL Reports/Master Data S_ALR_87012326 for COA, S_ALR_87012347 for Doc Extract.
- Post with Reference : SAP/A/C/FA/GL/DocEntry/Others under F-02 general posting, it is possible to Post with reference. This allows you to call back the document. Post with reference will auto return the latest DOC no, so it is important to remember the latest Doc no pr obtain it from the list.
- Account Assignment Model : FKMT - like a template. The entire entry can e prepared & stored under a variant name [xxyyzz etc]. Equivalence is like a %age, where the various a/c's are denoted in %age terms & when the entry is called, the amounts get distributed. The entry is stored but not saved, hence dr/cr need not tally. First create and then go to line items by icon Q [can also be created from FB50 *[use F-02 wef 470]* & header edit option]. Use F-02 for entry & recall the AAM from top button. In case of equivalence enter dr & cr items etc. FB50 can also be use to recall AAM thru Header/Environment/Complex posting etc.
- Sample Document : F-01 this is a document which can be prepared and stored for future use. Dr/Cr need not tally. The entry is not saved. Recall with reference & complete.
- Recurring Document : FBD1
    - Scheduled to run on a particular date. The amounts have to be known & predefined. [repetitive sales entry etc]
    - The document is scheduled to run on a particular date within the 1st & last run & an interval. A run schedule can also be setup. Here the run date is very important & must be remembered. To find run date use Lists – F.15 GL/Periodic processing/Recurring entries Execute F.14 / Lists F.15.
    - When you execute, after entering only the necessary parameters. [FBD1 Enter company code, fiscal year, settlement period, which should coincide with run date and user. [1st run etc] at [process], you will get a message that a session has been created. If the params are incorrect, the session will not be created.
    - To run the session, from header System/services/batch input/sessions select & process [in background] [sm35]
    - Instead of processing above, you can also save as variant, which can be recalled when a job is created. [The variant saves the parameters defined. Hence a new parameter is required everytime. Execute thru sessions]
    - A job can be created in 2 ways :
        - Defining a task : GL/Periodic Processing/Schedule Manager SCMA When you click on schedule manager, the header will have an option TASK LIST. Clicking TASK LIST will allow you to create a task.
        - JOB WIZARD : At the SCMA stage, at the header ENVIRONMENT will allow activation of the Job Wizard to create a JOB.
            - Task List XYZTKL [create]
            - Transaction F.14
        - [an external prg can also be used which SAP will recognize thru BAPI [Bus Appli Prog Interface]

        - Variant[new] XYZREC1 [created earlier]
        - JOB XYZJOB [now created]
    - Recurring entries therefore have to be run on a particular date.
- Recurring Entries [different dates] : IMG/FA/FaGLOBAL/DOCUMENT/REC_ENTRIES/Define_Run_Schedule Enter Run Dates, Give run schedule name & save. When executing a recurring entry giving the Run Schedule will enable pickup of Run Dates specified. Without Run Date, the session will not be created.
- Document Parking : SAP/A/c/FA/GL/Doc Entry
    - FV50 *[use F-65 wef 470]* - edit or park G/L Doc
    - F-65 - gen doc parking [posting] clear with FBV0

  The document is parked with a sys generated doc no, but not posted. Hence it will not appear in the reports like Doc Extract etc. When FV50 is used with select parked doc [header], you can change the figures, but you can save only if Dr=Cr. For parking the Dr need not = Cr. [Useful to leave an entry halfway.] When saved, the entry is still not posted. Use post to close the issue. To clear F-65 parking goto Parked Documents under Documents & clear with FBV0.

CASH JOURNAL

IMG/FA/BANK A/C / BUS TRANS/ CASH JOURNAL

1. Create GL a/c for Cash Journal – Ensure post automatically is on, so that posting can take place automatically. [100000 Petty Cash A/c]

IMG > Financial Accounting > Bank Accounting > Business Transaction > **Cash Journal**

Create G/L Accounts for Cash Journal

It refers to the activity at FS00. Petty cash items are entered thru Cash Journal while in some cases, even receipt of customer cheques is also allowed.

SAP standard Petty Cash a/c no. is 100000

Important settings are:

FSV	G001 (with text, assignment)
Post automatically	'on'
Relevant to Cash Flow	'yes'

2. Define doc types for Cash Journal Docs - SK [other doc types SA GL, DZ Customer Receipt, KZ Vendor Payment] [OBA7]
3. Define No range & interval for Cash Journal documents [FBCJC1] - copy from 0001.
4. Setup cash journal : [FBCJC0]
    a. Give a Cash Journal Code
    b. Various code for GL A/c's, Customers, Vendors.

Set up Cash Journal

Here a name (usu. Petty Cash) and code (any numeric or character) is given to the Cash Journal w.r.t the Company Code. Though CJ code shows a pop-up button, no CJ code is available as it is created here only. So give any code desired and save.

One Cash Journal can be maintained for one currency type. However if one want to maintain more than one currency in the same Cash Journal, G/L Account for Cash Journal should not have "Post Automatically On" (FS00).

5. Create, Change, Delete Business Transactions [FBCJC2] : These tran types can be copied, but as they are linked to GL a/c's, change as reqd. These can be accessed at FBCJ.
    a. C receipts from bank GL a/c -------
    b. B payment ot bank GL a/c --------
    c. R Sales

    For vendors & Customers, GL a/c's need not be given, as they will be different for A/P, A/R.
6. Setup Print params [FBCJC3]– copy from 0001, output device – LP01.
7. Posting - SAP/A/c/FA/GL/Doc Entry - Cash Journal Posting FBCJ

ACCOUNTS RECEIVABLE

[will require INT COA]

- IMG/FA/AR&AP/Customer A/c's/Master Records/Preparation for creation/ Customer Master Record preparation.[Bus partner is a customer who is also a vendor]
    - o Define A/c Groups with Screen Layout : Edit field status (Cust) [OVT0]

IMG > Financial Accounting > AR & AP > Customer Accounts > Master Data > **Preparations**

Define Account Groups with screen layout (customers)

Account Groups are defined to

? the interval for the account numbers

? whether the number is assigned internally by the system or externally by the user (type of number assignment)

? which fields are 'mandatory', 'optional' or 'suppressed' when creating and changing master records (field status) – this will depend on the type of customer a/c i.e. if it is a one-time customer, customer to whom goods are sold/delivered/billed (these may be different persons)

Note: Here status of fields (FSV) are defined in each 'Account Group' created i.e. it is not that FSV as defined at IMG > Financial Accounting > FA Global Settings > Document > Line Items > Controls (which is assigned to the company code)

Difference : FSV here relates to *Customer* master database, whereas FSV at co code level relates to *transactions* with the customers.

When creating a customer account, you must specify an account group. You can specify a reference account group under "Control" in the "General data" part of any customer account's master data.

Note: If you do not specify a reference account group, then, as previously, all fields of the customer's account screen are ready for input during document entry.

Note: The reconciliation account field is defined as a required field since a reconciliation account must also be specified for the one-time accounts. *This field is company code-dependent.*

As many as 22 SAP standard settings are available:

Sold To Party		0001	One-time Cust (int no.)	CPD
Goods Recipient		0002	One-time Cust (ext no.)	CPDA
Payer		0003	Customer (general)	DEBI
Bill To Party	0004	etc	Customer (ext no.)	KUNA, etc.

For each Account Group:

? an "Output Determination Procedure" is assigned,

? specific "FSV Parameters w.r.t General Data, Company code data and Sales data" are set as per the requirement, and

? it specified whether it is a one-time account

There are 5 SAP defined "Output Determination Procedure" i.e. procedure to control output say, Invoices, etc:

Sold To Party	DB0001
Ship To Party	DB0002
Bill To Party	DB0003
Output For Payer	DB0004

One can define his own Account Group, set FSVs as required, but "Output Determination Procedure" has to be selected out of the above.

Note: Account groups once assigned to a customer master & transactions entered cannot be de-assigned, but FSV (earlier data relating to these fields remain intact) and number ranges can be changed later.

- Define Screen Layout for Co Code : Dunning – SAP term for sending reminders to customers.

Define Screen layout per Company code (customer)

Within a general setting for an Account Group, FSV settings can be changed for a specific Company code. Here only Company code data (as defined at Account Group level) can be changed.

☞ Note: This function should be used only in exceptional circumstances. Normally this requirement is controlled thru Account Groups (above) only.

- Define Screen Layout per Activity

Define Screen Layout per Activity (customer)

This IMG activity relates to creation of Customers. Three options are available to create customers:

		Document Entry
Create customer (Accounting)	Only General & Company Code data	FD01
Create customer (Sales)	Only General & Sales data	VD01
Create customer (Centrally)	All of three	XD01

General data

Address : Name, Address, Language, ...
Control data : Tax information, ...
Payment : Bank details, ...
Marketing : Industry, customer classification, ...
Unloading pts : Goods receiving hours, ...
Export data : Data for export control, ...
Contact details : address of business partners (agents, etc)

Sales data

Orders : Sales office, currency, price group, ...
Shipping : Shipping conditions, transportation zone, ...
Billing doc : Terms of payment, output tax classification, ...
Partner funct : Ship-to-party, Bill-too-party, ...

Company code data

Account mgmt : Reconciliation account, [imp – 140000 in 4.6c, 24410000 / 24600000 in 4.7]
Cash mgmt group [cash flow]
Value adjustment key [foreign exchange closing valuation]
Interest indicator, Interest cycle, last interest run, ...
Payment : Terms of Payment, Tolerance Group, Payment history record key, A/R Pledging indicator, Payment methods, ...
Correspond : Dunning, Interest, ...
Insurance: Amount insured, ...

☞ Note:

- FSV parameters can be defined for any of these activity and is a general specification for creation of all Customer. Any different requirement regarding the fields in relation to any customer or class of customer, for eg. Suppressing redundant details in case of one-time customers, etc can further be controlled through FSV for 'Account Groups'.
- Creation of customer, in real-time, originate from Sales & Distribution deptt, and details relevant to FI can be fed by Finance deptt via FD02.

Account groups are linked with each of the customer (not co code) in its master record i.e. customer are created under one of the Account groups.

- o Define Industries
- o Create No Ranges [XDN1]

> **Create Number Ranges for Customer Accounts**
>
> SAP standard Number ranges are available. However one can change range interval and status (external or internal) as per requirement.
>
> ☞ <u>Note</u>: External number assignment useful if you transfer master data from a pre-system or an existing system. In all other cases, you should use the internal number assignment.
>
> The SAP system offers a number of help functions to determine an account number. Therefore the account numbers no longer have to be "mnemonic". The help functions include the 'matchcode' or the 'Previous acct no' field in the customer/vendor master record.

- o Assign No Ranges

> **Assign Number Ranges to Customer Account Groups**
> One type of Number range can be assigned to many Account Groups. Or, one can have separate no ranges for separate Account groups.

- o Define A/R pledging indicator 1 = open. The AR pledging indicator should be activated to allow PDC to be accounted on the date mentioned. Another field "probable time until check is paid" refers to realization time i.e. 3 days for local clg will give an accurate cash forecast.

> **Define Accounts Receivable Pledging Indicator**
>
> You use the accounts receivable factoring indicator to select customer master records and line items within a company code to participate in the factoring procedure.
>
> Before this factoring procedure must have been activated for the co code via IMG > Financial Accounting Global Settings > Company Code > Activate Accounts Receivable Factoring Procedure per Company Code.

- o SAP/A/c/FA/AR&AP/Master Records :
  - FD01 Create [with sales areas VD01, all areas XD01]
  - FD02 Change
  - FD03 Display
  - Search item CUST for searching
  - Authorization group is a user defined field for analysis
  - Customers bank data is to print customers bank details on the receipts
  - <u>Reconciliation account is 140000</u>
  - Sort key 001 by posting date
  - Head office of the customer
  - Cash management group for cash flow
  - Value adjustment key for closing valuation of F/E valuation.
  - Interest calculation – Last date will enable interest calculation from date mentioned.
  - Last interest run date on which interest was last run.
  - "Slowly changing dimension " to denote the details of a customer are slowly changing and hence the need to maintain a payment history etc.
  - Payment date [actually meant for Vendors]
    - Only cash discount allowed
    - Bill of exchange terms 0001 immediate.
    - Known/negotiated/leave holidays can be used to avoid invoice generation on such dates and avoid disputes in delayed payments.

- Probable time till check is paid , to indicate realization time & give better cash flow [assume no bill discounting].
- Lock box – prevalent in US, where a box is used to deposit cheques, and the bank/agency does the depositing.
- Payment advice notes
- Selection rule
- Dunning for reminders : can be blocked where not reqd in case of long overdues, where legal action taken etc
- Collective invoice – no individual invoice, but a weekly invoice etc.
- Decentralized processing will send correspondence to branch office.
- Insurance details

Create Customer (Accounting) FD01

Example settings:

Sort key	Posting date	
Terms of payment	0001	i.e, Immediate
Tolerance Group	‘ ’	i.e, Blank
Reconciliation a/c	140000	i.e, Sales a/c

Create Customer (Sales) VD01

Example settings:

Shipping Point	Only complete delivery	
Tolerance level	Unlimited tolerance	
Calendar	99	i.e, International
Inco Terms	EXW	i.e, ex-works
Payment terms	0001	i.e, immediate
Acct assignment group	01	i.e, domestic revenues

Create Customer (Centrally) XD01

All the fields available in both VD01 & VD01 can be entered here.

Change Customer (Accounting) FD02

Change Customer (Sales) VD02

☞ Note: Any change in the customer master after some docs (say, orders, deliveries, billing has been created but not printed/sent) doesn’t reflect in those documents except ‘*address*’. Other things have to be manually altered.

IMG > Financial Accounting > AR & AP > Business Transaction > Incoming Payments > **Manual Incoming Payments**

Define Tolerances (Customer)

In this step, you specify the tolerances for customers. These tolerances are used for dealing with differences in payment and residual items which can occur during payment settlement.

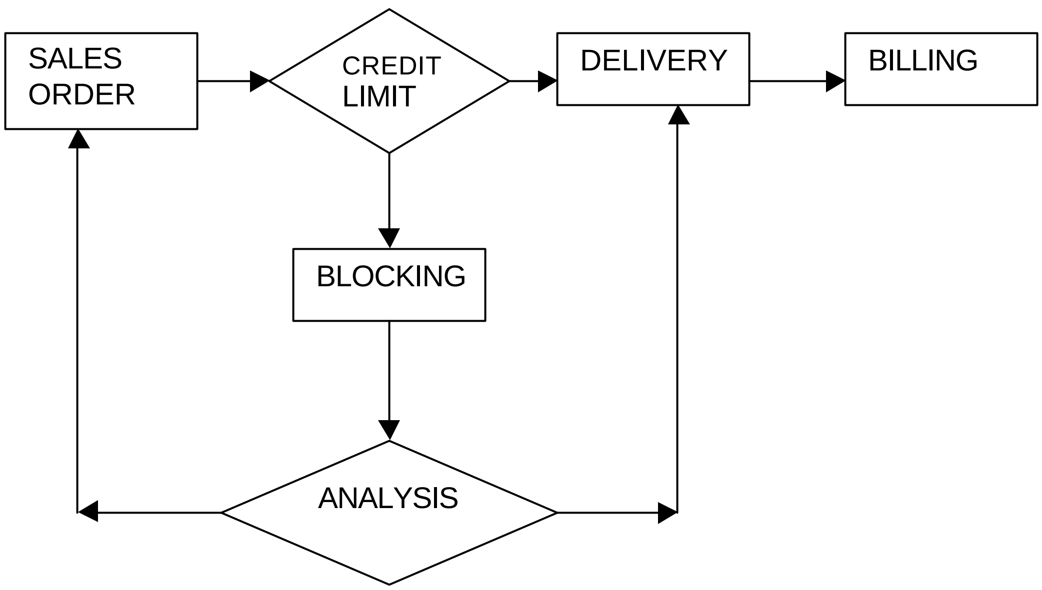
Allocate a tolerance group to each customer via the master record. For each tolerance group, specify the following:

- Tolerances up to which differences in payment are posted automatically to expense or revenue accounts when clearing open items.
- The handling of the terms of payment for residual items, if they are to be posted during clearing

☞ Note: Tolerance group created with ‘blank’ applies to all customers (as it is defined for a company code) to whom any specific tolerance group is not assigned. If any specific group is defined, it must

be assigned to a customer account via 'master record'. [i.e. at least one tolerance group – 'blank' must be defined] ☞ <u>Note:</u> A 'Payment term' or a 'Dunning key' can also be assigned to tolerance group for posting residual items from payment differences.

- SAP/A/c/AR/Document Entries
  - FB70 - Invoice entries *[use F-22 wef 470]*
  - F-28 - Incoming payment
  - F-26 - Payment fast entry



SALES A/C 800000

DATA ENTRY – Sales Invoices
Entering outgoing Invoices FB70 (4.6c version) F-22 (4.7 version)
☞ <u>Note: Reconciliation a/c defined in FD01 serves as a link between Invoice and Sales G/L a/c.</u>

- Incoming Payment : Bank 113100 Customers a/c xxxx. Optionally you can go for auto search based on amount. It will bring up the amount in blue colour. If however the payment does not tally with the invoice, SAP will not adjust, but display all different receipts till final adjustment.

DATA ENTRY – Incoming Payments, Adjustments & Statements	
Incoming Payments	
[SAP Menu > Financial Accounting > Accounts Receivable > Document Entries]	
Incoming Payments	F-28
Payment Fast Entry	F-26
☞ <u>Note</u>: Incoming payment can also be processed by F-06 under GL Doc entry. (remember to change a/c type 'D' – customers instead of S – GL, which comes by default)	
☞ <u>Note</u>: Incoming payment can also be handled under FBCJ – cash journal. However it would be necessary to '*Clear*' these payments received, which need not be done under F-28 / F-26, as the payment is already received against a specific invoice.	

- ARAP/Account
- FD10N - Display balances [drill down]
- FD11 - Analysis

For incoming payments F-26/28, after the invoice is created, it is possible that the amount appears in display FD10N, but does not get processed as an open item. This can be due to not defining tolerance groups. An error message will be displayed giving table no, which can be analysed thru SE17, give table no and get lists by .Another reason could be IMG/FA/ARAP/BT/IP/AutoIP/Payment Method/Setup all co codes/ Select co & details : FP/FPJ Customer/Vendor types.

- Incoming payment can also be processed by F-06 under GL Doc entry, only A/c type should be changed to D – customers instead of S –GL, which comes by default.
- Incoming payment can also be handled under FBCJ – cash journal. However it would be necessary to clear these payments received, which cannot be done under F-28, as the payment is already received.

Customer Balances

[SAP Menu > Financial Accounting > Accounts Receivable > Account]

Display Customer Account Balances	FD10N
Analyse Customer Account Balances	FD11
Clear (incoming Payments under FBCJ)	F-32

Note: While clearing incoming payments, the following are possible:

- *Partial payment* – Diff posted can be used to make the amount not assigned as 0, and then posting is possible. The diff amt becomes an open item with current date.
- *Residual items* – allow a residual amount to be kept and the rest is assigned. By keeping a residual amount as not posted, it is possible to keep the amount not assigned 0.
- *Charge to expense a/c* – it is possible to charge off amounts not assigned to expenses like cash discount etc, with predefined reason codes.
- *Distribution of residual items* – possible based on reason codes.

or

[SAP Menu > Financial Accounting > Accounts Receivable > Account > Assignment]

Assignment of open items	FB15

Note: On using FB15, all items appear. Select the one for assignment & "ASSIGN". Next select the assigned items and clear. This will bring you to a partial payment screen. Complete the assignment & save. Next return to FB15 & confirm. The assigned items will go.

Edit Assigned items	FB17

- Clearing
  - To clear incoming payments received under FBCJ, use F-32/FB15.
  - SAP/A/c/FA/AR/Account F-32 clear. When clearing payments it is possible to :
    - Partial payment : Diff posted can be used to make the amount not assigned as 0, and then posting is possible.
    - Residual items allow a residual amount to be kept and the rest is assigned. By keeping a residual amount as not posted, it is possible to keep the amount not assigned 0.
    - Charge to expense a/c. : it is possible to charge off not assigned amounts to expenses like cash discount etc, with predefined reason codes.
    - Distribution of residual items : possible based on reason codes.

- SAP/Ac/FA/AR/Ac/Assignment
  - FB15 asssign/clear open items. On using FB15, all items appear. Select the one for assignment & "ASSIGN". Next select the assigned items and clear. This will bring you to a partial payment screen. Complete the assignment & save. Next return to FB15 & confirm. The assigned items will go. [you can use difference postings to create a new o/s]
  - FB17 edit assigned items.
- Corresspondence
  - FB12 request for stat of a/c SAP06,08,15 etc.
  - F.64 maintain SAP06 etc which when dbl clicked will produced stat of a/c thru LP01.

Statement of Accounts

[SAP Menu > Accounting > Financial Accounting > Accounts Receivable > Account > Correspondence]

Request (for statement of Customers' a/c)	FB12	
Maintain (gives the print-out of above)	F.64	[SAP06, SAP08, SAP15, etc]

- Payment Advices
  - o SAP/Ac/FA/AR/Doc Entry/Payment Advice
    - FBE1 Create – payment advice no comes by default. Enter amount & save.
    - FBE2 Change
    - FBE3 Display
    - Payment advice F4 & execute to get a list. Payment advices can be created for different payments. Credit memo can be adjusted with any/specific invoices.
    - S_ALR_87012203 payment advice overview.

- Down Payments : like an advance. They have to be requested, made and cleared after raising an invoice under which it is adjusted. Special groups for GL
  - o A Down Payment
  - o B Bill of exchange receivable
  - o C Rent deposit
  - o E Reserve for Bad Debts
  - o F Down payment request

  Down payments require certain params to enable clearing.
  IMG/FA/ARAP/BT/Outgoing Payments/Auto OP/Payment Method/
  Bank selection for payment Programs
  - o Set up all co codes
  - o Set up the vendors, customers,Spl GL Transactions
  - o Vendors FP
  - o Customers FPJ

IMG > Financial Accounting > AR & AP > Business Transaction > Incoming Payments > Auto Incoming Payments > Payment Method / Bank Selection

Set up All Company Codes for Payment transactions

In this activity, you make specifications for all company codes involved in payment transactions.

For each company code, you make the following specifications:

- Paying company code & Sending company code – relevant to cross co-code transactions i.e. where one co code makes payment for other co codes.
- Cash discount and (difference) tolerance limits
- Specify which special G/L transactions are to be settled for customers and vendors.

Vendors		Customers	
F	Down payment request	F	Down payment request
P	Payment request	P	Payment request
		J	Advance Payment Request

☞ Note: This activity is pre-requisite for clearing payments received against open items.

[other important settings w.r.t Incoming Payments are discussed under Accounts Payable which are similar and relevant to Accounts Receivable also]

- SAP/FA/AR/DocEntry/DownPayment
  - F-37 The down payment created thru a request is available under FD10N under special GL list[after creating downpayments with F-29].
  - An AAM can be created for every product type, & the appropriate codes fed into line items. This AAM can be recalled at the invoice stage thru Environment/Complex Posting F6. To speed up data entry, ensure A/c no, date and amount is entered prior to F6, then save.
  - F-39 Clearing of down payments. Enter cust no, keep relevant invoice details etc blank., enter transfer posting amounts & save.

Down Payments

[SAP Menu > Accounting > Financial Accounting > Accounts Receivable > Down Payment]

☞ Note: like an advance. They have to be requested, received and cleared after raising an invoice under which it is adjusted. Special groups for GL – 'A' Down Payment.

Request (Down Payment)	F-37
Down Payment (Receive)	F-29
Clear (Down Payment)	F-39

- Terms of Payment [OBB8]
  - IMG/FA/ARAP/BT/Incoming invoices/Cr Memo
  - Maintain terms of payment :
  - Base line date is the date to be considered for the calculation of interest. The interest would actually start after the additional months i.e. CR period has elapsed.

IMG > Financial Accounting > AR & AP > Business Transaction > **Outgoing Invoices and Credit Memos**

Maintain Terms of payments

Terms of Payments i.e, due date, discounts %s if paid before due date, etc are defined and stored under a four-character key. terms of payment is assigned to the customers in the master record via the key.

☞ Note: One can use the same key for the terms of payment for both customers and vendors who have the same payment terms. But in such a case any changes made for either customer 0r vendor will automatically affect both. Hence it is recommended to use different terms of payment keys for customers and vendors and limit the permitted account type correspondingly within the terms of payment.

SAP has provided 11 default payment terms types (0001 – 0011). Changes in standard settings are normally not needed except where

- a separate help text for a payment term is needed which deviates from the explanations created automatically
- an account type i.e. a particular transaction type with a customer, has to be excluded for a payment term (in the standard system, a payment term applies to all account types of the business partner)
- change the payment conditions for a payment term

Terms of payment are defined in the following manner:

Paymt Terms	Text
0008	14 days/2%, 30 days/1.5%, 45 days net
Day limit	Expl.
15	within 14 days, 2% dis within 30 days, 1.5% dis within 45 days, net due baseline date on 31st of the month

☞ Note: Terms of payment (discount, etc) shall be considered after the 'baseline date'.

☞ Note: If day limit is 'nil', baseline date is date of invoice i.e. becomes immediately due.

☞ Note: 'day limit' is used where 'baseline date' (due date of payment) is specified based on a period range during which invoices are raised, eg. For all invoices raised upto 15th of a month, due date is 30th of the same month.

In such a case, terms for 'another part' of the month has to be defined for the same payment term (0008 in this case) – see below.

Paymt Terms	Text
0008	14 days/2%, 30 days/1.5%, 45 days net
Day limit	Expl.
31	within 14 days, 2% dis within 30 days, 1.5% dis within 45 days, net due baseline date on 15th of the next month

double click to get inside for baseline date & payment terms the settings

☞ Note: Not more than two discount options are available (even under new entry).

Define Terms of Payment for Installments

First, define a term of payment as above with following parameters:

Text		Payable in x installments
Own expl.		'Blank' (SAP gives system generated explanation)
Installment Payment	'on'	(do not put any discount %s)

Then specify % of installment amounts under IMG activity "Define Terms of Payment for Installment". *It should be remembered here that each installment also has its terms of payment. Therefore for a 5 installment method, there will be 6 payment terms.*

☞ Note: SAP defaults can be altered / new ones created to suite the specific user requirements. Due date is specified by selecting "payment terms" while defining installments – it can be different for different installments.

TAXES

[changes to structures for country version India wef 470]

SAP 4.6C does not have tax capability for Indian Taxation, for which CIN [country India] version is available. Tax procedure of Great Britan TAXGB *[TAXINJ wef 470]* is used.

In FI all taxes are inclusive. For exclusive tax, settings are to be made in the pricing condition for the tax condition type MWST *[TAXJ]*. Once taxes are defined, mass maintenance “posting w/o tax allowed” to be changed. In case of specific accounts like sales 800000 the tax code will have to be specified like output tax etc. At the invoice stage also, calculate tax will have to be checked to avoid error messages at saving time.

IMG/FA/FAGlobal/Tax on Sales & Purchases/

- Basic Settings
    - Define Proceedures [FTXP]
    - TAXIN *[TAXINJ wef 470]* Tax Proc for India.

Condition Type BASB as under :			
		Access sequence	
Cond Class	A	Plus /minus	
Calc type	B		
Cond Cat	K		
Rounding rule			
Manual entries	D		
Group cond			
Header cond		Amount/perc	
Item cond	On		
Text det proc		Text id	

-
    - Condition Type MWAS *[JIN1 & JIN2 for CST & LST wef 470]* Output tax A1
    - Condition Type MWVS *[JIP1 & JIP2 for CST & LST wef 470]* Input tax V1
    - Access Sequences : only country & tax codes possible. [You can use TAXUSJ for Jurisdiction Taxes] Other tax statewise in CIN version. MWST *[Page: 33 [0]TAXJ with jurisdiction wef 470 & cond cat in cond type should be 2 i.e. level 2 to allow for IN10 etc.]* tax indicator.
    - Condition Types : Type of calc %age etc. In Master Data screen “delete_fr_DB” choose “DO NOT DELETE”
    - Check and Change Settings for Tax Processing :
        - *MWS & MW3 for JIN1 & JIN2 [separate line item]*
        - *NVV for JIP1 & JIP2 [non deductible & no separate line item, as dist to relevant exps like purchase etc]*
    - Specify structure with tax jurisdiction code. TAXUSJ *[Page: 33 [0]TAXINJ has 2 levels like IN10 etc.]* has 4 levels. It is thus possible to have a code with [TAXINJ - 2,2]
        - Country code 2 chars
        - Region code 3 chars
        - State code 3 chars
        - City code 3 chars e.g. ALABAMA = USMIDALAXXX
        - While specifying the structure DiN i.e. discount is net i.e. taxes are calculated after discount is adjusted.
        - TxN i.e. taxes are netted [here the department loses revenue]
        - Define Tax Jurisdiction for India TAXIN *[Page: 33 [0]TAXINJ with 32 states as per region codes 10 for Karnataka wef 470]*

- Calculation
  - Define tax codes for Sales & Purchases*[Page: 34*
    [0]wef 470 CST FIELD NOT ACCESSIBLE as in condition type JIP1,2 JIN1,2 level 1 was preset instead of level 2]
    - A1 output tax code 10%
    - A tax type for output tax
    - Tolerance 1 = 1% [for tax differences]
    - MWS output tax
    - ERS sales deal
    - ERL revenue . These a/c keys will integrate SD with FI.
    - Fill up only the output tax field o/wise if you enter a value in the input tax, it will result in duplicate taxes being calculated.
  - Assign company code to document date for tax determination : the posting date is normally considered, but in this case, the doc date will be considered.
- Posting
  - Define tax accounts [OB40] *[Page: 34*
    [0]*wef 470 JIN1 Act Key MWS GL 13113400 JIN2 Act Key MW3 GL 13113410 JIP1 & 2 Act Key NVV GL]*
    - 175000 output tax MWS & 154000 input tax VST
  - Define a/c for Exch Rate fluctuations -
    - Loss from currency valuation 230010
    - Gain from currency valuation 280010
  - Assign tax code for Non Taxable transactions
    - A0 output tax 0%
    - V0 input tax 0%

TAXES WITH JURISDICTION

IMG > Financial Accounting > FA Global Settings > Tax on Sales & Purchases > **Basic Settings**

Check Calculation Procedures

Define Access Sequences : SAP has pre-defined 3 Access sequences

MWST	-	Tax Indicator (I/O taxes only)
TAXJ	-	US Taxes with Jurisdiction
USTX	-	US Taxes

We will use 'TAXJ' access sequence, as it is based on jurisdictions.

Define Condition Types : Condition types are made use of for defining Tax Calculation Procedure. SAP has defined condition types for different jurisdiction levels in US (JR1, JR2, etc)

Jurisdiction in US works as States ? County ? City (Tax in each jurisdiction depend on taxation in preceding jurisdiction)

In India jurisdiction are at horizontal level and there is no vertical jurisdictional dependency. So Indian jurisdictions can be designed as consisting of one level only.

We used JR1 condition type of TAXUSJ to define the following condition types:

- JT1, JT2, JT3 : BED Payable, AED Payable and SED Payable resp.
- JT6, JT7, JT8 : CST–C Form Payable, CST w/o C Form Payable and LST payable resp.
- JR1, JR2, JR3 : BED Recov, AED Recov and SED Recov resp.
- JR6, JR7, JR8 : CST–C Form Recoverable, CST w/o C Form Recoverable and LST Recoverable resp

with "Jurisdiction level 1 or 2", (depending on whether jurisdiction level is defined as one or 'two') – [see notes on structure for tax jurisdiction below] and "Access Sequence – TAXJ"

Check Calculation procedure :

☞ Note: Before defining calculation procedure, first check whether G/L accounts and respective accounting keys relevant to all types of taxes have been created (FS00)

We created 175001, 175002, 175003 for BED Payable, AED Payable, SED Payable respectively. Note the following settings:

Status	B/S Item
Posting allowed in only	Local currency
Tax category	'>' (Output Tax)
Post Automatically is	"on"

☞ Note: Ensure that Accounting keys relevant to each tax types have been defined under "Check and change Settings for Tax Processing"

We used procedure TAXUSJ (call it TAXINJ) with necessary modifications as follows:

Step	Cond Type	Desrption	frm step	to step	acctg key
100	BASB	Base Amount			
110	JT1	BED Payable	100		JT1
120	JT2	AED Payable	100		JT2
130	JT3	SED Payable	100		JT3
190	MWS1	Subtotal	100	130	
510	JT6	CST-C Form Pay	190		JT6
520	JT7	CST w/o C Form Pay	190		JT7
530	JT8	LST Payable	190		JT8

(Similarly for JR1 – JR8 also)

Assign Country to Calculation Procedure

Here calculation procedure is assigned to a company code.

Check and change Settings for Tax Processing

Here a tax process for each tax type has to be defined . This serves as *accounting key* in Calculation Procedure (discussed above), *helps in linking posting to G/L accounts* etc (as discussed later). The important settings here are:

Tax type	'1'	i.e. Output Tax
Posting Indicator	'2'	i.e. Separate Line Item

Specify structure for Jurisdiction Code

Here structure guides SAP to determine various jurisdictions in one level and also whether a code is in level 1 or level 2 and so on. As in India we have only one level of taxes we specified a size of '6' to our Jurisdiction structure.

☞ Note: If we define only one level, while selecting jurisdiction codes in definition of tax codes, it will give us option of selection by State (Country) only and not by County (State) and hence all jurisdictions code (in our case 26*16) will pop-up. So its better to define two levels, 2 – for Country and 4 – for States.

	IN	10	00
Country	State		for various categories of jurisdiction

Define Jurisdictions

We defined Jurisdictions as follows (e.g. for Karnataka State):

IN0001	Foreign Jurisdiction - US, Custom (BCD)
IN0002	Foreign Jurisdiction - US, Custom (BCD, CVD)
IN1001	KAR, Branch, Excise (BED)
IN1002	KAR, Branch, Excise (BED,AED)
IN1003	KAR, Branch, Excise (BED,AED,SED)
IN1004	KAR, Branch, No Excise
IN1011	KAR, CST, Regd Dealer, Excise (BED)
IN1012	KAR, CST, Regd Dealer, Excise (BED,AED)
IN1013	KAR, CST, Regd Dealer, Excise (BED,AED,SED)
IN1014	KAR, CST, Regd Dealer, No Excise
IN1021	KAR, CST, Non Regd Dealer, Excise (BED)
IN1022	KAR, CST, Non Regd Dealer, Excise (BED,AED)
IN1023	KAR, CST, Non Regd Dealer, Excise (BED,AED,SED)
IN1024	KAR, CST, Non Regd Dealer, No Excise
IN1031	KAR, LST, Regd Dealer, Excise (BED)
IN1032	KAR, LST, Regd Dealer, Excise (BED,AED)
IN1033	KAR, LST, Regd Dealer, Excise (BED,AED,SED)
IN1034	KAR, LST, Regd Dealer, No Excise
IN1041	KAR, LST, Non Regd Dealer, Excise (BED)
IN1042	KAR, LST, Non Regd Dealer, Excise (BED,AED)
IN1043	KAR, LST, Non Regd Dealer, Excise (BED,AED,SED)
IN1044	KAR, LST, Non Regd Dealer, No Excise

IMG > Financial Accounting > FA Global Settings > Tax on Sales & Purchases > **Calculation**

Define Tax Codes for Sales & Purchases

Here tax codes are defined for each jurisdiction. Tax codes are:

Output Tax	A1	(with rates applicable in each jurisdiction)
Output Tax Exempt	A0	(with nil rates)
Input Tax	V1	(with rates applicable in each jurisdiction)
Input Tax Exempt	V0	(with nil rates)

☞ Note: Make sure that while defining rates for Output tax A1, rates are specified in JT1, JT2, JT6, JT7, etc (which are meant for taxes on sales and need to be posted to separate accounts. Similarly while defining rates for Input tax V1, rates are specified in JR1, JR2, JR6, JR7, etc (which are meant for taxes on purchases and need to be posted to separate accounts.

IMG > Financial Accounting > FA Global Settings > Tax on Sales & Purchases > **Posting**

Define Tax Accounts

Here all the tax processes defined under "Check & change settings for tax processing" are available. These need to be defined with respect to G/L account to which it will be posted, dr & cr keys, etc

TAXES WITH JURISDICTION (Version 4.7)

☞ Note : Version 4.7 has come up with standard country India specific settings i.e. now there is no need to get additional ‘patch’ for Indian specific taxation requirements.

IMG > Financial Accounting > FA Global Settings > Tax on Sales & Purchases > **Basic Settings**

Define Calculation Procedure

Define Access Sequences : Some of SAP pre-defined Access sequences (relevant to India taxes) are:

TAXJ	-	US Taxes with Jurisdiction
JTAX	-	IN : Excise Access
JST1	-	IN : Sales Tax Access

Define Condition Types : SAP predefined condition ‘D’ ıdian taxes JTAX ws:

Cond Type	Desrption	Taxes	ence
JM01	A/P BED deductible		
JA01	A/P AED deductible		
JS01	A/P SED deductible		
JM02	A/P BED non-deduct		
JA02	A/P AED non-deduct		
JS02	A/P SED non-deduct		
JSER	Service Tax		
JSVD	Service Tax Debit		
JMOD	A/R BED		
JAED	A/R AED		
JSED	A/R SED		
JCES	A/R CESS		
JIP3	A/P ST Set-off		
JIP1	A/P CST		
JIP2	A/P LST		
JIN1	A/R CST		
JIN2	A/R LST		
JIN4	A/R CST s/charge		
JIN5	A/R CST s/charge		
Cond Type	Desrption	Cond Category	Access Sequence
JMOP	BED Set off %		
JMOQ	BED Set off Inv		
JAOP	BED Set off %		
JAOQ	BED Set off Inv		
JSOP	BED Set off %		
JSOQ	BED Set off Inv		
JMIP	BED Inv %		
JMIQ	BED Inv Qty		
JAIP	AED Inv %		
JAIQ	AED Inv Qty		
JSIP	SED Inv %		
JSIQ	SED Inv Qty		
JMX1	A/P BED Set off		
JMX2	A/P BED Inv		

JAX1	A/P AED Set off	'D' Taxes	JST1
JAX2	A/P AED Inv		
JSX1	A/P SED Set off		
JSX2	A/P SED Inv		
JIPS	Sales Tax Set off		
JIPC	CST Inv		
JIPL	LST Inv		

Check Calculation procedure :

SAP 4.7 version has got country India specific tax procedure TAXINJ, settings are as follows:

Step	Cond Type	Desrption	frm step	to step	stat	alt CType	altBV	acctg key
100	BASB	Base Amount					362	
110		Calculated Call	100		v	352		
120		Subtotal	110		v			
200	JM01	A/P BED deductible	120			354		JI 1
205	JA01	A/P AED deductible	120			364		JI 2
207	JS01	A/P SED deductible	120			368		JI 3
210	JM02	A/P BED non-deduct	120			362		NVV
212	JA02	A/P AED non-deduct	120			365		
214	JS02	A/P SED non-deduct	120			369		
215		Base + All duties	100	214	v			
217	JIP3	A/P ST Set-off	215			370	363	VS 5
220	JIP1	A/P CST	215				363	JT 1
230	JIP2	A/P LST	215			371	363	JT 2
250	JSER	Service Tax	100					ESA
260	JSVD	Service Tax Debit	250					ESE
510	JMOD	A/R BED	120		v	363		
512	JAED	A/R AED	120		v	366		
513	JSED	A/R SED	120		v	360		
514	JCES	A/R CESS	120		v	367		
515		Subtotal			v			
520	JIN1	A/R CST	515					MWS
530	JIN2	A/R LST	512					MW3
540	JIN4	A/R CST s/charge	520					MWS
550	JIN5	A/R LST s/charge	530					MW3

560	JMOP	BED Set off %	120			JI 1
561	JMOQ	BED Set off Qty	120			JI 1
562	JAOP	AED Set off %	120			JI 2
563	JAOQ	AED Set off Qty	120			JI 2
564	JSOP	SED Set off %	120			JI 3
565	JSOQ	SED Set off Qty	120			JI 3
570	JMIP	BED Inv %	120			NVV
571	JMIQ	BED Inv Qty	120			NVV
572	JAIP	AED Inv %	120			NVV
573	JAIQ	AED Inv Qty	120			NVV
574	JSIP	SED Inv %	120			NVV
575	JSIQ	SED Inv Qty	120			NVV
578	JMX1	A/P BED Set off	560	561	v	
579	JAX1	A/P AED Set off	562	563	v	
580	JSX1	A/P SED Set off	564	565	v	
581	JMX2	A/P BED Inventory	570	571	v	
582	JAX2	A/P AED Inventory	572	573	v	
583	JSX2	A/P SED Inventory	574	575	v	
585		Total Excise Duty	578	583	v	
588		Copy Net Price	120	120	v	
590		Price + ED	585	588	v	
593	JIPS	Sales Tax Set off	590	590		VS5
595	JIPC	CST Inventory	590	590		NVV
598	JIPL	LST Inventory	590	590		NVV

Assign Country to Calculation Procedure

Here calculation procedure is assigned to the company code.

Check and change Settings for Tax Processing

Here a tax process for each tax type has to be defined [as discussed for 4.6 version]. This serves as *accounting key* in Calculation Procedure (discussed above), *helps in linking posting to G/L accounts* etc (as discussed later). The important settings here are:

process key	description	tax type		not deductible	posting indicator	
JI1	India Basic Excise	4	i.e. not relev to tax	v	1	i.e. posting not reqd.
JI2	India Addl Excise	4	i.e. not relev to tax	v	1	i.e. posting not reqd.
JI3	India Spl Excise	2	i.e. Input Tax		2	i.e. separate line item
JI4	LST	1	i.e. Output Tax		2	i.e. separate line item
VS5	Input Tax PST gross	2	i.e. Output Tax		2	i.e. separate line item
(also it is configured to be not relevant for cash discount)						
ESA	Output Acquis Tax	1	i.e. Output Tax		2	i.e. separate line item
ESE	Input Acquis Tax	2	i.e. Input Tax		2	i.e. separate line item
MWS	Output Tax	1	i.e. Output Tax		2	i.e. separate line item
MW3	Sales Tax 3	1	i.e. Output Tax		2	i.e. separate line item

NVV	Non-deduc input tax	2	i.e. Input Tax	v	3	i.e. dist to rel exp/rev

☞ Note : All the above processing keys will be available in IMG > Financial Accounting > FA Global Settings > Tax on Sales & Purchases > Posting > Define Tax Accounts – where it shall be associated with different G/L accounts and posting (dr & cr) rules

☞ Note : Once all basic settings are made, country India version should be activated for specific fiscal years via IMG > Financial Accounting > FA Global Settings > Tax on Sales & Purchases > Basic Settings > India > Activate country India version for specific fiscal years

DUNNING

IMG/FA/ARAP/BT/Dunning/Basic Settings for Dunning
While posting repeated invoices, if the credit limit is crossed, you may not be permitted to enter further invoices. In such a case, IMG/ES/Defi/Define Credit Control Area. If a credit limit is not set, you cannot enter invoices.

- Define Dunning area : for each co code, a dunning area is defined.

REMINDERS TO CUSTOMERS – DUNNING

IMG > Financial Accounting > AR & AP > Business Transaction > Dunning > **Basic Settings for Dunning**

Define Dunning Areas

Dunning area represents a sub-structure of the Company code. If different responsibilities and different dunning procedures exists within a company code, one can set up corresponding dunning areas.

Dunning areas are used if several organizational units are responsible for carrying out dunning within one company code. These organizational units are referred to as dunning areas. The dunning area can correspond, for example, to a profit center, a distribution channel, a sales organization or a business area.

The individual dunning areas can use different procedures or the same dunning procedure.

☞ Note: The dunning areas with the required dunning procedures are to be entered into the customer or vendor master record if you use different dunning procedures.

Otherwise, the system uses the standard dunning procedure. The dunning area is then entered in the line item. The system enters the dunning area into the master record automatically with the corresponding data.

- Define dunning keys : max 4 levels are possible like 1,2,3 reminders etc.

Define Dunning keys

- Dunning keys define how much / many notices have to be sent to customers. i.e.,

key 1 (max level = 1) ? only one notice
key2 (max level = 2) ? two notices, etc.

- Note the settings:

key	max level	print separately	text
1	1		Triggers maximum dunning level 1
2	2		Triggers maximum dunning level 2
3	3		Triggers maximum dunning level 3
z		v	payment has been made

- Define dunning block : for legal cases, dunning must be blocked.

Define Dunning Block Reason

Dunning can be run for Customer account group as a whole.

If a particular customer need not be dunned, his master data should 'select' the 'reason'. Reasons for a dunning block are defined under a key. The key can be entered in an item or in the master record of a customer's account. SAP default keys are:

'Blank'	freed for Dunning
*	Dunning Interface
A	Manual Block Reason, etc

Define Dunning Groupings

Dunning notices are generally created per business partner. In special cases, it can be useful to group together the open items of a business partner according to certain aspects and dun these items together.

In order to group items together for dunning notices, you need to define grouping keys (two-character, alphanumeric). For each key, specify a field from the line item whose contents are to comprise the main criteria for the group. Items whose contents in this field are identical, are dunned together.

Define Interest rates (for Dunning)

Interest indicator is defined here specifying interest rates (and validity date) on dr. & cr. items for the purposes of dunning run.

- Define dunning procedure : [FBMP]
    - Dunning interval - frequency of dunning e.g. 14 days
    - Totaled for items – when a dunning level 1 is maintained, totaling takes place level 2 onwards. If level 0 is maintained, all items are totaled. The totaled items are for threat perception etc. In Germany, court orders can only be issued level 3 onwards for total of all items dunned.
    - Minimum day arreas : atleast one item must have a dunning notice to be created. The minimum days in arrears have no influence on calculation of the days overdue.
    - Line item grace periods e.g. 3
    - Interest indicator HI
    - Public holiday calender 99 international IN for India.
    - Std transactions set on, o/wise spl GL like downpayments will also be considered.
    - Reference dunning process @ 0001. You can create your own dunning letters using SAPSCRIPT [similar to ABAP].
    - Dunning levels [top button] - day in arrears @ 30 i.e. dun after 30 days.
    - Calculate interest - set on after level 2 as letters after 2 i.e. 3 only have interest mentioned.
    - Always dun keep on
    - Print all items keep on
    - Payment deadline @ 7 i.e. after dunning letter, deadline to receive payment.
    - Legal dunning procedure for items where legal letters to be sent [after 3 levels etc]
    - Charge for dunning - the charge for dunning can be fixed or a %age depending on the parameters set. Here a %age may help, as minimum amounts for dunning are set, sometimes if the total o/s is low, an item may not come into the dunning process at all. The %age is based on the total o/s of that customer. You cannot define a fixed dunning charge, and a %age based charge at the same time.
    - Minimum amounts for dunning - the minimum amount to be considered for dunning. %age of amounts means %age to total of open items [for a customer]. If both are set, both conditions must be met.
    - Minimum amount to be included in dunning
    - Dunning text – forms are designed and can be changed using ABAP [a/c type D][Ensure the DUNNING TEXT FORMS EXIST]
    - Spl GL indicator - whether to dun.

    For checking dunning open a separate a/c and raise invoices backdated, so that dunning runs can take place with the interval applicable. It may be necessary to open posting period suitably. The posting date will also have to be backdated and credit limit reset. In case of existing customer, ensure dunning procedure is set.

IMG > Financial Accounting > AR & AP > Business Transaction > Dunning > **Dunning Procedure**

Define Dunning procedure FBMP

Dunning procedures are *company code independent* i.e. one dunning procedure can be assigned to more than one co codes – it is assigned to each of the customer via master records.

They determine the 'dunning interval', 'the grace periods for the due date determination', and 'the number of dunning levels'. You can also set the dunning level at which you want to list all due items from an account in the dunning notice.

A customer account is only included in dunning if it assigned a dunning procedure in its master data. To exclude an account from dunning, you can set a dunning block for it in the master data.

Activity:

Dunning procedure ABCD

Dunning interval in days 14 "min no. of days between two dunning runs"

Total due items from dunning level 1 "1 / 2 / 3 or whatever" no legal use in India

☞ Note: In Germany, after 3 dunning notices, court notices can be sent for "Total due items". However in India, this function can be used for sending reminders to the customers.

Min days in arrears (acct) 4 "no. of days one of the open items must be overdue for dunning run to be triggered" (only for trigger – overdue days is not altered)

Line item grace period 2 "no. of days within which an open item shall be excluded from dunning run"

Interest indicator "interest rate key as defined below" (this interest is not posted to G/L a/c)

☞ Note: Dunning procedure can also be configured for :

Dunning Levels – interest to start after 'x' days in arrears, print parameters, etc.

Charges – dunning charges to be included

- ? after n^{th} level and 'x' dunning amount
- ? % of dunning charges, etc.

Minm amounts – to trigger dunning

- ? after 'x' total overdue amount
- ? 'y'% of overdue amounts (out of total open items), and
- ? minimum amount of dunning interest to be included

- o SAP/Ac/FA/AR/Periodic Processing
  - F150 Dunning
    - Identifier user defined run 1,2,3 *use ID for 1st Qt etc.*
    - Select parameters
    - Dunning date - the dunning date defines when the next dunning run takes place [after the interval]. If you click on current date, you may not be able to take subsequent runs immediately, and you may have to go to IMG and change the interval.
    - Dun posted upto [consider posted upto date]
    - Save parameters
  - Individual dunning notice @ LP01
    - Specify run dates
    - Specify dunning dates
    - Specify posted upto dates
    - Select print preview & printout [o/wise the dunning will not be considered, and subsequent runs will also be level 1]

- IMG/FA/Global/Corresspondence - it is possible to view the various dunning forms & even create them [SAPSCRIPT similar to ABAP]

DATA ENTRY – Dunning Run

[SAP Menu > Accounting > Financial Accounting > Accounts Receivable > Periodic Processing]

Dunning F150

Activity:

Select Individual notices > Output Device

? Company code > customer account
? Run date should be in line with dunning interval & can be diff from dunning date (later)
? Dunning date determines overdue a/cs for dunning trigger
? Documents posted upto date determines which open items are to be considered

Take print out of dunning notices. After this step, customer master data will automatically be updated for first dunning run. (taking sample printout or test run would not make the dunning run effective)

☞ Note: SAP standard Dunning forms can be displayed or changed (using SAPSCRIPT similar to ABAP) via IMG > Financial Accounting > Financial Accounting Global Settings > Correspondence

INTEREST

IMG/FA/ARAP/BT/Interest Calculation

- Global Settings
  - o Define interest calculation types
    - P item interest calc
    - S balance int calc
    - Identifier HI for HPCL

INTEREST ON RECEIVABLES

IMG > Financial Accounting > AR & AP > Business Transaction > Interest Calculation > **Interest Calculation Global Settings**

Define Interest Calculation types

Interest indicators determine whether they are to be used for the *item interest* calculation i.e. interest on balance after giving effect of each dr or cr entries <u>or</u> *account balance interest* calculation i.e. interest on net debit / credit balance.

[though these indicators can also be used for interest on payables, in practice this is not normally needed]

Interest indicator is assigned to a customer account vis master data.

SAP default interest indicators are:

01standard item interest calculator	calculation type – P
02standard balance interest calculator	calculation type – S

- o Define no ranges for interest forms - define

Define Number range for Interest forms

Number ranges defined for interest calculation are not used for any other purposes (for example, for document types). If interest is calculated on accounts from various company codes, then you define the same number range for each company code.

- o Prepare interest on arrears calc - while preparing int on arrears calc, the effective date should be borne in mind [backdated] o/w interest runs will not take place as invoices are backdated. Keep Int Numerator ON. Payment Terms 0001 & Tax Code OFF.

Prepare Interest on Arrears calculation

Terms of interest calculation are defined for interest indicators as defined above.

<u>Important settings</u>:

Interest indicator	01	standard item interest calculator	
Selection of Items	'open & all cleared items'		
Transfer Days		days taken in bank clearing	[excluded from int cal]
Tolerance Days		grace days for interest trigger [do not affect overdue days]	

- o Prepare interest on a/c balances
- o Special GL tran for int calc

- Interest Calculation
  - o Define reference int rates - INR for India as IND_INT
  - o Define time based transactions - HI for both DR & CR & enter Ref Int as defined IND_INT.
  - o Enter interest values
  - o Special function module for interest rate determination - arrears [DEBIT_INT_RATE_DETERMINE] / [CREDIT_INT_RATE_DETERMINE] - for balances [INT_RATE_DETERMINE]

Interest Calculation

Define Reference Interest Rates

Here a reference interest rates defined by entering a key and a mnemonic name. This activity is purely informative.

Define Time based Terms (interest)

Here additional (premium) interest rates are defined for long overdue open items. This can be defined directly for each interest indicators *with or without* associating it with a 'Reference Interest rate'.

Enter Interest values

Here a rate of interest is defined for the 'Reference Interest rate'

Specify Functional Module for Interest Rate determination

The following function modules are included in the standard system:

Transaction type	Function Module
Credit int.for int.chgd on overdue items	CREDIT_INT_RATE_DETERMINE
Credit int.for account balances	INT_RATE_DETERMINE
Debit int.for overdue items	DEBIT_INT_RATE_DETERMINE
Debit int.for account balances	INT_RATE_DETERMINE

- Interest Posting
  - A/R calculation of interest on arrears
    - Int recd 273100
    - Int paid 220000
    - Customer posting open [for customers]

IMG > Financial Accounting > AR & AP > Business Transaction > Interest Calculation > **Interest Posting**

Interest on arrears - Customers

In this step, you define the specifications for posting the interest calculated as interest on arrears.

The account determination is carried out via the posting interface of application 0002 (interest on arrears). The following specifications are necessary:

- Account determination keys and posting details

  First you determine which account determination keys are used. For the *business transaction* account determination key, 1000 (interest earned) and 2000 (interest paid) should be entered. The other account determination keys (company code, interest indicator, business area) are optional. You use them if you want to define interest posting in more detail.

  For every combination of the account determination keys, you specify a debit posting key, a credit posting key and account symbols (posting details). You use the account symbol 1000 for the customer posting. It is not necessary to specify an account since the posting is made to the customer account. You do, however, have to specify the posting keys.

- G/L accounts

  For each G/L account symbol, you specify the account allocation for interest earned and interest paid in full. You can differentiate the account specifications according to currencies.

- A/R balance interest calculation
  - 0001 interest recd 273100 1
  - 0002 interest paid 220000 2
  - 0015 calc int recd
  - 0016 calc int paid
  - 1000 customer posting + [open]

Interest on Balances – Customers

In this step, you define the specifications for posting the interest calculated on the customer account balance.

The account determination is carried out via the posting interface of application 0005 (customer interest scale). The following specifications are necessary:

- Account determination keys and posting details

  For the *business transaction* account determination key, you enter at least one set of posting details for the interest earned posting and the interest paid posting respectively.

  If you are using interest splitting, you should also enter a set of posting details for each of the following business transactions:

  ? minus debit interest past period with post-entered value dates, minus credit interest past period with post-entered value dates

  ? debit interest past period with post-entered value dates, credit interest past period with post-entered value dates

  ? debit interest calculation period, credit interest calculation period.

- G/L accounts

  Assign accounts in full to the account symbols for the respective interest earned posting or interest paid posting. Only the posting key is relevant for the customer posting. It is stored in the posting details. An entry in the *G/L account* field of the account allocation is not necessary here (customer posting).

- Assign Form for Int Indicator
  - Ensure that Form F_DUZI_01 is assigned for HI & HPCL
  - Ensure that Form F_D_INT_SCALE_00 is assigned for HB & HPCL

IMG > Financial Accounting > AR & AP > Business Transaction > Interest Calculation > **Print**

Assign Forms for Interest Calculation

Note the SAP standard settings:

Int ind			Co code	Forms
01	std item interest calculator	BALC	F_DUZI_01	
02	std balance interest calculator	BALC	F_D_INT_SCALE_00	

The interest indicator [HI] can be entered in the dunning procedure [define interest rates], to enable calculation [not posting to customer a/c] of interest as per defined interest parameters for inclusion in dunning letters.
Ensure customer is configured for interest id & cycle.

- SAP/Ac/FA/AR/PP/Interest calculation
  - Arrears interest
  - F.2A without open items
  - F.2B with open items
  - F.2C without postings
  - F.24 free selections
    - Calculation period from to
    - Bill of Exch [blank]
    - Int indicator HI
    - Form for int calc F_DUZI_01

- Create form & F_DUZI_01
- Print form & LP01
- Date of Issue [TO period]
- Interest Posting Date [TO period]
- Interest Posting Document Date [TO period]
- Posting Period as applicable.
- You can create a spool request for a neat letter that can be sent to the party etc. Access from OWN SPOOL JOBS.
- You can generate a batch for subsequent batch processing by specifying in Output Control "Acct overview printer (batch)", and processing the batch with System/Services/BatchInput/Sessions etc.

o F.26 Balance Interest [F_D_INT_SCALE_00]

- Calc Period From to
- Summ level 2
- Ref / Addl Date 3
- Std Int Calc
- Generate as above.

DATA ENTRY – Interest on Receivables

[SAP Menu > Accounting > Financial Accounting > Accounts Receivable > Periodic Processing > Interest Calculation]

<u>Arrears Interest</u>

Without open items	F.2A
With open items	F.2B
Without postings	F.2C
Free selection	F.24

While performing an interest run, note the following settings:

Calculation period	
Interest indicator	
Create Form for int cal	'v' & specify the relevant Form name
Print Form	'v' i.e. o/s balances and interest thereon can be printed also for correspondence with customers
Acct overview printer (batch)	name of a printer [batch process]
Interest posting date	i.e. thru this run, interest are also posted to customer a/c

After specifying all parameters & executing (F8), a session is created. Interest run is processed through "Batch process" via Header-Systems > services > batch Inputs > Sessions.

Also a spool request can be created for a neat interest statement to be sent to customers. The spool request can be accessed fro " Own Spool Jobs"

Balance Interest F.26

ACCOUNTS PAYABLE

ACCOUNTS PAYABLE

[All IMG steps are similar to as discussed in Accounts Receivable w.r.t. 'Preparations', 'Invoices' and 'Outgoing Payments'.]

IMG/FA/ARAP/Vendor A/c's/Master Records

- Preparation for creation of vendor master records
  - Define a/c groups [OMSG]
    - KRED Vendor [internal no assignment]
    - Reco no 160000
    - Down payment 170000
  - Define screen layout per co [vendors]
  - Define screen layout per activity [vendors]
  - Create no ranges for vendor a/c's. [XDN1]
  - Assign no ranges to vendor a/c groups [OMSJ]
    - KRED 02
  - IMG/FA/FA Global/Tax Sales& Purchases/Calculation
    - Define tax codes for sales/purchases : I1 input tax GL a/c 154000
  - Create vendor SAP/Ac/FA/AP/Master Records
    - FK01 create
    - Use next screen icon _ to navigate.
    - Wt can be used for TDS
    - Release group means vendor approval
    - Check duplicate invoices for invoice & DC
    - EDI electronic data interchange.

Vendor Master Record

Important settings relevant to Vendor Master:

Vendor Account Groups – As many as 18 types are available with SAP

Vendor	0001		One-time Vend (int no.)	CPD
Goods Supplier	0002		One-time Vend (ext no.)	CPDL
Payee	0003		Vendor (int no.)	KRED
Invoicing Party	0004	etc	Vendor (ext no.)	LIEF, etc.

For each Account Group:

? specific "FSV Parameters w.r.t General Data, Company code data and Sales data" are set as per the requirement, and

? it specified whether it is a one-time account

☞ Note that Account determination procedure is not defined for Vendors.

Reconciliation a/c 160000 (4.6c version) 11310000(4.7 version)

Data Entry

Creation of Vendors	FK01	
Vendor Invoice	FB60	[F-43 in 4.7 version]
Vendor Account Balances	FK10N	
Outgoing Payments	F-53	[F-58 for check printing]

☞ Note: For outgoing payments, a 'House Bank' must have been defined and created in the company as discussed later.

- Create invoice SAP/Ac/FA/AP/Doc Entry
    - FB60 *[use F-43 wef 470]* create invoice [R M 400000, TAX V1]
- Outgoing Payment
    - F-53 Post
    - F-58 Post & Print. Print job is created. Access thru system/own spool requests [requires house bank creation]
- Change co code
- Raw mat a/c 400000 change tax params as reqd
- FK10N to view balances.

WITHOLDING TAX

[will be used with AP payments]
IMG/FA/Global/Line Items/Controls

- Screen Variants
  - Standard
  - Austria & Switzerland
  - France & Withholding Tax .
- IMG/FA/Global/WT
  - Basic settings
    - Maintain countries IN India [No addl WTCountry]
    - Maintain types of recipients 01 individual
    - Define Income types SEW1 self employed cat 1
  - Calculation/Maintain Tax Codes
    - Copy from GB & change, rates 2%, currency INR, posting with payment i.e WT at the payment stage F-58, WT code T1, official WT Code 192C, Net Base for Tax Contrib OFF. Specifications for WT Rept keep OFF. *[W1]*
    - Maintain formulas is not necessary if a direct %age is specified above.
  - Postings
    - Define A/c's for withholding tax
    - Tran QST Dr 177000 Cr 177000 PK 40/50 Rules Dr/Cr
  - Reporting
    - Define recepient codes
      - 00 / / 01 / IN / Individual
    - Define forms for WT N/a. *[will be reqd for reports]*
    - Assign forms for WT reporting N/a
    - Assign Header / Footer Text – copy from default.
  - Define WT details in Vendor - FK02
  - When entering an invoice FB60. System will inform that WT is applicable for the Vendor.
  - While using F-58 WT is calculated and amount payable is automatically reduced.
  - In case of part payment, WT A/c is credited when the payment is finally cleared.

EXTENDED WITHOLDING TAX

IMG/FA/Global/Extended WT

- Basic Settings
  - Check WT countries

EXTENDED WITHHOLDING TAX

IMG > Financial Accounting > FA Global Settings > Withholding Tax > Extended WT > **Basic Settings**

Check Withholding Tax Country

It may happen that incase of foreign branches, withholding tax rules of that foreign country is applicable. Hence by assigning that country here, rules as prevalent in that company are also made available to the Company (global group). For e.g.

If an Indian parent is having a branch in US, the assigning would be as follows:

Country	w/tax country	Description
IN	IN	India
IN	US	USA

- Define official WT codes [WT Keys 194C contractors][Page: 52 [0]*Define Official Withholding Tax Key wef 470]*

Define official withholding tax keys

Here a tax key is defined for withholding tax types. The withholding tax keys correspond to the withholding tax laws according to which tax is withheld. The system can therefore assign the withholding tax items to the correct withholding tax return.

SAP delivers standard settings for official withholding tax keys for India, for eg.

WT key	Description
194C	TDS on Contractors, etc

- Check recepient types *[Co companies, OT others]*
  - The type of recipient categorizes the vendor, which is necessary for printing the withholding tax form.

Check Recipient types

Here recipient types are (Individual, Company, etc) are defined for every "withholding tax type" [defined later].

Activity :

WHT type	Recipient type	Description
W1	CO	Companies
W1	OT	Others
(defined later)		

- Check income types

Check Income types

Type of income subject to withholding tax, for example income from

- Interest received
- Work as an artiste
- Self-employed work, etc

SAP standard type SEW1 i.e. Self-employed category

- Calculation
  - o Withholding tax type
    - ▪ Define WT type for invoice posting - relevant
      - In this activity you define the withholding tax type for posting at the time of invoicing. Keep Post W/Tax amount ON. This will be relevant for Vendors, where TDS has to be calculated at posting time [no payment], but in case of Customers also, this will not hold good.

IMG > Financial Accounting > FA Global Settings > Withholding Tax > Extended WT > Calculation > **Withholding Tax types**

Check WT types for Invoice posting

WT types defined here will have effect at the time of INVOICE posting and not at the time of Payment. This has to be activated for VENDORS as in India, TDS is deductible at the time of credit only (assuming payment is not before credit entry in the books).

WT types also help in classifying the following:

? The time at which WT is posted i.e. at invoice or at payment

? Basis at which base amount is calculated, and

? Basis of accumulation, if applicable.

☞ Note: 'WT types' are different from 'WT codes' to which WT % rates are allocated.

Activity :

Populate W1, etc as defined above for posting at the time of Invoice.

WHT Type	Description
W1	Sec 194 – Contractor TDS
W2	Sec 194 – Contractor s/charge

Double click to get inside

Note the settings

Calculation

Net Amount		invoice amount considered 'net of TDS' and WT calculated accordingly
Gross Amount v		
Tax Amount		used in case of surcharge
Post WT amount	v	

Accumulation type "no accumulation" TDS is calculated on each transaction
[If this is selected, invoices are accumulated on periodical basis or till the 'max acc value' specified, if any and then TDS deducted at the end of either condition]

Define minimum / maximum amount

Base amount		WT amount	
WT code level	v	WT code level	v
Type level		Type level	

    - Define WT type for payment posting – relevant for customers with dedu at receipt entry.

Check WT types for Payment Posting

WT types defined here will have effect at the time of PAYMENT posting and not at the time of Invoice posting. This has to be activated for CUSTOMERS as in India, customer is first booked for gross receivable and only at the payment, TDS, if deducted, is entered.

Activity :

Settings are made here also (with a different WT type) for all types defined for 'Invoice Posting' case. All settings are more or less similar.

    - Define exch rate type for WT type M

Define Exchange rate type for WT type

Not needed for TDS in case of payments to nationals in India.

Defined in case of TDS on payments made to Non-residents which is defined by a separate WT type.

    - Assign condition type to WT type
        - You only need to carry out the following activity if you are implementing FI together with SD.

- Witholding tax codes
    - Define WT codes *[if %age is defined, no formula needed]*

IMG > Financial Accounting > FA Global Settings > Withholding Tax > Extended WT > Calculation > **Withholding Tax Code**

Define WT codes

Here WT codes (i.e. rates, etc) are defined for each WT type defined earlier.

☞ Note: A business transaction can be assigned only one WT code per WT type. If more that one code (rate) has to be applied, these must be represented by different WT types.

Activity :

WT type	WT code	
W1	W1	Sec194 - Contractor TDS
% subject to tax	100%	
posting indicator	1	i.e. standard posting – bank/customer/vendor line items reduced
WT rate	2%	
Income type	SEW1	

    - Define formula for calculating WT
- Witholding Tax Base Amount
    - Define processing key for modified net amount
        - Modified means that an extra amount is added to the net amount
    - Define processing key for modified tax amount
    - Potray dependencies between WT types
- Minimum & Maximum amounts
    - Define min/max amounts for WT types
    - Define min/max amounts for WT codes

- Company Code
  - Assign WT types to co code – Add if necessary.

IMG > Financial Accounting > FA Global Settings > Withholding Tax > Extended WT > **Company Code**

Assign WT types to Company Code

Activity :

Assign (all) WT type to Company code

double click to get inside settings

Recipient type	CO	i.e. for every recipient type there has to be a separate WT type (as interpreted earlier)
w/tax agent	v	imp for telling SAP to deduct TDS on vendor payments, unless selected – no TDS
subject to W/tax	v	-do- (in case of customers)

- Activate extended WT – **you cannot then revert to STD WT.**

Activate Extended Withholding Tax in Company Code

☞ Note: Once activated, it cannot be de-activated later.

- Postings
  - Accounts for WT – [can be separate for Cust / Vend]
    - Define a/c for WT to be paid over-177000
    - Define a/c for WT gross up offset entry - 204000
    - Define a/c for self WT
    - Define a/c for WT offsetting entry – 204000

IMG > Financial Accounting > FA Global Settings > Withholding Tax > Extended WT > Posting > **Accounts for WT**

Define Accounts for Withholding Tax to be paid over

Here G/L accounts are defined for a combination of WT type and WT code.

Activity :

WT type	WT code	G/L a/c	
W1	W1	177000 (in 4.6c version)	13113940 (in 4.7 version)

IMG > Financial Accounting > FA Global Settings > Withholding Tax > Extended WT > Posting > **India**

Specify Document types & G/L accounts for WT (TDS) adjustment entries

Adjustments for short-deduction of TDS should be made here and posting should be made to a separate G/L a/c with "post automatically" off.

[note that in case of TDS accounts, normally "post automatically" will be on as TDS is internally calculated & posted by SAP]

Activity :

Document type	SA
G/L a/c	14880000

- Certificate numbering for WT ***[not reqd]***
  - Define numbering class - 101
  - Define numbering groups - 000001
  - Define numbering ranges - 01
  - Assign numbering groups to number class
  - Assign numbering concept to co code country [K002]
  - Numbering concept option 2 - Assign Numbering Class – Add

- Reporting [Extended WT]
    - Define recepient code for EWT – *W1/ 10 / / co / co / company*
    - Define forms for WT
    - Define form names for EWT reporting
    - Assign forms for WT certificates
    - Define minimum amounts for WT type
    - Define minimum amounts for WT code
- Generic WT reporting
    - Define recepient code for EWT
    - Define output groups
    - Define certificate numbering for EWT
    - Define forms for WT reporting
    - Define file format for WT reporting
    - Define header & footer texts for forms
    - Define minimum amounts for WT Type
    - Define minimum amounts for WT code
- Define WT details in Vendor - FK02 [select WT screen at the beginning]
- When entering an invoice FB60. System will inform that WT is applicable for the Vendor.
- While posting, WT is credited, and Vendor reduced.

HOUSE BANK CONFIGURATION

FBZP all house bank info.

IMG/FA/BANK ACCOUNTING/Bank Accounts/

- Define house banks
  - o Delete the default German Banks if any & create new [del from bottom] *[You may not be able to delete all the info copied. After defining the House Bank etc, commence deletion from bottom up [ie value date upwards.] In the HB definition keep bills of exchange off. In the Payment method / Country, add all GERMAN [DE] types. In the Payment Method / Co Code, all DE types will be preset. As there would be a problem of 196600 not being a reco a/c , goto FS00 and change 196600 to be a reco a/c. In Define Reco A/c's without Automatic Payments, add 196600 to the list. Deletion will now be possible under Setup Bank Deter for Payment Trans.}*
  - o A/c id if reqd 1111

HOUSE BANK

IMG > Financial Accounting > Bank Accounting > **Bank Accounts**

Define House Banks

Each house bank of a company code is represented by a bank ID in the SAP system, every account at a house bank by an account ID and are used say, for automatic payment transactions to determine the bank details for payment.

Important settings:	"bank key"
For Domestic banks	Bank number
(However, domestic bank can have a/c in foreign currency)	
For Foreign banks	SWIFT code

☞ Note: Assign a G/L account for the specified bank account. The G/L account is to be managed in the same currency as the account at the bank.

- Outgoing payments configuration

Outgoing Payments

IMG > Financial Accounting > AR & AP > Business Transaction > Outgoing Payments > Auto Outgoing Payments > **Payment Method / Bank Selection**

[Set up all Company codes for payment transactions is similar to as discussed in Accounts Receivable]

Set up Payment methods per Country for Payment Transactions

The payment method determines how payments are to be made, e.g. by Check, Bank transfer or Bill of exchange.

Payment methods are entered in the master records of customers and vendors in order to specify how payments are made. If an open item is to be paid using a specific payment method, enter it in the open item. The terms which have been defined for the payment method must be satisfied for the payment.

All payment methods are displayed in the customer or vendor master record in the screen for selecting the payment method. Here you select the required payment method by marking it; the system transfers the payment methods to the customer/vendor master record.

Important settings:

Required entries in the master record – such as Bank details, SWIFT code or collection authorization.

☞ Note: If the required details have not been entered in the master record, the payment method cannot be used.

Posting specifications i.e. Document types – ZP for Payment posting, ZA for clearing payments

Set up Payment methods per Company code for payment transactions

In this activity, you specify which payment method can be used per company code and determine the conditions under which a payment method should be used.

Important Settings: Minimum & Maximum amount limits for payments

☞ Note: A maximum amount must be specified otherwise the payment method cannot be used. If you specify the payment method in an open item, the payment program ignores the amounts you enter here.

Optimization

- by bank groups – If you optimize by bank groups, money is transferred from the house bank to the business partner's bank in the shortest possible time. For this to be possible, you assign all banks in the master records to a bank group defined by you.
- by postal codes – If you optimize by postal codes, the house bank selection is determined by the business partner's domicile. If you select the "Optimization by postal codes" field, you can go directly to the activity for assigning house banks to an interval of postal codes.

Foreign payment/Foreign currency payment

If you specify that the payment method can also be used for foreign currencies, all currencies are permitted.

However you can control this by specifying certain currencies per payment method and country in the activity 'Set Up Payment Methods per Country for Payment Transactions". Only payments in these specified currencies are then made using this payment method.

☞ Note: If the payment method only permits local currency payments, the specified currencies are ignored.

- IMG/FA/ARAP/BT/OP/Auto OP/
- Payment method / Bank selection for payment Prg
- Setup all co codes for payment transactions
  - Tolerance days 7 vendors FP customers FPJ
- Setup paying co codes for payment transactions
- Setup payment methods per country for payment transactions
  - Currencies allowed [blank = all curr allowed]
  - ZP payment posting, ZV payment clearing
  - Copy one by one from GB for IN
- Setup payment methods per co code for payment transactions : maximum amount 5000000/-.
- Setup bank determination for payment transactions
  - Ranking order : delete & create for C cheque [deletion in reverse order i.e. value date upwards]
  - Bank accounts : 113100
  - Available amounts : approx amount available for making payments. Days indicate interval of getting the bank statement for analysis etc.
  - Value date : days taken for local clearance etc.
  - Expenses / charges : useful for bill of exchange payments. Create here and access in available amounts.
- Number ranges for cheques : [FCHI] IMG/FA/ARAP/BT/OP/AutoOP/Payment_Media/Check Management
  - Define no ranges for cheques : lot 101 chq no from 100000 to 100100
  - Ensure vendor is created
  - Raise invoice thru FB60
  - SAP/Ac/FA/AP/DocEntry/OP
    - F-53 post
    - F-58 post and print cheque [enter details & process open items]

- SAP/Ac/FA/AP/Account/F-44 for clearing payment to vendor thru FBCJ. WT will however not appear. [This is a substitute for FB15 on the customer side.]
- Automatic Payment Run :

☞ Note: AP/Periodic Proc/F110 Auto Payment Prog – Give run date and ID like Mth, Qt etc, enter Co Codes, Vendor [master data must contain paymt meth] from to, Addl log Vend from to, PrintOut Prg RFFOUS_C [as shown on payMeth] enter variant and Maintain TOP for Chq lot etc. Enter details, Output Control DO NOT VOID CHEQUES.

BANK RECONCILIATION STATEMENT

SAP/FA/Banking/MasterData/BankMasterData

- FI01 create. Instead of the above, you can also create the house bank thru IMG/FA/BankAccounting/BankAccounts
- Define house bank - When the house bank is entered, click create button to create. The other details on left like bank a/c con be copied wherever possible.
- IMG/FA/ARAP/BT/IP/AutoIP/Payment Method/Bank selection for payment prg
    - Setup all co codes for payment transactions
        - FPJ customers
        - FP vendors
    - Setup paying co codes for payment transactions
        - Copy from …..
    - Setup payment methods per country for payment transactions
        - Copy IN cheque exists
        - Possible currencies - include all possible currencies. If not set, payment cannot be made in that currency.
    - Setup payment method per co code for payment transactions
        - C cheque
        - Ranking order 1
        - Min & max amounts for payment
        - Optimize using postal code for faster searches.
    - Setup bank determination for payment transactions
        - Bank a/c create
        - Available amounts for C
        - Value dates
- IMG/FA/ARAP/BT/OP/AutoOp/PaymentMedia/CheckManagement
    - Define no ranges for cheques
    - Pass some bank entries thru FBCJ [cash journal]
- SAP/AC/Treasury/CashManagement/Incomings/ManualBankStatement
    - FF67 enter
        - Beginning balance = 0
        - End balance = total or earlier entry
        - In Further Processing keep Bank Posting ON.
        - The difference enter into the statement with +=dr & -=cr
        - Save statement.
        - Post statement from Bank Statement TOP.
    - FEBA post process. Value date is important, as the matching takes place as per the value dates.

FOREIGN CURRENCY VALUATION AT CLOSING

At specific intervals [monthly,quarterly,annually], open items [customer/vendor] must be valued and loss/gain reported - FASB52.

- FB70 - invoice in a different currency is to be valued and posted in co currency.
- SAP/Ac/FA/AR/Environment/Current Settings
  - S_BCE_68000174 enter exch rates [OB08]
  - Exch type "M" from USD to INR. Rate entered will generate loss/gain.
- SAP/Ac/FA/AR/PP/Closing/Valuate
  - F.05 open item in foreign currency
    - Valuation Method KTO - FC Bal per Account 10 Co Code Curr.
    - Create Postings & Reverse Postings ON.
    - Selections – Valuate Customer open items
    - FASB52 Exch Cur Type M
    - Process sessions and view doc ext.
- In case the customer is also a vendor
  - Closing/Regroup - F101 receivables / payables

  User can pass a reversal entry [if reqd] the next day, thereby nullifying the loss/gain entries passed earlier.

FOREIGN CURRENCY VALUATION AT CLOSING

Valuation of open items at closing date (B/S date) at exchange rate prevalent on the closing date is done as follows:

Set Exchange rates

[SAP Menu > Accounting > Financial Accounting > Accounts Receivable > Environment > Current Settings]

Here an exchange rate can be defined for an 'exchange rate type' and with a validity period. Any document posted within this period will be converted at this rate for posting purposes.

Exchange rate types are:

Standard Bank selling rate	B
Standard Bank buying rate	G
Standard average rate	M

☞ Note: However in real-time, this field is linked to an on-line system and reflects real-time rate at any point of time.

Valuate Open Items in Foreign Currency F.05

[SAP Menu > Accounting > Financial Accounting > Accounts Receivable > Periodic Processing > Closing > Valuate]

Process this step after specifying all parameters like, valuation date, posting date, open item selection, FASB exchange rate type, etc.

It will give a document extract with closing value of open items as well as "Foreign Exchange Loss/Gain"

SALES AND DISTRIBUTION

IMG/ES/Definitions

- Financial Accounting
  - o Define credit control area [sd updation 000012] [OB45/OB01/OB02]

SALES & DISTRIBUTION

IMG > Enterprise Structure > Definition > **Financial Accounting**

Define Credit Control Area OB45

The Credit Control Area is an organizational unit that specifies and checks a credit limit for customers. Credit limit, Risk group (create – OB01) and Credit representative group (create – OB02) all are specific to a Credit Control Area. Whenever a new customer is created and any CCA is assigned in master record, all parameters, which are specific to such CCA, get assigned to the customer automatically.

A CCA can include one or more Company codes but not vice-versa i.e. if "all Co codes" is selected 'v' while defining a CCA, it would be applicable to all company codes defined in a Company. (i.e. it can be available to 'one or all', but not 'some' company codes). Within a CCA, the credit limits must be specified in the same currency.

The credit control area 0001 is defined in the SAP standard system.

☞ Note: SAP has defined 3 update types for SD updation – 000012, 000015, 000018

	000012	000015	000018
Order Document (increases open order value)	v		v
Delivery Document (inc open delivery value and red open order value)	v	v	
Billing Document (inc open billing doc value and red open delivery value)	v		v
FA Document (inc open item value and red open billing doc value)	v	v	v

- Controlling - **only if you think necessary**
  - o Copy delete check co area [copy from 0001]
    - Top button structure, templates
    - Co code
    - Plant
    - Sales orgn, dist channel. Division
    - Co area co code [not necessary unless you want to enable controlling]
    - Structure, navigation gives a tree effect

- Logistics – general
  - Define valuation level
    - Stock valuation, keep valuation as at plant
  - Define plant [necessary before copy o/w DEM & German plant
  - Copy delete check plant [OX10]

IMG > Enterprise Structure > Definition > **Logistics – General**

Business areas / Sales Org / Distribn Channels

:ion Level (w.r.t. Stocks)

d valuation level as Plant by default. Also in two cases valuation level must be Plant :

? To use the SAP Application component for Production Planning / Costing, or

? If SAP system is a Retail one

Define, Copy, Delete, Check, Plant OX10

- A Plant is an operating area or branch within a company. To use the SD module a Plant must be created.
- It has got different meaning in different SAP modules:
  - ? MM : Location where material stock is kept
  - ? PP : Manufacturing facility
  - ? SD : Location from where material and services are distributed and corresponds to a distribution centre.

☞ Note: Even is case of service organization, Plant has to be defined and here it would mean the 'Location' services are rendered from.

- Data specific to a Plant are – Address / Language / Country / Own Material Master Record.
- The Plant plays an important role in Material Valuation / Inventory Management / MRP / Production / Costing / Plant Maintenance

Company Code
?
? Plant / Plants ? Shipping Points ? Other Plants
?
Storage Locations

Activity :

Plant should be copied from SAP standard company 0001 (as creation of Plant needs creation of a lot of tables).

☞ Note: Before copying it is important to define one Plant otherwise it would copy all the German plant name, add, currency, etc.

- Define locations [OX09]

Define Location OX09

- A location allows a plant to be classified according to spatial or situation criteria.
- Locations are used for informative assignment only. You can only use locations to structure a matchcode or as parameter criteria in reporting. You cannot derive any functionality from locations in terms of hierarchies, etc.
- The following master data objects can be assigned to these locations:
  - ? Asset master records of Asset Management / Pieces of equipment
  - ? Functional locations / Work centers
  - ? Production resources / Tools

  - o Define copy delete check divisions [OVXB] [**goto next i.e. SD & copy from templates**]

Define, Copy, Delete, Check Division OVXB

- The division is one of the organizational units in Sales & Distribution that is used to group material and services. (eg motorcycles, spare parts, services, etc)
- It is also required for business area account assignment for logistics transactions in Financial Accounting. The area for the material is determined via the plant and the division defined in the material master record.
- A division can represent a product group, for eg, one can restrict price agreement with a customer to a certain division or can conduct statistical analysis by a division, etc.
- Creation of a material is specific to a set of "Plant, Division, Sales Organization & Distribution Channel".

- Sales & distribution
  - o Define copy delete check sales organization [OVX5] [**structure/templates**]

IMG > Enterprise Structure > Definition > **Sales & Distribution**

Define, Copy, Delete, Check Sales Organization OVX5

- Sales organization is an organizational unit in Logistics which groups the enterprise according to the requirements of sales & distribution. A sales organization is responsible for distributing goods and services, therefore it is also liable for the sold product and responsible for the customer's right of recourse.
- The sales organization is also used to take for example, a regional, national or international sub-division of markets into account.
- A Sales organization is specific to a Company code. However, one or more Plants can be assigned to one Sales organization.
- A Sales organization has its own customer and material master data as well as its own conditions and pricing.
- All items in a sales & distribution document, that is, all items of an order, delivery or a billing document are specific to a Sales organization.
- A Sales organization is the highest summation level (after the Client level) for sales statistics with their own statistics currency.

A Sales organization cannot share any master data with other sales organizations. The master data must be created separately. The data for a distribution channel or a division can, however, be created for several distribution channels or divisions.

Activity:

Copy from SAP standard Sales organization 0001 (as creation of sales organization contains lot of tables).

Parameters are name, address (Indian) & calendar (99 – Intl calendar).

  - o Define copy delete check dist channel [OVX1]

Define, Copy, Delete, Check Distribution Channel OVX1

- A Distribution channel can be allocated to one or more Sales organizations. In turn, one or more plants can be allocated to a Distribution channel.
- A Distribution channel has its own master data for customers or materials as well as own conditions and pricing.
- All items of a sales document is specific to a Distribution channel. The entire sales document is therefore entered for a distribution channel.
- This organizational unit is a means thru which saleable material or services reach the customer. And is used to
  - ? Define responsibility
  - ? Achieve flexible pricing, and
  - ? Differentiate sales statistics

Activity:

Copy from SAP standard Distribution Channel 01 (as creation of sales organization contains lot of tables) Parameters are only name but no address.

  - o Maintain sales office [for service] [OVX1]
  - o Maintain sales group [for service] [OVX4]
- Material management
  - o Maintain storage locations [goods stored for delivery] [OX09]

IMG > Enterprise Structure > Definition > **Material Management**

Maintain Storage Locations OX09

- Storage Locations are specific to a Plant and there may be one or more storage locations within a plant.
- It is possible to store material data specific to a storage location.
- Stocks are managed only on a quantity basis and not on a value basis at storage location level. Physical inventories are carried out at storage location level.

Activity:
Copy from SAP standard Storage Location 0001 (as creation of sales organization contains lot of tables)
Parameters are name and address.

  - o Maintain purchasing organization [**N/A**] [OX08]
- Logistics execution
  - o Define copy delete warehouse no [**N/A**]
  - o Define copy delete shipping point [OVXD / EC07]

IMG > Enterprise Structure > Definition > **Logistics – Execution**

Define, Copy, Delete, Check Shipping Point

- Shipping point is place from where goods are finally transported for delivery. Shipping point is defined for transportation scheduling and delivery scheduling. It can be a loading ramp, a mail depot, or a rail depot. It can also be, for example, a dedicated group of employees responsible only for organizing urgent deliveries.
- It is a physical place and should be near to the delivering Plant. One or more shipping points can be assigned to a Plant and vice-versa.

Important parameters :

Loading time: Loading time is the difference between goods issue time/date and Loading time/date. Options available are:

- No loading time
- Route-dependent loading time
- Route-independent loading time, and
- Default from shipping line

Pick-pack time: Pick-pack time is the difference between material availability time/date (after being issued) and loading time/date. Options available are:

- No Pick-pack time
- Route-dependent Pick-pack time
- Route-independent Pick-pack time, and
- Default from shipping line

Departure zone: Departure zone is defined based on region where delivery originates from i.e, where shipping point of a delivery is located and the place it has to go. SAP automatically proposes a transportation route based on departure zone, country of origin / destination, shipping conditions and transportation group.

Activity:
Copy from SAP standard Shipping Point 0001 (as creation of sales organization contains lot of tables).
Parameters are name and address.

  - o Maintain loading point
  - o Maintain transportation planning point

IMG/ES/Assignment

IMG > Enterprise Structure > **Assignment**

Here various organizational units as defined above are assigned to higher organizational units.

Activity :

Financial Accounting

Assign Co code	?	Credit control area

Logistics – General

Assign Plant	?	Co code

Sales & Distribution : Assign

Sales org	?	Co code
Dist channel	?	Sales org
Division	?	Sales org
Setup sales area	?	Combination of SO, Distr Channel & Div

☞ Note: Sales area is a not given any separate name, it is just a combination (SO, DC & Div), which defines the distribution channel a sales organization uses to sell products from a certain division. Each sales document is assigned to exactly one sales area, and this cannot be changed later.

Sales area	?	Credit control area
Sales org & Dist channel	?	Plant

☞ Note: In case of copying from SAP standard, it may happen that the target org unit are assigned to other existing org units incl SAP standard units and vice versa. Here it becomes necessary to clear unwanted assignments from both places.

☞ Note: In FI assignment screen is presented in 'Table' form while in case of SD, Logistics, etc it is presented in 'Tree' form.

Logistics – Execution

Assign Shipping Point	?	Plant

☞ Note: While copying from 0001, you may end up with multiple shipping points, which can be cleared by IMG > LE > Shipping > Picking > Determine Pick Loc > Assign Pick Loc : DELETE unwanted assignments & go back to assignment of SP. Unwanted SP can now be deleted.

To clear problem of SP determination:

IMG > LE > Shipping > Basic Shipping Functions > SP & GRP Determination > Assign SP – DEASSIGN and DELETE as above.

Shipping condition problem:

IMG > LE > Shipping > Define Shipping condition by sales doc type : select sales doc type as 'OR' & Shipping Condition as '01'.

The above would normally happen when 0001 is copied & all associated SP will be assigned. These multiple SP create a problem at Sales Order creation (VA01) & Outbound Delivery (VL01N).

- Financial accounting
  - Assign co code to company
  - Assign co code to credit control area [OB38]
- Controlling [**only if necessary**]
  - Assign co code to co area [OXO6]
  - Assign control area to operating concern
- Logistics – general
  - Assign plant to co code [OX18]
- Sales & distribution
  - Assign sales org to co code [OVX3]
  - Assign dist channel to sales org [OVXK]

- Assign div to sales org [OVXA]
- Setup sales area [combination of SO & div] [OVXG / OVXM]
- Assign sales office to sales area [OVXM]
- Assign sales group to sales office [OVXJ]
- Assign sales org & dist channel to plant [OVX6]
- Assign sales area to credit control area [OVFL]

- Logistics execution
  - Assign shipping point to plant [OVXC]

> ☞ Note:
>
> - While copying from 0001, you may end up with multiple shipping points, which can be cleared by **LE/Shipping/Picking/Determine Pick Loca/Assign PL** - DELETE unwanted assignments & go back to assignment of SP. There you will now be able to delete unwanted SP. To clear problem of SP determination [OVL2] - **LE/Shipping/Basic_Shipping_Functions/SP&GRP_Determination/Assign SP** - DEASSIGN and DELETE as above. Shipping condition problem IMG/LE/Shipping/Define_Shipping_condition_by_sales_doc_type select sales doc type [ZOR] & enter SC 01. The above would normally happen when 0001 is copied & all associated SP will be assigned. These multiple SP create a problem at VA01 & VL01N.

- IMG/SD/Master data
  - Define common dist channel *[IMG/SD/Master Data - common master data in DC Div should be defined & assigned to a co code. Master data forms the basis for SD processing. Precisely maintained data simplifies & accelerates the operations procs in daily business.}*

> IMG > Sales & Distribution > **Master Data**
>
> **Define common Distribution channel (& Division)**
>
> Here condition data and customer & material master data defined in one Distribution channel (or Division) can be assigned to other distribution channels (or Divisions) also. However this sharing is under one sales organization and not cross sales org.
>
> Note: Even if there is only one distribution channel, this IMG step is important.
>
> ✓ Activity:

Sales org	Distr Chl	DChl-cond	DChl-cust/mt
0001	01	01	01

(similarly for Division)

  - Define common divisions

- IMG/ES/Assignment/Consistency Check
  - Check Enterprise Structure for S & D. Execute & clear all errors.

> IMG > Enterprise Structure > **Consistency Check**
>
> Consistency check is done for ensuring if all assignments regarding enterprise structure in sales & distribution (only) is proper. If there is any error SAP points those errors in this IMG function. In case of any error (in allocating organization units) it is recommended to correct errors before proceeding with further IMG activity.

SAP/Logistics/Material Management/Material

- Create general MM01 immediately / MM11 schedule

☞ Note:

- o Use OMSY for cur yr dates. Year has to be closed under MM, so that year can be current etc. To change dates. LogGen/MatlMaster/Tools/Initialise_Period MMPI / MMPV. In case all screens do not come up for MM01, LogGen/MatlMaster/BasicSettings/MatlTypes/Define Attributes of Matl Types, click FERT & select the screens you want. DO NOT TOUCH WH.

Create General (Material) MM01

[SAP Menu > Logistics > Material Management > Material Master > Material]

- Material is created w.r.t Industry type (eg FMCG, Pharma, etc) and Material type (eg raw mat, finished goods, spare parts, services, etc)
- Change number: Creating a material with a 'change number' allows SAP to
  - ✓ Make changes effective from a date or on some parameter (eg serial no)
  - ✓ Keep log and documentation of changes made, etc.
- A Material can also be copied from some other existing material.
- Required views (for master data entry) can be selected for each material created based on their industry & material type.
- Material is created specific to a Plant & Storage Location.

- Select Organisational Levels [top butt] for Sorg, DC,Div
- Select views & data : screens
  - o Basic data 1
    - Base unit G
    - Division
    - Matl group [with & without tax]
    - Gross wt
    - Net wt
    - Wt unit
    - Gen Item Cat Group - NORM

Important minimum settings:

Basic Data 1:

Base Unit of Measurement	gram, kg meter, etc
Material Group (defined earlier)	to group mat/services with similar attributes (01)
Division	Product division
GenItmCatGrp	Item category defined for sales doc processing

(Item category is defined to determine whether a sales activity is distr channel dependent, packing dependent, delivery process required or not say, services, that don't require delivery processing, etc. Define NORM here)

Weight specifications	gross wt, net wt, weight unit, etc.

- o Basic data 2
  - DG dangerous goods [not reqd, but if entered, may cause probs]
- o Classification - **not required do not enter**

- Sales org 1
  - Base unit G
  - Sales unit EA [on exit define EA=nG]
  - Division

Sales Org 1:	
Base UoM	gm, etc (come auto, as defined above)
Division	Product Div (come auto, as defined above)
Sales Unit	EA (each), DZ (dozen), etc
(on exiting this screen, it asks to define 1 EA = n UoM)	
Material Group	01 (come auto, as defined above)

- Sales org 2
  - Gen Item Cat Group – NORM
- Sales general / plant
  - Shipping data 0001 on pallets
  - Availability check 02 Individual Requirements.

Sales–Gen / Plant:	
Availability check	01 (individual requirement)
(this function specify SAP whether and how to check mat availability and generate requirement for Material Planning)	
Base UoM, gross wt, net wt	comes auto (as defined above)
Transportation Group	0001 (on pallets)
Loading Group	0001 (on crane)
(specific transportation and loading requirement group that can be allocated to many materials must have been defined earlier.)	
☞ <u>Note:</u> "Sales : General/Plant" data is also relevant for sales & distribution *<u>but</u>* is valid for respective delivering Plant.	

- Foreign trade export
  - Country of origin IN
  - Region 10 Karnataka [o/w while saving a message reg foreign goods]

Foreign Trade Export	
Country of origin	Country from where material is bought
Region of origin(optional)	Region of country (as mentioned above)
(in case of national goods if this is not defined, SAP gives a message as foreign goods require some certificate as per IMPEX procs)	

- Sales Text - n/a
- MRP1 [mat requirement plan]
  - MRP proc PD/ND
  - MRP controller 001
  - Lot size DY [dynamic]
  - Ordering Costs 100
  - Storage Costs Indicator 1

MRP1 (Material Requirement Planning)	
MRP type	PD (activates MRP)
Lot size	DY (dynamic)
MRP Controller	group responsible for MRP
Ordering cost	as desired

- MRP2
  - Proc type X inhouse, external prodn, both etc
  - Schedule Margin Key 000
  - [Message of 0 prodn inhouse is ok.]

MRP2

Procurement type	X (E-inhouse, F-external, X-both etc)
Schedule margin key	000

(key that determine the float required for scheduling an order)

- MRP3 - forecast requirements
  - Periodic indicator M monthly
  - Availability check 02 Indl requests
  - Pl conv factor 1 PL Plant [only if reqd]

MRP3

Period Indicator	M (monthly)

(period in which material's consumption values and forecast values are managed)

Availability check	02 (comes auto, as defined above)
Planning conv factor	eg. 100 g = 1 kg, etc

(if there is a difference in UoM in present material and UoM of MRP)

- MRP4 n/a

MRP4

Forecast model	D (constant)
Historical periods	any (past periods used for forecasting)
Forecast period	any (future periods for forecasting)
Initialization	X (by system), M(manual)
Tracking limit	amount by which forecast may deviate
Model selection	used to initialize forecast based on a model

(T – Trend, S – Seasonal fluctuation, A- Both trend & seasonal fluctuation)

Selection Procedure

(1 – SAP will look for trends/seasonal fluctuations first and then use a relating forecast model, 2 – use all forecast model)

- Quality management n/a
- Forecasting
  - Historical periods 60
  - Forecasts 12
  - Forecast model D constant
  - Control data initialization X [by system]
  - Tracking limit [4.000], analytical model [2]
- Work scheduling n/a
- Plant data/storage1 n/a
- Plant data/storage2 n/a
- Warehouse mgmt 1 [do not configure]
- Warehouse mgmt 2 [do not configure]
- Accounting1
  - Currency INR
  - Cost price xxxx
  - Cur period 03 1998
  - Current valuation ✹ BLANK
  - Valuation class 7920 [for finished goods FERT]

- Price control S std price [will not be allowed if valuation category in general data is filled up]
- Price unit 1 moving avg price
- Prev period 02 1998
- Total stock, total value
- Valuation class 7920 [if left blank, MB1C error]
- Prod stk val class 7920
- VC Stock val 7920

Accounting 1

Base UoM	g (come auto, as defined above)
Currency	INR (come auto, as defined above)
Current period	
Division	01 (come auto, as defined above)
Valuation Class	7920 (for Finished Goods)
Price control	S (standard cost) – used to value inventory

(will not be allowed if 'valuation category' in the same screen is selected)

Standard price	as desired
Valuation class for Sales order	7920 (standard cost)
Valuation class for Projected stock	7920 (standard cost)

☞ Note: With the above minimum settings, a F/G material can be created.

☞ Note: Data other than specifically mentioned above are also relevant and valid for respective
.... organizational units.

- Accounting 2 plant stock
- Costing 1 n/a
- Costing 2 n/a

- SAP/Logistics/MaterialManagement/InventoryManagement/Environment
  - Stock MMBE check stock

- SAP/Logistics/SD/MasterData/BusPartners/Customers/Create
    - o VD01 S&D
        - On selection SOLD TO PARTY - Screens
        - General data
            - Recon a/c 140000
            - Trans payment 0001
        - Sales area data, sales office, group etc
            - Address
            - Control data
            - Marketing
            - Unloading points
            - Export data
            - Contact persons
            - Partner Functions [enter SP, BP, PY, SH as sold to party, bill to, payer & ship to with number INTERNAL]

        You should have already created a customer under FD01, & entered the co code data, as the above are linked to a sales area, and not co code. [VD01 – sales areas, XD01 all areas]
        - Shipping point - only complete delinery, unlimited tolerance
        - Billing document
            - o Inv date 99 [intl]
            - o Inco terms EXW WORKS
            - o Payment terms 0001 Immediate
        - Acct assignment group 01 domestic revenues

SAP/Logistics/SD/MasterData/Agreement/CustomerMaterialInformation

- VD51 create [to substitute technical material with brand name. VD51 will work after VD01]

Create Customer Material Info Record	VD51
[SAP Menu > Logistics > SD > Master Data > Agreements > Customer Material Information]	
Any material with a technical name (as created under MM01) can be substituted with a "brand name"	
☞ Note: VD51 will work only after a customer has been created.	

INTEGRATION SALES & DISTRIBUTION WITH FI

- IMG/SD/BasicFunctions/AcAssignment-Costing/Revenue A/c Determination
    - Check master data for Ac Assignment
        - Material AA group 01 trading groups [mfg], 02 performances [ser]
        - Customers AA group domestic,foreign, affiliated [CC]

INTEGRATION OF SALES & DISTRIBUTION (SD) WITH FINANCIAL ACCOUNTING (FI)

IMG > SD > Basic Function > Account Assignment / Costing > **Revenue Account Determination**

Check Master data for Account assignment (Revenue Determination)

Material Account Assignment group & Customer Account Assignment group:

- SAP uses this parameter (group) when creating an accounting document from a billing (sales) document. In case of each of these, one 'alphanumeric' key can be defined which can have upto 'two' characters and a description.
- Revenue accounts have been sub-divided into FI and CO, hence account groups have to be defined in co-ordination with FI & CO.
- Example Account groups can be:

Material	01	Finished Products	(FERT)
	02	Packaging material	(VERP), etc
Customer	01	Domestic Revenues	
	02	Foreign Revenues, etc	

- make sure that account group keys are entered in the Material master and Customer master record.

    - Define dependencies for revenue a/c determination
        - Display, create, change - field catalogue **[N/A]**
    - Define access sequence & a/c determination types
        - Maintain access sequences
            - KOFI A/c determination
            - KOFR
    - Define A/c determination types
        - KOFI
        - KOFR

Define Access sequence and Account determination types

Maintain Access sequences for Account determination: SAP standard Access sequence for Account determination is available with key "KOFI".

Define Account determination type: Here condition types can be defined to be used by Access sequences (as defined above). For simplicity sake, define a condition type "KOFI" (Account determination with CO) & "KOFK" (Account determination with CO) and assign it the access sequence KOFI (SAP standard – as defined above).

Note: In Account determination procedure, under 'requirement' field, KOFI will be assigned "3" i.e, without CO Acct assignment, and KOFK will be assigned "2" i.e, with CO Acct assignment. (this 2 & 3 must have been defined earlier somewhere else.)

Note: Both KOFI & KOFK shall be within same step sequenced by 'counter' 1 & 2.

- Define and assign A/c determination procedures
  - Billing Type F2 - Proc KOFI00
  - Control Data KOFI 3 / KOFK 2
  - Cash Allocation A/c Key EVV cash clearing

Define and Assign Account determination Procedure

Define Account determination procedure: Here a procedure is defined which SAP uses to check the sequence (steps) in which 'determination types' (as defined above) are to be used for revenue determination. SAP standard procedure is available with key "KOFI00".

Assign Account determination procedure: Procedure (defined above) is allocated to 'Billing types' (eg Invoice, Credit Memo, etc) for which a corresponding account determination is to be carried out.

- Define & assign a/c keys
  - ERL, ERS, EWS, MWS

Define and Assign Accounting keys

Accounting keys, when assigned, link the condition types (determination types) to the respective G/L accounts. These are defined in co-ordination with FI. SAP standard accounting keys are:

ERF freight revenues
ERL revenues
ERS sales deductions
EVV cash settlement
MWS sales tax

- Assign A/cing key
  - ZWMP01 ERL Revenue, MWS Discount/Taxes
- Assign GL A/c's [create for 005] [VKOA]
  - 001 cust grp/mat grp/A/c key
  - Application V
  - Condition KOFI
  - COA HPCL
  - S ORG HPCL
  - A/c Key

Assign G/L Accounts

In standard SAP settings, 5 types of tables contain different cc elevant G/L account must be assigned :

Table	Description
001	Cust Grp / Mat Grp / Acct key
002	Cust Grp / Acct key
003	Mat Grp / Acct key
004	General
005	Acct Key

Common combination of Application V, Cond type for Acct determn KOFI, Chart of Accounts INT, Sales Org 0001 are common in all these tables. Combination varies only on cust grp, mat grp and acct key.

- **ON THE FA SIDE**
- IMG/FA/GLA/BT/Integrate/S&D [VKOA]
  - Prepare revenue a/c determination [same as SD 001,2,3,4]
  - Carryout document summarization for sales & distribution

PRICING PROCEEDURE

- VOK0 - maintain pricing
  - o Header - pricing porceedure copy from WMP001 to ZWMP01
  - o Customer pricing procedure 1 std, 2 std+tax

Condition Type MWST as under :			
		Access sequence	MWST
Cond Class	D	Plus /minus	A
Calc type	A		
Cond Cat	D		
Rounding rule	BLANK		
Manual entries	Blank		
Group cond	On		
Header cond	On	Amount/perc	On
Item cond	On		
Text det proc	Taxes	Text id	0001

  - o *SD does not generate taxes. – in MWST add condition thru VK11 – in ZWMP01, condition MWST must have Reqt 10 [plant is set] & at AltCBV 16 [net value – this makes tax on net value i.e. exclusive. In FICO all taxes are incl]In case you want to analyse why taxes not calc, analyse at VA01, dbl click qty / conditions / analysis. In case VFX3 reports that a taxcode SA etc is missing, the same can be created in FA Global, so that taxes are calculated.Tax probs VOK0 / Acc Seq MWST - for Access No 8 [Departure Country/ Destination Country] Requirement 8 [Export business exclusive on] and condition type MWST [VOK0 / VK11] created for taxcode A1. Tax Probs SD/Basci Func/Taxes/Plants Abroad/Assign GL Ac to Ac Key / goto table ……………………………. 005 AppliCondType COA Sorg Act Key GL A/c …………V KOFI HPCL HPCL MWS 175000 Regionwise taxes possible thru county code, but MWST does not support it. You may have to explore USTX etc. County can be set at plant & customer a/c.*
  - o A/c keys ERL Revenue, MWS TAX, ERS Discount

PRICING PROCEDURE

☞ Note: An old version transaction code VOK0 is quite useful, as it displays all functions related to defining, populating and assigning pricing procedure in one screen only (by header menus).

Header > pricing procedure

Define Pricing procedure V/08

SAP has standard pricing procedures for many a cases, yet if a different procedure has to be created, an existing procedure can be copied and changes be made via condition types to suite the requirement in hand.

☞ Note: It is recommended that copy be made by prefixing 'Z' to the original procedure.

SAP standard pricing procedure for Product Catalogue is WMP001 which (incorporates taxes in pricing) but it has condition type MWST i.e. only I/O taxes, which we will copy to ZWMP001 and incorporate various condition types for excise duties and sales taxes that we defined in FI.

☞ Note: WMP001 does not have any condition type for discounts and other considerations (which are mainly defined and populated in SD) which can of course be added but for simplicity sake, we will proceed with simple 'base amount' and 'taxes' only (which have been defined and populated in FI).

☞ Note: For taxes, check the following setting:

Reqt	10	i.e. Plant is Set
Alt Cond Base Value	16	i.e. Tax on Net i.e. base amount

Header > Pricing procedure > **Customer Pricing Procedure**

Customer Pricing Procedure OVKP

1	Standard
2	Standard incl Sales tax

- o Header - condition type / definition
  - ▪ Copy from PR00 to ZPR0

Condition Type ZPRO as under :			
		Access sequence	PR02
Cond Class	B	Plus /minus	Blank
Calc type	C		
Cond Cat	Blank		
Rounding rule	Blank		
Manual entries	B		
Header cond	On	Amount/perc	On
Item cond	On		
		Pricproc	Zwmp01
Scale basis	C		
Check value	A		
Qty conversion	On	Pricing date	Blank
Text det proc	Price	Text id	0001

  - ▪ Set entries from Manual priority to Auto priority
- o Header - condition type / Access sequence
  - ▪ Accesses
  - ▪ Fields
- o Header - pricing procedure/proc determination
  - ▪ Ensure co has the relevant pricing procedure ZWMP01
- o Header - environment / maintain condition / create [TC-VK11]
  - ▪ Enter condition type
  - ▪ Select material with release status
  - ▪ Material
  - ▪ Rate i.e. sale price
  - ▪ Unit i.e. INR
  - ▪ Per i.e. 1
  - ▪ UOM ie EA
  - ▪ Calc Type i.e. C Qty
  - ▪ Valid - from / to

Condition must exist for a particular material to process sales order. Condition must exist for a particular tax code at the country and domestic business level for correct taxes.

Header > Condition Types > **Condition types & Access sequences**

Maintain Condition Types and Access Sequences V/06 & V/07

Normally SAP standard condition types and Access sequences (say MWST) will be available in both FI & SD (in SD, there is table for each condition “Create Condition Tables” besides the “Define Condition Types” function, the latter being same as in FI).

As we have defined our condition types (JT1, JT2, etc) and access sequence (TAXINM) ourselves, it has to be ensured that the condition types and access sequence and all relevant Account keys are made available in SD also.

Populate the pricing procedure with relevant condition types and accounting keys.

Header > Pricing Procedure > **Procedure determination**

Assign Pricing procedure to Sales Area (a comb of SO, Distr chl, Div) OVKK

Header > Environment > Condition > **create/change**

Associating Material with condition type VK11

Enter condition type, select Material with release status, enter material name and other relevant detail, validity from/to.

INITIAL STOCK ENTRY

SAP/Logisticsl/MM/InvMgmt/GoodsMovement/GoodsReceipt/Other

- MB1C - create initial stock of material
  - o Movement type 561
  - o Entry into unrestricted use
  - o Doc date posting date
- Stock MMBE check stock
- IMG/FA/Global/Document/PostingPeriods/Open&ClosePP
  - o OMSY material management on co codes
  - o MMPI to initiallise posting periods [for materials]
  - o *MMPI does not work in 4.70. Use MMPV & close period by period.*

DATA ENTRY – Initial Stock

[SAP Menu > Logistics > MM > Inventory Management > Goods Movement > Goods Receipt]

Enter other Goods : Initial Stock MB1C

Activity: Movement Type 561 i.e. entry into unrestricted use

Check Stock MMBE

Displays an overview of stock, consumption, balance, etc data.

Material Management view on Co codes OMSY

Displays open period for material posting for a company code.

Initialize Open periods MMPI / MMPV

Initializes open period for material posting which had earlier been closed.

Note: This function would delete all future records (i.e., from the date of initializing till date) for the concerned material which might be existing in the system.

Initial stock entry [DO NOT COPY WH, OR DEFINE IT FOR MM01] Sometimes MB1C gives an error – product class FERT does not exist / consistent etc. Reason FERT is not defined for updating in IMG/CO/PCC/PCPlanning/Mat_cost_estimate_with_qty_stru/ Settings_for_qty_stru_control/Material_data/Check_attributes_of_mat_types/ select matl & left Qty/Value updating & FERT

You may have to incorporate valuation group OMWD

A/c determination - MM/Valu&A/cAssignment/A/cDeter/Wizard [not recommended]

A/c deter w/out wizard - configure auto postings [use options/simulation/input mode]

If a/c's are blank, enter relevant a/c's manually for procedures UMB, BSX, PRD,GBB etc

MB1C – FERT – 7920 - 561

Proc			PK	A/c Dr	PK	A/c Cr	
UMB	gain/loss reval		83	232500	93	282500	D/C, V/C
BSX	inv posting		89	792000	99	792000	V/C
PRD	cost price diff	PRA	86	231500	96	281500	D/C, G/M, V/C
GBB	offsetting entry	BSA	81	799999	91	799999	D/C, G/M, V/C
		VAX	81	893010	91	893010	

SALES ORDER & BILLING

- SAP/LOG/SD/SALES
  - VA01 - Order [2 change, 3 display] sales order first created with open status [ZMIL tc VOV8] [F2 tc VOFA]
    - Complete details of sold to party, inco terms, material & qty
    - Check Taxes [Dbl Click Qty, Conditions]
    - Save
  - Sold to party does not exist – when customer was created under FD01, create from VD01 / in VA01 use create button, & re enter the VA01.In case of Business Area, ensure BA assignment in all LG, SD,LE & complete data comparison under Log General. Create a new order type under IMG/SD/Sales/Sales_Documents/SDHeader/DefineSDTypes create newAssign sales area to SD Types IMG/Basic_Function/AA&Costing/AssignGLAccounts [140000, 140030 if former does not work]In case you want to analyse why taxes not calc, analyse at VA01, dbl click qty / conditions / analysis.

Sales Order ZMIL as under :			
SD Document Cat	C		
No range int assig	01	Item no increment	10
No range ext assig	02	Sub item increment	10
Check division	2	Item division	On
Probability	100	Read info record	On
Output Aplication	V1		
Screeen sequence grp	AU	Display Criteria	UALL
Incompletion Proc	11	Fcode for overw scr	UER1
Transaction Grp	0		
Doc Pric Proc	A		
Delivery type	LF		
Shipping conditions	01		
Dlv rel billing type	F2	CndType line items	EK02
Order rel billing type	F2		
InterComp bill type	IV	Payment guar proc	01
		Payment card plan type	03
		Checking type	01
		Propose delivery date	On

SALES ORDER & BILLING

[SAP Menu > Logistics > Sales & Distribution > Sales]

Create Sales Order VA01

Sales Order is created with reference to a 'sales area'. Type of Sales order (i.e. Standard order, dr/cr Memo, etc) option is there.

Sales order is first created with open status (ZMIL).

<u>Activity:</u>

? Details of Sold-to-Party, Enco terms, etc

? 'Check Taxes' will show the taxes details (to ensure that condition types defined and populated is ok)

? Save

Change Sales Order VA02
Display Sales Order VA03

- Shipping & Transportation/Outbound Delivery
    - VL01N - outbound delivery order [2 change, 3 display] If storage loca not entered at MM01, you have to enter it here. Problems of shipping point / condition clear as above. SC 01 [std]. In case GL A/c 893010 not existing error, goto FS00 & create with reference.
    - Enter storage location and pick the goods
    - In picking the goods are blocked for a customer.
    - Post goods issue [MM & FI are affected]

OUTBOUND DELIVERY

[SAP Menu > Logistics > Shipping & Transportation > Outbound Delivery]

Create Outbound Delivery (with ref to Sales order)	VL01N

Activity:

Enter storage Location and Pick Goods
In Picking goods are locked for Customer
Post Goods issue (FI & MM are affected after posting)

☞ Note: In case of PR00 missing error, create thru a separate session, dbl click qty in the order, go to conditions, update and carryout new pricing.

☞ Note: After delivery but before billing, the price can be changed thru VA02 & carryout new pricing.

Create Outbound Delivery (without ref to Sales order)	VL01NO
Change Outbound Delivery	VL02N
Display Outbound Delivery	VL03N

- In case of PR00 missing error, create thru a separate session, dbl click qty in the order, goto conditions, update and carryout new pricing.
- After delivery but before billing, the price can be changed thru VA02 & carryout new pricing.

- BILLING
  - VF01 create billing document. The delivery order comes up auto.
  - Save
  - In case of Foreign Trade Error : **S&D/Foreign Trade Customs/Control Foreign Trade Data** in MM & SD Documents /Import Screens in Purchasing Documents : HPCL Import Data should be BLANK. **S&D/Foreign Trade Customs/Basic Data** for Foreign Trade/Define Comodity Codes /Import Code Nos by Country : There should be no entry for IN.
  - In case of no doc no range, create the doc no range. [FBN1]
  - In case of Billing problems – no a/c docs use **VFX3** at SAP/LOG/SD/Billing/Billing Doc and release biling doc for a/cing by clicking flag 7 . In case it is unsuccessful, a message will appear to go to notes at top header.
  - In case of wrong reco a/c, 140000 is the normal reco a/c [**img/s&d/basic functions/account assign costing/reco acct determination/assign GL a/c's**][OV64]. Using 140030 will stop postings to the Customer A/c. Use [**img/s&d/billing/billing documents/define billing types**] [VOFA], GoTo Billing doc type F2 [defined in **img/s&d/sales/sales doc header/define sales doc[sales order] types** - VOV8], and ENSURE ONLY RECO A/C IS ON . In case Acc Det Cash settlement is on, the posting will go to a GL a/c instead of a customer a/c.
  - VF02 the billing doc comes up auto. View the accounting entries.

Billing Document F2 as under :			
Billing type	F2		
No range int assig	19	Item no increment	Blank
SD document category	M		
Transaction group	7	Statistics	On
Negative posting	No		
Branch/Head Office	Custo	mer/Payer/Branches	
Cr memo w/val dt	No		
Invoice list type	LR	Rel for rebate	On
Cancellation type	S1		
Account determ proc	KOFI00		
Doc pric proc	A		
Acc det rec acc	KOFIAB		
Acc det cash set	Blank		
Acc det pay cards	A00001		
Output deter proc	V10000	Application	V3
Item output proc	Blank		
Output type	RD00		
Header partners	FK		
Item partners	FP		
Text deter proc	03		
Text determ proc itm	04		

BILLING

[SAP Menu > Logistics > Billing > Billing Document]

Create Billing Document	VF01
Delivery order comes up automatically, save, and it will be posted in SD & FI	
Change Billing Document	VF02
Display Billing Document	VF03

INTEGRATION MATERIALS MANAGEMENT

- IMG/MM/Valuation & A/c Assignment
    - A/c determination wizard [**DO NOT COMPLETE**]. You make configurations relevant to transactions in Inventory Management & invoice verification [for automatic postings to GL a/c in Financial Accounting & Cost Accounting]
    - You do the above, with/without the wizard or a combination of both
    - The wizard always reads the existing customization settings first. These are displayed as defaults & form the basis for further adjustments.
    - Pre-requisites co code, plant, material types
    - Select material type used FERT - finished goods. Check only material types in use & be careful when you uncheck a material type. If a material type is unchecked, you cannot post to that material type.
    - Activate purchase a/c mgmt Y/N
    - Activate purchase a/c mgmt for co codes
    - Assign chart of accounts
    - Assign plants to groups - all plant or co codes in the same group will post identically
    - Examine different material types - SAP assumes that inventory related a/c's will differ by material type. However some a/c postings like freight may not differ by material. Hence if you select "Yes", it would mean that even non – material types like freight are material type dependent.
    - Select a/c postings
    - Maintain valuation classes - ideally you should have one valuation class per material type.
    - Maintain inventory accounts - stock a/c nos to be filled up. Internal processing key BSX. BSX rule for valuation is always set "ON". BSX rules for dr/cr & a/c modifier is always set "OFF".
    - Maintain dr/cr rule : in MM there are transactions & events that may be posted to the Expenses/Revenue a/c or to Price Differences. This a/c is either dr or cr depending on whether then transactions or event requires a correction to your disadvantage [DR] or in your favour [CR]. You can setup two a/c's, so that a DR is posted to one & a CR to another. Checking a checkbox will set the DR/CR rule "ON" for the corresponding internal process key. The process keys are :
        - Cost [price] differences PRD
        - Exp/rev from stock transfer AUM
        - Exp/inc from revaluation UMB
        - Offsetting entry for inventory postings GBB
        - Exp/rev from consignment mat consumption AKO
    - Maintain MM Transactions - start with the 1st incomplete transaction [no green mark] & work your way down. If you are unsure of an a/c, leave it blank, & change later. By entering corresponding nos to each transaction for a material movement, you are assigning a/c nos to the internal process keys. Depending on its rules, some process keys may have more than one a/c no. in this case the wizard takes you to a detail screen.
    - Final Screen - DO NOT COMPLETE [o/wise the wizard will auto a/c assign, and a lot of other users will be affected]
- Account determination without wizard
    - Define valuation control [OMWM]
        - Group code active
    - Group together valuation areas
        - Val group code 0001

        - Val area plant
    - Define valuation classes
        - A/c category reference
        - Valuation class [OMSK]
        - Material type/A/c category reference [OMS2]
    - Define A/c group for movement type
        - One complete table contains cols
        - Movement type
        - Special stock
        - Val update
        - Consumption
        - Val string
        - Counter
        - Tran event key
        - A/c modifier
        - Check up assignment
- Purchase a/c management
    - Activate purchase a/c in co code
    - Calculation of value for purchase a/c - whether receipted value of purchase with/without delivery costs
    - Separate a/cing documents for purchase a/c postings - define whether the system should create 2 separate FI docs for stock & purchase a/c postings or for invoice & purchase a/c postings
        - Goods receipt doc 1
            - Purchase a/c DR
            - To GI/IR clearing a/c [goods inward, invoice receipt etc]
        - OR
            - Purchase a/c DR
            - Freight a/c DR
            - To GR/IR clearing a/c
            - To Freight clearing a/c
        - Document 2
            - Purchase offsetting a/c &
            - Stock/price diff a/c
        - Invoice receipt
            - Purchase a/c
            - To GR/IR clearing a/c / vendor a/c
        - For delivery costs
            - Freight a/c
            - To Freight clearing a/c
    - You can use only 2 documents if the purchase a/c is posted at the receipt value, o/wise the difference between GR/IR clearing a/c and the purchase a/c would result in a balance not being equal to zero. In std SAP config, only one a/c doc is created.
    - Activate separate a/c doc in val area.
    - Create new doc type for separate doc - define a new doc type for the 2nd a/c doc. The doc type must be different from the doc type for goods receipt [GR,WN] and invoice receipts [IR].
    - Assign a no range to the document

    - Configure no range for new doc type
- Inventory management
    - Assign a new doc type to inventory management trans. This includes all transactions that generate goods movements with reference to purchase orders i.e. MB01, MB04,MB0A & purchasing trans [beginning with ME* & ML*] You must also assign the new doc type for automatic movements.
- Invoice Verification
    - Configure Doc type for separate Purchasing a/c doc
    - Assign the new doc type to logistics invoice verification transactions.

ASSET ACCOUNTING

- Organisational Structure [OA08]
    - Check country specific settings
        - LVA low value assets
        - AUC assets under construction

      Post net book value, capitalize Auc, w/o downpayment

ASSET ACCOUNTING

IMG > FA > Asset Accounting > **Organizational Structure**

Check Country specific settings

SAP has pre-configured Assets Accounting for most of the countries but 4.6c version is not available with country-India version for assets accounting. All country specific settings get assigned to the company, once the (SAP specific) Chart of Depreciation is assigned to the Company code.

However 4.7 version is available with country-India settings.

(double click and you get into the following parameters)

Max value for LVA posting: If certain value is specified here, any asset below this value, irrespective of its asset class, will get posted to the LVA assets and not to their respective class.

Net Book value for depr changeover: SAP changes the method of depr once 'net book value, gets below this amount. In this case, depr key must be defined with 'changeover method 3'.

Post net book value: If this is selected SAP doesn't post gain/loss on disposal of assets. It is instead posted (for net book value of the asset) to 'revenue clearing from asset sale' – not used in India. (but mandatory in France)

Capitalize AuC w/o Down payments: While capitalizing an asset under construction, SAP ignores down payments made to the construction company, if this is selected.

- Copy reference chart of dep / dep areas [EC08]

Copy Reference Chart of Depreciation / Depreciation areas

Chart of Depreciation

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

SAP provides country-specific charts of depreciation with predefined depreciation areas. These charts of depreciation serve only as a reference for creating your own charts of depreciation, and are therefore not directly accessible in the SAP system. When creating a chart of depreciation, you have to copy the reference chart of depreciation.

- Specify description - change desc
- Copy delete depreciation areas
    - Book dep, IT dep etc
    - Real dep areais posted to GL, unlike IT dep which is not posted
    - Negative values in assets are allowed
    - Proportion of depreciation – if the divisor is 2, ½ the value is considered for dep etc.

Depreciation Areas

Depreciation area is set up to handle Post assets in G/L real-time Double parame No values are posted in G/L sett Only depr posted in G/L depr, etc.

Depreciation area can be 'real' or 'derived'.

→ *'Real'* depreciation area is which get posted to G/L accts and reflected in financial statements P&L a/c and B/S (book depr), statutory reporting (tax depr) or other internal management reporting purposes (cost accounting depr).

→ *'Derived'* depr area is one which derives its value form real depr and is used in cases where additional or special depreciation is allowed.

Each depr area belongs to at least one 'chart of depr', but other depr area can also be defined in any such 'chart of depr' so that values of one area can be taken over by other area. For e.g.

01 Book Depreciation

15 Tax Balance Sheet

20 Cost Accounting Depreciation

parameters:

	Book Depr	Tax Depr	Cost Acct Depr
Real depr area indicator (this indicator 'on' means SAP will store these values in database)	on	on	on
Posting in G/L a/c indicator	1	0	3

- o Assign COD to co code [OAOB]
- o Specify number assignment across co codes [AO11]
  - ▪ Use co code for assignment of no ranges

Specify number assignment across Company Codes

In SAP, assets are created with 'Main Asset No' under which many assets are created with sub-numbers. It is possible to define 'Main Asset No' across various Company codes. If this is done valuation can be done by main asset no which shall include data for all sub-nos irrespective of its location.

However if no such setting is desired, *same co code* (i.e. 'ABCD' if configuring ABCD) *must be assigned* to the company code being configured.

- Asset Classes [DO NOT COMPLETE]
  - o Generate asset classes from GL a/c's
    - ▪ Select APC [acquisition & prodn costs]
    - ▪ Checking the APC indicator will generate an asset class
    - ▪ Enter default a/c's for all a/c determinations [825000]
  - o Specify A/c determination - suffix for VA [value adjustment] is 010. Hence if Bldg = 2000, accum dep is 2010 [199990 clg asset acqui]
  - o Create screen layout rules - as porposed by system
  - o Define no ranges interval - as proposed by system [AS08]
  - o Define asset classes - [OAOA]
  - o Specify COD dependent screen layout / account assignment
    - ▪ Normally not reqd, unless you want these control specs to be country specific i.e. COD dependent.

IMG > FA > Asset Accounting > Organizational Structure > **Assets Classes**

Generate Assets Classes from G/L accounts (1 to 1)

Here Asset classes are generated in a 1 to 1 relationship to G/L accounts. The system enters 'Account determinations', 'Screen layout rules' and 'Number ranges' in the asset class as control parameters.

☞ Note: Carrying out this step is not mandatory. Generating Asset classes from G/L accounts is an optional step and can be used to simplify the creation of asset classes.

☞ Note: Alternatively, Asset classes can be defined or copied without the help of G/L accounts using the step "Define asset classes". Copying classes is useful for adding to Asset classes, already generated from G/L accounts (using the current step). Additional account determinations, Screen layout controls and Number ranges, in case of alternative method, can be defined in the section "Organizational Structures".

SAP supplies example asset classes.

Activities:

A Wizard guides through the 7 different navigation steps. Asset classes are not generated until saved.

☞ Note: If a wizard is not run or any change is desired after it has run, next 4 IMG activities – 'specify account determination', 'create screen layout rules', 'define number range intervals' and 'define asset classes' – assumes importance.

(configuration in following steps are meant for Plant & Machinery)

Step 1 Enter chart of accounts and the chart of depreciation.

Step 2 Whole list of G/L accounts appear, out of which G/L accounts that are APC (Acquisition and Production Costs) balance sheet accounts, i.e. Assets, are selected. SAP creates Assets classes (similar to the G/L a/c no in description), for those G/L accounts that are selected as APC accounts. (as in 7th step, asset class automatically appears)

Step 3 Enter G/L accounts for Expense-ordinary depreciation, and Asset retirements – revenue clearing, loss or gain for all account determinations. (In a later step however, one can change these accounts for each account determination).

Step 4 System asks for suffix for VA accounts (Value Adjustment i.e. depreciation accounts) '10' will result in acc deprn as 11010 for asset class 11000.

☞ Note: The system prepares an account determination and corresponding accumulated depreciation for each APC account, with a description that is the same / similar to that of the given APC account. (as shown in the 4th step i.e. suffix for VA accounts)

account determination	11000 (comes auto)	G/L a/c is also 11000
accumulated depreciation	11010 (comes auto)	

Step 5 A number range interval is defined for each APC account. And one can change the number range intervals as needed:

- Change the limits of the number ranges.
- Specify whether the assignment of the main asset number should be external or internal.

01	000000010000	000000019999	external - 'off'

☞ Note: SAP recommends internal number assignment. However, one can define the number range intervals, for example, so that the first characters of the asset number agree with the first characters of the APC account number.

Step 6 The system creates a screen layout control for each APC account.

Screen layout 1100

Note: When the APC account has a number that is at most 5 characters long, the system automatically assigns the account number as the key for the screen layout control. If the account number has more than 5 characters, the 5-character key for the screen layout control has to be entered manually. Field groups for optional entries can be entered in the asset class.

Step 7 The system creates an asset class with the same name as each APC account. Here the following parameters are added to the asset classes:

- Asset Class 11000 (comes auto)
- Specify type of the asset class
  - 0 without AuC / LVA / CLVA
  - 1 asset under construction
  - 2 low value asset
  - 3 collective low value assets

- Specify the default depreciation key and the default useful life for each depreciation area. You can add to this information for more depreciation areas in a later step.

☞ Note: The function for generating asset classes can be used more than once. The system uses the following logic when this function is used again:

- First, the system checks whether the company code is already in production status. If it is, then the system creates, based on the selected G/L accounts selected, only asset classes, account determinations and so on that were not yet created. Any existing asset classes are not changed; nor are they deleted and created again.
- If the company code is not yet in production, the system checks whether assets already exist for the existing asset classes. If not, the system deletes the existing asset classes and generates them again.
- If assets do exist, the system checks if there are also transactions for the assets. If there are no transactions, the following options are available:
  - ? Delete all asset classes and their assets, and generate them again
  - ? Only add new asset classes
  - ? If transactions exist for the assets, then you can only add new asset classes

Specify Account Determination

All these variables as defined in earlier steps now available for assignment

Account determination determines the 'reconciliation account' in G/L ɔn for asset will be posted and also its off-setting entry.

☞ Note: An asset class must have one Account determination. Normally it bears resemblance with the G/L account it refers to.

☞ Note: However an Account determination can be used by several asset class, if it uses the same chart of accounts and is posted to the same G/L account.

Activity:

A name is given to the Account determination but no properties are given at this stage.

Acct determn for Plant & Machinery (Asset class) 11000 G/L a/c is also 11000

Screen Layout for Master Record

FSV are defined for 'required', 'optional' and 'suppressed' fields.

Activity:

A name is given to the screen layout but no properties are given at this stage.

Screen Layout for Plant & Machinery 1100

Define Number Range Interval

Here 'main number' range for Assets are defined. There is no separate range for sub-numbers, these can be internally or externally assigned.

(same features as document no ranges, also see concepts stated in wizard stage)

Activity:

01	000000010000	000000019999	external - 'off'

Define Asset Classes

If Asset classes were not generated earlier form G/L accounts, these can be defined here one by one.

Activity:

Define an Asset class 11000 Plant & Machinery (double click to get inside settings)

Important settings:

Account determination	11000	
Screen layout	1100	
Number Range	01	
External sub-number	'no'	SAP recommendation

ASSET A/C INTEGRATION WITH GENERAL LEDGER

- Define how dep areas are posted to GL
  - 0 no values posted
  - 1 post assets in GL realtime
  - 2 post assets periodically to GL
  - 3 only depreciation posted

IMG > FA > Asset Accounting > **Integration** with General Ledger

Define how depreciation areas post to General Ledger

Here G/L a/c posting indicator is set for each depreciation area defined. Parameters available are:

0	no values are posted in General Ledger
1	post assets in General Ledger real-time
2	post assets periodically in General Ledger
3	only depreciation posted in General Ledger

Activity:

Book Depreciation	1	post assets in General Ledger real-time
Tax Depreciation		0 no values are posted in General Ledger
Cost Accounting Depreciation	3	only depreciation posted in General Ledger

☞ Note: Book depreciation, earlier given parameter 1 i.e. post assets in General Ledger real-time, cannot be changed here while other depreciation areas can be given some other parameter, if desired.

- Assign GL a/c's
  - Choose an allocation – select COA, choose a/c allocation, select any one Acct Det
  - Define acquisition/retirement a/c's for COA [dbl click desc]
    - Acquisition 11000 M/c & Equip
    - Contra A/c for acq 191400 clg acqui
    - Retirement Clg a/c 825000 Clg Asset Disp
    - Gain 820000 Rev Asset Ret
    - Loss 200000 Loss Asset Disp
    - Loss w/o Rev 200000 " " "
  - Define depreciation accounts for COA [dbl click desc]
    - Ord Dep 11010 ADP M/c & Equip
    - Exp A/c 211130 Dep M/c & Equip

Assign G/L Accounts

Here for each Account Determination defined earlier, G/L accounts are assigned for transactions relating to acquisition/production, retirement, and profit/loss on disposal of assets for each depreciation area.

Activity:

Account Determination 11000

Define Acquisition & retirement accounts:

Depreciation area 01 Book Depreciation double click to get inside settings

Assign G/L accounts for "Acquisition account assignment" and "Retirement account assignment"

Define Acquisition & retirement accounts:

Depreciation area 01 Book Depreciation double click to get inside settings

Assign G/L accounts for "Ordinary depreciation account assignment" and "Unplanned depreciation account assignment"

- Specify posting key for asset posting
  - o 70 DR 75 CR for asset posting
  - o 40 DR 50 CR for GL a/c posting

Specify posting keys for Asset posting

Here keys for asset posting in Asset register as well as G/L accounts are defined.

Note the settings:

Asset Management posting group	ANL		
Procedures (double click to set posting keys)		dr	cr
Additional accounts for asset accounting	ANC	40	50
Asset posting	ANL	70	75
G/L a/c posting from asset posting	ANS	40	50

Change Field Status Variant of the Asset G/L accounts

Mainly standard settings (posting keys) and those which have already been defined earlier (assignment of FSV to Company code). However changes required specific to asset accounts can be made here regarding 'required', 'optional' or 'suppressed' fields.

- Change FSV of the Asset GL a/c's
  - o Change FSV for posting keys
    - DR 40,70 must have reversal CR 50,75 for GL & Assets
- Assign input tax indicators for Non-Taxable Acquisitions : Input tax & Output Tax [OBCL]
- Specify Fin Stat Version for Asset Reporting - specifies the key which identifies the B/S & P&L version.
- Posting depreciation to general ledger
  - o Specify document types for posting of dep [AF]

IMG > FA > Asset Accounting > Integration with General Ledger > Post depreciation to General Ledger

Specify document type for posting of Depreciation

Define Document type: SAP has provided standard settings

AF Depreciation posting

Specify doc type for posting of depreciation: Assign AF to ABCD

- o Specify intervals and posting rule [dbl click desc]
  - Smoothen - remaining dep spread evenly
  - Catchup - arrears of dep updated
  - Monthly - period interval 001 i.e. no of periods between 2 dep runs

Specify Intervals and posting rules

Here intervals for depreciation posting is defined i.e. monthly, half-yearly or yearly for each depreciation area. Selection should be made along with correct 'period interval' i.e. no. of periods between two consecutive depreciation posting.

Activity: double click each depr area to set intervals

Depr area		interval	period bet interval (months)
01	Book Depreciation	monthly	1
15	Tax Depreciation	yearly	12

Monthly calc is annual deprn / 12

Note: One can also assign depreciation to cost centers, allow posting of imputed interest, revaluation, etc in this IMG activity.

- Co account assignment
  - Assign cost centers – for dep posting
  - Post to internal order - as per asser master record
- Other posting settings
  - Post interest - imputed interest in addition to depreciation
  - Post revaluation - revaluation of APC [acquisition & prodn costs] & dep [[when planned life ends] i.e. dep after useful life

VALUATION

- Specify COD [OAPL]
- Depreciation areas
  - Define depreciation areas - 01 Book Dep

IMG > FA > Asset Accounting > Valuation > **Depreciation area**

Define Depreciation areas and area type

SAP standard settings are available:

Depr area		Area type
01Book Depreciation	01	valuation for trade B/S
15Tax Depreciation	03	valuation for tax B/S
20Cost Acct Depreciation	07	cost account valuation

  - Specify area types
    - 01 Valuation for trade balance sheet
- Specify transfer of APC values / valuation adoption from another dep area. A dep area can only adopt values from an area which has a smaller key than itself. Therefore no transfer is possible to area 01. hierarchy is maintained i.e. 03 can adopt values from 01 and not vice versa.

Specify transfer of APC values

In SAP asset values of one depr area can be used by other areas.

SAP has defined 01 i.e. Book Depreciation area as standard for other depreciation area (all real depr areas) i.e. all other areas derive their Asset B/S values (APC values) from depr area 01.

Only exceptions are – derived depr areas and areas for revaluation & investment support.

☞ Note: Some other depr area can be made ‘base depr area’ in this IMG activity.

☞ Note: ‘Ref area’ for 01 i.e. Book Depreciation area is ‘00’ and is not open to be changed.

- Specify transfer of depreciation terms [similar to transfer of APC values]

Specify transfer of Depreciation terms

Similar to above, depreciation terms (i.e. depreciation keys, useful life, etc) of one depr area can also be used by other depr areas, and in such a case, one need not / cannot maintain depreciation terms other than that of reference area in asset master record.

☞ Note: ‘Ref depr area’ must be smaller that the ‘dependent depr area’.

☞ Note: ‘Ref area’ for 01 i.e. Book Depreciation area is ‘00’ and is not open to be changed.

Any change in reference depr area will not automatically be updated in dependent depr area *unless* “identical” is kept ‘on’.

- Determine Depreciation areas in the Asset Class
    - Select asset class & depreciation area
    - Depreciation key
    - Use – useful life
    - Per - useful life periods [if useful life = 7, periods = 6]
    - Index - index series for replacement values
    - Layout - screen layout

Determine Depreciation Area in Asset Class

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

SAP normally comes with standard settings for country specific requirements.

Note the settings:

Asset Class	11000	Plant & Machinery
Depr Area	01	Book Depreciation
Ch of Depr only	off	if this is 'on', new assets can't be created in this class.
negative value	off	
LVA check	0 1 2	no maximum amount check value based maximum amount check quantity based maximum amount check
Minimum / Maximum life		assets with min life below this level are not allowed in this asset class
Life period (wherever used)		no. of months in case of fractional life
Depreciation key	DG30	
Useful Life		years over which assets under this class are to be depreciated

☞ Note: 'Useful Life' is a mandatory field (irrespective of FSVs) except when depreciation key is 0000. SAP needs it to calculate depreciation. However if some depreciation method is used which is independent of the useful life, one can put very high value say, 100 years in this field.

- LVA check - 0 no max amount check
    - 1 value based max amount check
    - 2 check max amount with quantity

IMG > FA > Asset Accounting > Valuation > **Amount specification** (Company code / Depreciation area)

Specify maximum amount for low-value assets

Specify LVA classes: Here each Asset Class is assigned a LVA parameter.

Note the settings:

0	no maximum amount check
1	individual management i.e. SAP checks value of each asset in this class for max LVA
2	collective management i.e. several LVA assets are grouped and compared with the max LVA amount

Specify amount for LVA: Maximum amount for LVA is defined for each depreciation area.

- Amount specifications [value based check]
    - Specify max amount for LVA & asset class
    - Specify rounding off of Net Book Value & Dep - net book value at year end rounded off to whole
    - Specify changeover amount – for changeover to the key defined in the dep key
    - Specify memo value for Dep areas - a value exists even though the planned expected useful life has already been exceeded
- Fiscal year
    - FYV - specify other version on Dep area level. Reqd only in exceptional situations
- Shortened Fiscal Years -Define reduction rules for shortened FY for ordinary & spl dep, interest & revaluation, because in a shortened FY, it is generally necessary to reduce dep in proportion to the reduction in the length of the fiscal year. [Maintain Dep Key – refer DEP/Val Methods/Dep Key]
- Use of half months in the co code - mid month - date which specifies the middle of a period i.e. 15 days

IMG > FA > Asset Accounting > Valuation > **Fiscal Year**

Use of half months in Company Code

Using this function, one can calculate depreciation in these company codes on the basis of half months or half periods.

Half months can only be used with calendar fiscal year versions.

Define weighting of periods

This options can be used in case of seasonal industry, where assets are only used for part of an year and hence depreciation needs to be accounted for in those active period only, for financial statements to reflect true operational performance. Depreciation is still taken for whole year, only it is weighted in active months only.

This option is mainly exercised for management analysis purposes and not for statutory compliance purposes.

- Define weighting of periods
    - Specify areas for individual period weighting - indicator can be set for UNEQUAL depreciation, a requirement in seasonal industries.
    - Weight periods in FY version - choose a FY
    - Period - after which dep is calculated or incase of retirement, upto which dep is calculated
    - WT prop - weight proportion - normally for all periods dep is equal, but if a value is entered for this period dep = relative wt / total weights
- Currencies
    - Define dep areas for foreign currencies
    - Specify the use of parallel currencies - 10 = co code currency
- Group Assets
    - Specify dep areas for group assets - indicator for managing group assets
    - Specify asset classes for group assets - indicator – class entirely consists of group assets
- Go to SAP menu
    - Create a vendor FK01 - remember to complete reco a/c's [next scr]
    - Create an asset – sap/ac/fa/fixed assets/asset/create AS01 [AW01N - asset explorer]
        - AS01 - asset class
        - General - description, sr no, qty
        - Time dependent - leave blank
        - Allocation - evaluation [components]

            - Integration of assets & equipment
                - Equipment no - part of a big asset, made up of smaller assets
        - Origin – country, vendor etc
        - Leasing – type, base value, lease payments
        - Dep areas - dep key, useful life, periods, op dep start – date if not no dep calc
    - SAP/Fixed assets/postings/acquisitions
        - External acquisitions
            - F-90 with vendor
                - Posting key 31 CR vendor 70 DR asset
                - Tran type for 70 is 100 ext asset acquisition
            - F-91 clearing offsetting entry - for clearing payment to vendor [after entering asset entries as above, enter the bank entry & process open items][It is advisable to enter 50, 113100 & save the asset first before bank entry, so that an open item appears for the vendor. If not previous open items must exist to process the bank entry.]
            - ABZON - acquisition with automatic offsetting entry [could be used for uploading asset w/out vendor][MULTIPLE ASSETS ALSO POSSIBLE. The asset must have been created, and no vendor/taxes will be calculated. Provision for existing/new asset. Business area entry essential if defined]

DEPRECIATION

- Ordinary Depreciation
  - Determine dep areas - values should be –ve or 0
  - Assign a/c's - choose a/c allocation & a/c determination
  - Define unit of prodn [UOP]
    - STCK default UOP - total units are for the whole year.
    - Period unit - units produced in a period – month. For more than 1 year, define units for all the years. Based on the useful life, dep/yr is calculated & then broken up in a year based on UOP.

IMG > FA > Asset Accounting > Depreciation > **Ordinary Depreciation**

Determine depreciation areas

Here depreciation areas are selected for ordinary depreciation. Also +ve or –ve sign is allowed for each depreciation area. In normal procedure, ordinary depreciation is selected with "negative and zero values allowed" (double click depr area).

Assign G/L Accounts

In this step, G/L accounts are defined for Chart of Accounts / Account determination (Asset Class) / Depreciation area.

G/L a/c for Accumulated depreciation (B/S)

G/L a/c for Depreciation expense (P&L a/c)

Define Unit of Production Depreciation

If useful life of any asset is more dependent on the no. of units produced, depreciation can be calculated based on no. of units produced in each FY, if total no. units is defined in this activity for the asset concerned.

- Valuation Methods
  - Dep key - calculation methods
    - Define base methods [normally 0008]
      - Reduce useful life at FY end
      - Dep with curb NO [if yes, after useful life of 10 years, 11=1/11, 12=1/12 etc]
      - For multilevel base method choose EXPLICIT [0012] method. After changing key, remember to activate. In AW01N to see dep of 2nd year "comparisons".

IMG > FA > Asset Accounting > Depreciation > Valuation Methods > Depreciation Key > **Calculation Method**

Define Base Methods

SAP standards (0001 – 0031) are available and sufficient to be used. Normally, 0008 is used.

Settings (0008 - % from remaining life calculated from depr conversion date) :

Reduce useful life at FY end	'off'	if 'on', system reduces useful life so that it always coincides with the end of Fiscal Year

Treatment of end of depreciation

Depr after planned life end	'yes'	continue depr even after end of useful life
Depr below NBValue zero	'no'	if 'on', continue depr even after NBV is zero
Curb	'no'	if 'on', depr is calculated at rate 1/extended life for each extended year after the useful life has expired, else at the same rate i.e. 1/useful life. Can only be selected if 'depr after plnd life' is on.

☞ Note: For multilevel base method choose EXPLICIT [0012] method, so that the system does not calculate depr, and therefore no errors. After changing key, remember to activate. In AW01N to see depr of 2nd year "comparisons".

- Define declining bal methods

- Declining factor – dep % resulting from useful life etc X factor for DB dep The multiplication factor is used in determining the depreciation percentage rate for declining-balance depreciation. The system multiplies the depreciation percentage rate resulting from the total useful life by this factor.
- Max % age - will override factor above
- Min % age - keep as 0

Define Declining Balan

System uses the factor defined here to calculate declining balance dep rate. However if max rate is defined, this factor is ignored by the system

Normally kept zero

settings:

method		maximum %	minimum %
001	say, 'x'	25	0

- Define max amount - specify max amounts
- Define multi level methods – validity start options
  1 From capitalization date
  2 From ord dep start date
  3 From spl dep start date
  4 From orig acqui date of AuC
  5 From changeover year
  - Select levels
    - Acqui year - upto which valid
    - Year - no of years 2,5 [i.e. 1st 2 them 3]
    - Per - validity periods in cal months
    - Rem Life - leave blank. Set this indicator to determine the periodic dep %age, based on the remaining life.
    - Reduct - reduction of base value by an entered %age rate
  - Dep by fiscal year = Yes [if checked]
  - For every level/phase, there should be a changeover method/phase that is relevant. To change useful life USE AS02
  - Phases e.g 004 → 10.000/5.000/2.500 as 1/2/3 below
  1. From start of dep
  2. Changeover within planned life
  3. Changeover after end of useful life

     Change methods - change method to a different phase
     - 0 - no auto changeover
     - 1 - C/o when SLD high
     - 5 - C/o at end of useful life

     changeover %age rate - %age of acquisition value at which system changes the calc of dep
- Maintain Period control methods
  - o Acq – period control used for acquiring transactions in year of capitalization.
  - o Add - period control for additions or subsequent transactions
  - o Ret - retirement

- Trn - transfer postings
- Values
  - 01 Pro rata start date
  - 02 Pro rata upto mid period
  - 03 Pro rata at mid period
  - 04 First yr half dep value
  - 05 Year start date [Austria]
  - 06 At start of year
  - 07 at mid year
  - 08 at end of year

Maintain dep key

- Select dep key and go to assignments of calculation methods. DG30 - VWDV thru copy [activate]
- Assignment of calculation methods [left]
  - Phases - Phase - the duration of dep is divided into different phases
    - 1 from start of dep
    - 2 changeover within planned life
    - 3 changeover after end of useful life
  - Base method of calculating dep
    - 1 0007 ord % after end of life
    - 2 0011 ord % from useful life
    - 3 0017 ord imm dep after end of life
  - Decl method of calculating dep
    - 1 004 3.0/30%/0%
    - 2 001 0/0/0
    - 3 001 0/0/0
  - Prd cont period control
    - 1 002 04/06/02/02
    - 2 003 01/06/02/02
    - 3 003 01/06/02/02
  - Multi level method
    - 1 002 0%
    - 2 001 0%
    - 3 003 APC any life
  - Change method - changeover to a different phase when SL dep is high, when net book value reaches a particular level
    - 1 1 c/over when SL dep is hich
    - 2 5 c/over after end of useful life
    - 3 -

Period control

- Maintain Period control
  - Enter & select – individual period version will be in pro rata at period start date
- Define calender assignments - specify period
- Define time dependent period controls
  - Define dep keys with T/D period control
  - Assign T/D period control to dep keys. Select co code & enter valid upto, period control key for acq, addl acq, retirement & transfer

    - Generate period controls
        - Enter FYV & calender yr & generate.

Integration AA with PM - plant maintenance

- Master data
    - Automatic creation of equipment master records
    - Specify conditions for synchronization of master data - you specify for asset class, whether auto equipment records [PM] be created, & whether both get updated simultaneously.

Transactions

- Acquisitions
    - Define transaction types for acquisitions
        - Define transaction types for acquisitions
        - Limit TT [displayed] to dep areas
    - Define A/c assignment category for Asset PO
    - Specify asset class for clearing asset from PO
    - Assign A/c's
    - Allow downpayment TT in asset class
    - Define validations
- Retirements
    - For taxes create ET [exempted tax], update GL thru FS00 to accept all taxes. The a/c's are at assign a/c's above. Tax will then not be calculated at retirement.
    - Gain / Loss Posting - if gain/loss posting is on, an asset has to be created to hold such gain/loss. If it is kept off, it goes to the GL a/c
        - IMG/FA/AA/Trans/Retirements/Define TT for Retirement
            - Select TT, details & gain/loss [off]
    - Assign a/c's - where a/c's are assigned for gain/loss, the same are posted to the GL & not kept in the asset concerned.

SAP/A/c/FA/Fixed Assets

- Posting
    - Acquisitions
        - F-90 with vendor
        - F-91 clearing offsetting entry
        - ABZON acq/with auto offsetting entry. [new asset, master data]
    - Retirement with revenue
        - F-92 with customer [01 DR select customer TT 260
        - Posting key 50 CR a/c 825000 TT 260]
        - Click asset retirement curr yr Ret & enter on screen to go to next screen, complete asset no & enter text. Header doc display for a/c entries
        - ABAON asset sale w/o customer
    - Asset
        - AS01 create Asset
        - AW01N explorer to check posting in Dep posted / planned [green button posted period]
        - S_ALR_87012347 doc extract to check entries
        - ABST a/c reco for AA/GL diff
        - Info system for asset balances
- SAP periodic processing
    - SCMA schedule manager
        - Create a task list [top header/tasklist/create]

    - Enter name of task
    - Enter desc, calender etc & save
    - Tasklist appears in the tasklist
- Change task list [top]
    - Right click on task list
    - Create task
        - Enter desc, program/transaction, start time etc
- Select task & execute IN BACKGROUND [TOP HEADER]
    - Enter output device [LP01], title & enter
    - Click immediate & save
    - Background job is scheduled
    - System/Services/jJobOverview/execute [sm37]
    - Click jobname & view spool [xxx]
- Depreciation Run { Depreciation run is supposed to generate a session, because batch input in ON in document type AF [dep posting]. If it is set off, the posting will take place. Keep the spool on which comes up by default, and view the spool through own spool requests. No need for any special params. Go by defaults. }
- AFAB execute - has to be executed period by period
- Choose period, go top program & execute in background F9
- LP01
- Enter AUTHORISATION [USER]
- Click immediate
- Save [RABUCH00_FIU]
- System/Services/jJobOverview/execute [SM37]
- System/Services/Batch input/sessions/process.

ASSET DATA TRANSFER

Legacy Data Transfer Using Microsoft XL

Along with the Data Transfer Workbench, the SAP R/3 Asset Accounting component also offers the option of transferring legacy asset data using Microsoft? Excel. This method is especially suited for transferring small datasets, such as a few hundred fixed assets. The amount of data you can transfer using this method is limited by the maximum number of rows in your Excel version.

PREREQUISITES

The first step is to load or manually enter the legacy asset data and values from your legacy system into an Excel sheet. The data transferred to the R/3 System has to be in a specified form. In order to ensure that the data transfer is carried out correctly, you should adhere to the following guidelines when creating the Excel sheet:

SAP recommends that you set the *Standard* Excel format for the entire document before you enter any data. Dates, however, can also be entered using the *Custom* Excel format.

The Excel spreadsheet consists of two parts (see the example below).

- In the **header** (blue in the example), you specify the type of data you want to transfer for your assets, for example, the company code, description, and so on.
- In the **asset section** you enter the individual assets and their values.

The Excel worksheet has to contain cells for the legacy asset number, company code, asset class and capitalization date, and values have to be supplied in these cells for each asset. The same applies for any required entry fields that are defined in the asset class in the R/3 System.

You might want to prepare for the data transfer, although the organizational structures of your enterprise have not yet been specified (for example, the description of a company code is not decided). In this case, you enter variables for the missing information, for example, company code XXXX. Before carrying out the data transfer, you can then use the *Replace* function in Excel to replace the variable with the correct value.

HEADER

In the header, you first specify the field descriptions to be transferred. The first 5 rows in the Excel worksheet are reserved for this header information. You are not allowed to use them for asset master data or asset values.

The fields are organized in **record types** Enter these record types in the first column of the worksheet. The next columns should contain the field descriptions assigned to these record types. SAP recommends the following structure:

USE OF RECORD TYPES

Record type	Used for…	Is assigned to tab page during field assignment (see below) …
0	Identifier (legacy asset number); record type 0 is reserved solely for the number of the asset from the legacy system, and is not allowed to be used for any other purpose. The system needs the identifier if there are errors, in order to assign them to the correct assets.	Header data
1	Asset master data, general data and inventory data	Header data
2	Posting information, time-dependent data	Time-dependent data to Leasing
3	Depreciation areas, cumulative values, posted values	Depreciation areas, cumulative values, posted values
4	Transactions	Transactions

If you do not need certain record types (for example, record type 4), then you can omit them when creating your Excel worksheet.

ASSET SECTION

Enter the asset values below the header data. You have to enter the asset data in the Excel worksheet so that it corresponds to the structure of the field descriptions in the header.

For example, you specify in the header for record type 1 that the company code is in column B and the asset class is in column C.

The system then recognizes the field contents of all fields of record type 1 in column B as company codes and in column C as asset classes.

Therefore, you have to make sure that for each asset, which is in a row specified as record type 1, that its company code is always in column B and its asset class in column C.

Fields that have leading zeroes in the R/3 System (for example, company code 0001), have to have leading zeroes in this format. Always enter the asset class with 8 places and leading zeroes (for example, 00001000).

EXAMPLE OF STRUCTURE OF XL WKS

Example: Structure of Excel Sheet

Column containing record types

	A	B	C	D	E	F	G	H
1	0		legacy asset number					
2	1	Comp Code	Asset Class	Descrip.	Inv. Number			
3	2	Cost Ctr	Plant	Manufact.	Cap. Date			
4	3	Dep Area	Dep Key	Use Life	ULin Period	Dep Start	Cumul. APC	Cumul. Dep.
5	4	Current	Real Area	Tr Type	Amount	Value Dt		
6								
7	0	10001						
8	1	0001	00001000	Desk	35796			
9	2	1	0001	Comp1	01/01/97			
10								
11	0	30001						
12	1	0001	00003000	Monitor	41756			
13	2	1	0001	Comp2	01/01/97			
14	3	01	LINR	10	0	01/01/97	1000	100
15	3	02	LINR	5	0	01/01/97	1000	200
16	4	1	01	100	5000	01/01/97		

Header

Asset Section

In record type 3 (depreciation area data) always supply the depreciation area name (such as 01) first.

In record type 4 (transactions) you have to enter the sequential number and the depreciation area in the first two fields. The sequential number is used to keep different transactions separate from one another.

REPRESENTING TRANSACTIONS

Record type	Seq. number	Area	Transaction Type	Amount	Posting date
4	1	01	100	5000	01.01.97
4	1	02	100	4900	01.01.97
4	2	01	100	1000	01.01.97

Features

Field Assignment between XL & R/3 [Mapping]

In the R/3 System, you assign the field descriptions of the Excel worksheet cells to fields in R/3 (for example, CoCd to company code). In the initial screen of the transaction, you choose whether you want to use an already existing field assignment or if you want to create a new one. To choose an existing field assignment, select the one you want and choose *Start with field assignment*. To create a new field assignment, choose *Create field assignment*.

Some Excel versions issue a message at this point in a dialog box. The message states that there is a large amount of data in stored temporarily, and asks if you want this data to be available to other applications. Choose *No*.

You make the field assignment by selecting a row in the *Fields of file* table and selecting its corresponding field on the *Fields of asset master record* tab pages, and then choosing the *Assign* pushbutton. The system does not check if the assignment is logical. However, you can assign each field to exactly one other field. Certain assignments are mandatory. You have to assign the old asset number (from the legacy system). In addition, you have to assign the asset class, company code, capitalization date, and any required entry fields (see above) in the R/3 System.

The system lists only those field descriptions that are defined in the header section of the Excel sheet. These are sorted according to their record type (0, 1, 2 and so on). The asset master data fields that can be completed in the R/3 System are split up on various tab pages. See the **Use of Record Types** table (above) for the valid assignments.

Before the data transfer, the system displays a dialog box, in which it asks if the field assignment should be saved. However, you can also still save the field assignment after the data transfer (*Saved assignments* pushbutton). In this way, you can carry out a number of data transfers that always follow the same pattern. You thereby only have to carry out the mapping and conversion once. It is saved in your saved field assignment and can be used again in the future.

In the Excel sheet in the above graphic, the assignment of header in f ormation to table field in the R/3 System would look like this:

Comp Code – company code

Asset Class – asset class

Tr Type – transaction type, and so on

SETTING THE DATE FORMAT

Choose *Settings* ? *Date format* to specify whether the date uses American format (MM/DD/YY or MM/DD/YYYY), ISO format (YYYY-MM-DD), European format (DD.MM.YY or DD.MM.YYYY), or SAP format (YYYYMMDD). Dates in your Excel sheet have to have the same format.

TRANSFER OF FIXED ASSETS

During a test run (choose *Test run*) the system lists any errors that occur, without actually starting the legacy data transfer.

During a production run (choose *Assets*) the system creates new assets using the values from the Excel worksheet. It supplies values to their fields based on the assignments you made. To display master records of assets that were created successfully, choose *Details of return message* .

Any incomplete or incorrect data that could not be used to create assets can be displayed in a separate Excel worksheet (choose *Export errors to file*).

ACTIVITIES

Start the legacy data transfer program in Customizing for *Asset Accounting*. Choose *Asset Data Transfer* ? *Legacy Data Transfer Using Microsoft? Excel*.

Legacy data transfer using Microsoft Excel. TC – AS100

- You must have the legacy data in an Xl file.
- The cols after that have to be matched to SAP like CO Code etc.
- When all the SAP fields are matched you can upload.
- Legacy data cols will have to be changed to be recognizable by SAP.
- Alternatively you can use BDC.

[some tips] – convert all cells to text.
Asset Data Transfer
Set Co Code Status 2 i.e. test co with data transfer allowed.
Specify Sequence of Dep Areas - 01 must be first.
Date Specifications / Last Closed Fiscal Year – must be followed for Asset data upload in Capitalisation date [seq 2], o/wise date errors. Thereafter an asset can be uploaded backdated, also ensure PP is open.

The INPUTS can be reduced, so that assignment is easier like

0 no change
1 no change, QTY & UOM can be added
2 blank cctr, plant, mfg, loca
3 blank cumul apc, cumul dep
4 DOES NOT WORK

Legacy Asset No	Identification Feature
Dep Area	Real Dep Area
Dep Key	Depreciation Key
Dep Start	Dep Calc Start Date
ULin Period	Planned useful life in periods
Use Life	Planned useful life in years
Real Area	Real Dep Area
Current	Sequence No of Asset Line Items in Fiscal Year
Value Date	Reference Date

Controlling

[OB13]

MAINTAIN CONTROLLING AREA

- IMG/ES/Definition/Controlling [OX06 / OK19]

- Maintain CO area [OKKP] -
  - IMG/CO/General CO/Organisation
  - Create new entry & then copy. DO NOT COPY COA. Creating new allows you to use your COA instead of INT.
  - Enter CO area
  - CO area same as co code
  - Curr type 10
  - Currency INR
  - Cur & val profile BLANK
- the CO area is the highest level in which you can create reports, since master data & COA are stored here. That is why, once a COA is stored it cannot be changed. Therefore, do not copy CO area before creating GL a/c's [first create thru maintain CO area and then copy, otherwise you will have to make do with INT COA]. When you assign all co codes to one CO area, you need to ensure that all the co codes have the same no of posting periods [FY variants], and the same COA. However the co codes can have different currencies. [cost center hierarchy / select & activate components [left]. At the bottom there is an option for variances, which must be checked otherwise variances will not be calculated.This option is in General Controlling]
- Copy delete check CO area [through structure, templates]
- Maintain CO area - select & details [to change CO area OKKS][when you activate components/control indicators, you cannot activate ProfitAnalysis, unless you create operating concern]

- Assignment
  - Assign co code to CO area [OB62]
- IMG/CO/General CO/ [OKKP]
  - Organisation : The definition of the organizational unit is one of the most important activities when introducing the SAP system. According to the complexity of your organizational structure & the components with which you work, you must first analyse the outcome that determining organizational units has on the other SAP components. The complete representation of a complex organizational structure should first be discussed with a consultant.
  - Maintain CO area/No ranges/Versions : In other settings there is a cost center hierarchy. If the hierarchy is not created, create it here. Enter Std Hier name, and the system will create it. [cost center hierarchy / select & activate components [left]. Keep Profit Center OFF. At the bottom there is an option for variances, which must be checked otherwise variances will not be calculated]. TO MAINTAIN NO RANGES [KANK]

COST ELEMENT ACCOUNTING

[create a CCTR first] [KS01] [Change CO Area – OKKS]

There are 4 types of cost elements

1. Primary - must be a GL a/c
2. Secondary - can be User defined
3. Direct Posting

4. Indirect Posting

- Master Data
    - Create cost element [800000 & 893010]
        - Create primary cost element - screens ↓ [KA01]
        - Basic Data :
            - C Ele Cat 11 Revenue
            - Attribute [n/a] FMW Fixed / Material
            - FP Fixed / HR
            - FPW Fixed / HR/ Effective Payment
        - Indicators
            - Record quantity ✹
            - UOM EA
        - Default AA cost center - select [if necessary create a C Ctr first from IMG/CO/CCA/Master Data/Cost Centers]
        - History
    - Secondary Cost Element - [KA06]
            - C Ele Cat 43 internal activity allocation */ use 42 for Asst.*

COST CENTER ACCOUNTING

- Activate Cost Center A/cing in CO area
    - Select co & activate components [left] [screen similar to CO area , versions etc]
- SAP/Ac/CO/CCA
    - Master data/ Standard Hierarchy [OKKS to change CO area]
        - OKEON change - [enter]
            - Right click on Std Hierarchy & create groups

        - Create cost centers
        - Save
        - Activate
        - Save
- Planning
    - KP04 select planner profile [use SAPEASY a simple profile, and copy so that defaults can be entered] Use F4 then create new, skip & dbl click CCA & following menu appears.
    - IMG/CO/CCA/Planning/Manual Planning/Define UD Planner Profiles - better to copy from an existing one as detailed above
    - Select & left
        - General CO
            - CuDK currency dist key 1=equal 3=dist by %age
            - QtDk quantity dist key
        - Layouts for CO
            - Deflt Default params
            - Overw params can be overwritten
            - Integrated XL planning with XL as frontend
            - File description
            - Select & enter default params
            - Version 0 from 1 to period 12
            - Fiscal year 2004
            - Form based [in form based, all elements are depicted, and you can choose. In free you decide]
            - Assign button top
- Cost & Activity Input
    - KP06 change KP07 display
    - Enter & variables & top left overview - you can enter data like direct production cost 416100, 417001. [overview screen will not open unless 800000 & 893010 have been defined as cost elements & cost center details entered in the cost element].
    - Top left butt gives 12 period dist
    - Top left 2nd butt , back for totals & save
    - Using KP04 before KP06, gets the version, from to periods etc by default. Enter * at cost center & cost element to go to the next screen.
    - Ensure that both plan & actual data are in the same year [especially if it is a calender year and the cost center exists as on that date]
    - Earlier plan amounts were entered. To enter actual figures, create AAM thru FKMT equivalence type i.e. specify %ages, so that later amounts can be distributed auto. Use F-02 [FB50 requires complex posting to bring up AAM], clear tax problems if any
    - On saving for question “Edit all items” enter screen by screen
    - Enter text where reqd
    - Bank value date
    - TT 50 for total amount
    - S_ALR_87013611 for comparisions [from to period will give plan data for the whole year. For meaningful comparisions, ensure period is relevant]
- Redistribution IMG/CO/CCA/Act Posting/PE Closing/Distribution
    - Define distribution [okks – set CO area]
        - Create actual dist [KSV1]

        - Cycle any name
        - Starting date 8 type text
        - Top left button, attach segment [details of cost centers], segment name any & screens
        - Segment header 40% to redistribute [receiver tracing factor – use fixed %age , variable portion gives errors.]
        - Sender receiver - sending cost center to receiving cost center
        - Sender values
        - Receiver tracing factor [100 %]
    - KSV5 for distribution i.e. redistribution [SAP/CO/CCA/PE Closing/Single Function/Allocation]
    - S_ALR_87013611 to view
- Assessment IMG/CO/CCA/ActPosting/Period end closing/Assessment [allocation to, but for a secondary CCtr. For primary use distribution]
    - Specify receiver types for assessment
    - Create assessment cost elements [cafe, material03] [KA06]
        - Top left master data → screens
            - Basic data - cost element category - assessment 42
            - Indicators
            - Default A Assig USER1 CCtr becomes a sender
    - Define allocation structures [KSES] *{ not required }*
        - New entries
        - Assignment [create new]
            - Source from Cele to Cele
        - Assessment cost element
            - New entries CAFETERIA [F4]
        - Settlement cost elements
            - Receiver category CTR
            - By cost element
    - Maintain assessment
        - Create actual assessment / change [KSU1]
            - Cycle UD bpacyc
                - Iterative
                - Attach segment
                    - Segment UD bpclasgeg screens ↓
                    - Segment header
                        - Assessment C Ele CAFE
                        - Allocation stru VA [enter either CEle/VA but not both]
                        - Receiver rule Fixed %ages
                    - Sender / receiver
                        - Cost center from to
                        - Cost ele from to
                    - Receiver cost center from to
                    - Sender values
                        - Share in % 50 etc
                        - Act Vals Plan Vals ☐
                    - Receiver tracing factor - cost ctr USER2 enter %ages [for all receivers]
    - SAP/CO/CCA/PE Closing/Single Function/Allocation

- KSU5 assessment [F8]
- S_ALR_87013611 to view

INTERNAL ORDERS

IMG/CO/IO

- Activate order management in CO area
  - Select & left
    - Activate components / control indicators
    - Assignment of co codes
- Order master data
  - Define order types
    - Order cat 01 internal order[CO] screen ↓

      - Order type UD [MKTG]
      - Settlement profile 20 internal *[use settle to CCTR with orig CEle]*
      - Plan profile - general *[Obj Class Inv for Assets]*
      - Functional area [like SD,MM etc]
      - Business area [for consolidation]
      - Archiving time 3 months [removes data from actual DB & stores offline for better space management]
      - Co partner active will produce a total record
      - *Control indic Classi, Commit Mgmt, Revenue Postings on.*
      - Status profile : Release status will allow posting to cost center [no need to release later on]
      - Order layout 0030 *or blank.*
      - Print form
      - Save [no range not maintained error message is OK]
    - Maintain no ranges for orders [the following applies to **No ranges for settlements also**]
      - Click groups [top button - maintain]
      - The internal order created earlier is unassigned
        - Position cursor on I/o
        - Click on top button right [select]
        - Position cursor on target group [prodn]
        - Click on top center button [element group]
      - The unassigned I/o will be assigned
- IMG/CO/IO/ActualPostings/Settlement
  - Maintain no ranges for settlement documents
  - Maintain settlement cost elements
    - Create primary settlement cost element *[Create 500000 CElem cat 22 ext sett for Assets.]*
    - Change Primary/Secondary settlement cost element
    - **Create secondary** settlement cost element ↓ screens
      - Basic data
        - C Ele Cat 21 Settlement
        - Default AcAssign Cost Ctr HPCLCOSTS
    - Maintain allocation structures VA
      - Assignments [select VA/ *00* & click assignments]
        - Source 400000 – 650300 *[separate for Asset]*
        - Assessment cost elements SETUP
        - Settlement cost elements
          - Receiver category CostCtr *[FXA for Assets]*
          - By cost element ❑ [leave blank]
          - Settlement cost element IORCOELE [IO cost ele][secondary cost element defined above] *[500000 for Assets i.e. with 22]*
    - Maintain source structure *7*
      - Select & top left
        - Assignments - select *70* & left
        - Source [new entry] *separate for Asset]*
        - Cost element from to [group leave blank]
    - Maintain Settlement Profiles

    - Enter Alloc & Source Stru with default obj type FXA for Assets & valid receiver CCTR/*Fixed Asset* reqd/ GL optional.
- SAP/Ac/CO/IO/Master Data/Special Functions/Order
  - KO01 create *Type 0722*
    - Co code BPCL plant BPPL
    - Obj class overhead
    - Release [right button][will not come if release immediately selected earlier]
    - Settlement rule [top][w/out which IO will not work]
      - Cost CTR, Receiver DIRPRCOST, %age ---- *Sett Type FUL*
      - From 1/2003 to 4/2003 etc *LEAVE BLANK*
    - Top header Goto settlement params [F8]
      - Allocation structures VA */ 00*
      - PA trf structure [profitability analysis][FI - Direct a/c assig FI/MM] *N/a*
      - Source Stru. *Use 7 [enter Asset value date]*
      - Save - [order no created]
- IO/Planning/Cost & Activity Inputs *Planner profile ZSAPEASY*
  - KPF6 change [use form based]
  - Enter plan data & save
  - Enter actual values F-02 & GL item fast entry [top butt] for I/Orders. Mention I/o for all 40, but not for 50.
  - Clear tax probs if any, bank value date, enter text etc.
  - Save document
  - S_ALR_87012993 to view
- SAP/Ac/CO/PE Closing/SingleFunction/Settlement
  - KO88 settlement
  - IO no last created comes up by default *[enter asset value date]*
  - Enter settlement period [004 for 4] and posting period as relevant.
  - [F8] *[AW01N to see Asset]*
  - View cost center comparision - S_ALR_87013611 [as after settlement, amount must go to C Ctr]

ACTIVITY BASED COSTING

- IMG/CO/ABC - there should be a CO area & a cost ctr existing
- Activate ABC in CO area
  - Activate components - ABC components active for analytical & integrated calculation
  - Assignment of co codes
- Maintain Std Hierarchy for CO area - assign std hierarchy defined under master data/business process *[enter the Std Hier defined in Co Area]*
- Master Data / Bus Processes - Maintain std hierarchy of Bus process [like CCtr] right click & create Bus Proc. [CPH4N] *[enter only basic data]*

- Templates / maintain templates *[not required]*
    - Create template - activation conditions [active]
    - Change template
    - Display template
    - Environment BPP [bus planning process]
    - Object type Cost element
    - Object template
- Assign templates for Bus Process [packing etc] screens ↓ *[not reqd]*
    - Basic data
    - Organization
    - Attributes
    - Allocation
    - Templates
    - History
- Planning / maintain versions
    - Create authorization groups for versions
    - Maintain settings of version in controlling area
        - Settings by fiscal year [integrated planning on for FY 2005]
        - Version 0, plan Act *Legal Valuation*
        - WIP/RA Variance
        - Auth group, ref version *n/a*
- SAP/Ac/CO/ABC/Planning
    - KP04 set planner profile [SAPALL] *[use ZSAPALL 1-D01 with CEle]*
    - F4, create new, skip, dbl click ABC &
    - IMG/CO/ABC/Planning/Manual Planning/Def UD Plan Profiles - copy SAPALL → ZPCLABC & enter defaults
    - Select & left
- Cost / Activity/Process/Inputs
    - CP06 change - bus processes with cost elements as GL a/c's & top left overview
    - Enter plan fixed / variable costs & dist key 1 [equal dist]
- S_ALR_87011760 plan / actual comparison
- FB50 actual postings - enter bus process in screen *[use screen variant from top header edit]*
- S_ALR_87011761 plan/actual costs - to check variances
- *You can also use Dist/Asst under ABC/PEClos/Dist etc.*

PROFIT CENTER ACCOUNTING

[OMSY to open Fin Year]

- IMG/CO/PCA
    - Basic settings
        - Set controlling area
    - Controlling area settings
        - Maintain CO area settings - field for dummy P Ctr wil be blank, but as soon it is defined, it should be displayed
        - Std hierarchy as per your CO area.
        - Elimination of duplication */ Int Bus Vol* [keep off]
        - Local currency

    - P Ctr currency
    - *Legal Valuation*
    - Control Indicator [active]
- Master data / profit center
    - Maintain P Ctr groups. After creating the group, go back to maintain CO area setting and put the group in the tree, o/w P Ctr will not accept the group, and you will have to make do with the hierarchy.
    - Create dummy P Ctr
    - Maintain profit center [under group created] screens
        - Basic data
        - Indicators
        - Co codes
- PCA/Basic settings/CO area settings
    - Activate direct postings - set control param for actual data - new entries - line / online
    - Plan versions
        - Maintain plan version
            - Plan version 0
            - Settings for P Ctr
            - New entries
            - Online line item TP0 [transfer price]
            - Exch rate type "M"
        - Adjust line items [no action]
    - Analyse settings
    - Update basic settings - check all correct ?
- MM01 create material
    - Costing 1 scr profit center - enter with Qty structure & no costing off .
    - Costing 2 - Planned price & dates
- IMG/CO/PCA/Assignment to profit centers
    - Check assignment
        - Top – assignment monitor IKE4
        - Material *[ensure job is run etc]*
        - Assigned materials - material created assigned to P Ctr
- MB1C - initial stock [do not copy/assign WH as it creates a problem in MB1C]
- VOK0 - pricing for new material if reqd
- VA01 - sales order
- VL01N - pick & post goods issue
- VF01 - Billing
- FB15, FD10N, FD11 to view
- VF02 - A/cing documents
- IMG/CO/CEA/MD/CE
    - Create cost elements WRT 800000 & 893010 for them to appear in PCS reports
- PCA/Transfer Prices
    - Basic settings for Pricing *n/a*
        - Condition types
        - Pricing procedures
        - Transfer price variants
    - Advanced settings for pricing *n/a*
        - Define price dependencies

        - Define access sequences
        - Define condition exckusions for groups
        - Define pricing reports
    - Profit planning
        - Define permitted a/c's [to appear in PCA]
        - 800000 sales
        - 893010 cost of sales
    - Actual postings
        - Maintain automatic a/c assignment
        - C/E 800000 PC BPTRANS Mandatory 3
        - *Can also enter 893010 with CCTR.*
- SAP/CO/PCA/Planning
    - 7KEP set planner profile *z*SAP800 *[Layout 8A-101]* PC groups [centralized]
- SAP/CO/PCA/Planning/Costs/Revenues
    - 7KE1 change
    - 7KE2 display
    - Version 0 1-12 2003 *2005*
    - Co code Pc Gr A/c etc
    - Overview [enter] 8
    - PCtr, Amount, Dist, INR etc
    - Enter costs/revenues - equal dist etc *[cr –ve for 800000 & 893010 for cop etc]*
- Since sales are booked thru VF01, after entering plan amounts, variances can be viewed thru SAP/CO/PCA/InfoSystems/ReportsForPca/InteractiveReporting S_ALR_87013326

PROFITABLILTY ANALYSIS

There are 2 types of profitability analysis : Costing based & Account Based *[see end]*

- IMG/CO/PA/Structure/DefineOpConcern
    - Manitain Op Concern - Screens
        - Select create button [ignore the warning message]
        - Name operating concern.
        - Select Costing Based.
    - Save
        - Data structure / Create

Charecteristics [to see]	Value Fields[to see]
Customerwise	Sales Qty
Cust Groupwise	Sales Value

- Materialwise COGS
- Material Groupwise Discounts

- Characteristics
  - MATKL Matl Group click τ
  - KUNNR Customer click τ
  - KMKDGR Customer Group
  - VVGRW Group weight
- Value Fields
  - VVIQT Invoice Qty
  - VV010 Revenue
  - VV020 Qty Discount
  - VV030 Customer Discount
  - VV040 Material Discount
  - VV060 Other Rebates
  - VV070 Cash Discount
  - VV110 Accrued Freight
  - VV140 COGS
- Save
- Select Activate Button
- Select Back Arrow
- Select YES for “Do you want to generate Op Concern Environment ?” [Status Green = Active]
- Attributes
  - OC Currency = INR
  - Select Co Code Currency = INR
  - Fiscal Year = K4 *[ensure same fiscal yr in FI]*
- Save *[o/w assignment not possible]*
- Environment - activate client specific Part

- IMG/ES/Assignment/CO/Assign CO area to OP Concern
- IMG/CO/General Controlling/Organisation
  - Maintain CO area
    - Activate components
    - *If activation is in display mode uses KEKE to activate.This will happen only after Assignment to Op Concern as above.*
  - Maintain versions 0
    - Settings in op concern – weekly *[no option ??]*
- IMG/CO/PA/Structure/DefineOP Concern
  - Maintain characteristics [key fields]
    - Chars created earlier [MATKL etc]
  - Maintain value fields
    - Created earlier [VVIQT etc]
  - Define profitability segment characteristics
    - Operating Concern – 00BP
    - Select Costing Based
    - Enter
    - Save
- IMG/CO/PA/Master Data
  - Maintain characteristics values [top button all chars on/off]
    - Clicking on a char = maintain values

  - Char hierarchy [to structure your products / customers]
  - Define char derivation - derivation lets you find values for certain chars automatically based on known values of other chars, where these chars are logically dependent on one another
    - Derivation rule - country key, sales orgn, dist channel, division & plant - source & target
- Valuation / Valuation Strategies
  - Define & assign valuation strategy *[create new if necc with PA]*
  - PV REC Plan Ver Val Strat
  - 1 A 0 BPV
  - Point of valuation PV 1 → Real time
  - Record → A - incoming sales order
  - Details [left]
  - Assign valuation strategy
- Setup valuation using Matl Cost Estimate
  - Define access to std cost estimate
    - Costing Key 001 Costing variant PPC1
    - Costing version 1 Period [template →] 012.2003
    - Cost estimate is executed w/o date
- Define access to actual costing matl ledger
  - Costing key 002
  - Valuation view - profit center valuation / *[use legal valu o/w prob later]*
  - Type of valuation - only transfer total cost
  - Plant 00BP period 012.2003
  - Valuation field allocation 00BP ERLOS / VV010
  - Assign costing keys to products 001,002 [legal valu problem ??]
  - Assign costing keys to material types 001,002
  - Assign costing keys to any chars n/a
  - Assign value fields ERLOS / VV010
- Setup conditions & costing sheets
  - Define condition tables [create top button]
    - 502 [selected field co code] & GENERATE
  - Define access sequences
    - BP01, 10, Table 502, Co Code / Customer / Material
  - Create condition types & costing sheets
    - Define type, prices & price
    - Separate pricing proc for CO [ZWMP01]
    - Steps counter ZBPR
    - 100 00 ZBPR
    - Condition records however do not appear [xxx]
  - Assign value fields
    - Ctype Value Field
    - ZBPR ERLOS / VV010
  - Define pricing reports - P1
    - Cost ctr, co code, header [key field & text] rest – item level [only key field]
- Planning
  - Initial steps
    - Maintain version 0
    - Settings in Op concern [transfer to Sop – create char groups]
  - Assign qty fields

        - SD Qty Field   COPA Qty Field
        - Order qty   Sales Qty
    - Planning framework
        - Setup planning framework 00BP General O/View
        - Aids for Changeover to the Planning Framework
            - Create planning level from planning layout ZPLAN
            - Display Planner Profiles
                - Create your planner profile [use change butt]
    - Manual entry of Planning data
        - Define planning layout / Create
            - Save
    - Setup trans based top down dist
        - Define value field assignment
            - Value field same as ref field
        - Define dist profile [BDI]
            - Dist level
                - Receiving char PRCTR [profit Ctr]
- Flow of actual values
    - Initial steps
        - Characteristic groups
            - Maintain char groups [see top]
            - Assign char groups for assign screens
            - Assign char groups for line item screens
        - Value field groups
            - Maintain value field groups
            - BPVF [only value fields Rev, Gross sales, freight etc]
            - Assign value fields for line item screens
    - Transfer of incoming sales orders
        - Assign value fields SD → COPA
            - Condition Type   Value Field
            - PR00   VV010
            - KP00 pallet dis   VV020
            - KA07 cust dis   VV030
            - KA00 sales promotion   VV060
            - ZF00 accrued freight   VV110
            - VPRS cost   VV140
        - Save
        - Assign Qty Fields SD → COPA
            - SD Qty Field   COPA Qty
            - BRGEW   VVGRM gross wt
            - FKIMG   VVIQT invoice qty
        - Activate transfer of incoming sales orders
    - Transfer of billing documents
    - Order & Project settlement
        - Define PA transfer structure for a settlement
            - PA Trf Stru FI
            - Assignment line 50 [revenues]
            - Source cost element 800000 to 805000
            - Value fields ERLOS / VV010

        - Assign PA Stru to settlement profile 00BP
        - Activation of Profitability Analysis
            - IMG/CO/PA/Flow of Actual Values/Activate PA
                - Select thru position & 2
            - IMG/CO/PA/Flow of Actual Values/Initial Steps/Define No ranges for Actual Postings
                - Select Op Concern
                - Select maintain groups
            - Save
        - IMG/FA/Global Settings/Document/Line Item/Controls/Maintain FSV
            - Select FSV [0001]
            - Dbl Click FSG [G004]
            - Dbl click Addl A/c Assignment [PgDn]
            - Profitability segment required / optional.
            - Save ′ enter
            - Select G001 & dbl click
            - Dbl click Addl A/c Assignment
            - Profitability segment required / optional.
            - Save
    - IMG/CO/PA/Flow of Actual Values/Direct Postings from FI/MM
        - Maintain PA transfer stru for direct postings
            - Select FI [stru] Financial A/cing
            - Dbl click assignment lines
            - Select 10 direct cost from FI
            - Dbl click source
            - From 400000 to 499999
            - Dbl click value fields
            - Select new entries
            - Select Value fields [QTY/Value] 1 [fix] VV140 [value field]
            - Save
            - Select τ . [back arrow]
            - Select 20 direct revenues from FI
            - Dbl click source
            - From 300000 to 399999
            - Select Value fields [QTY/Value] 1 [fix] VV010 [value field]
            - Save

    - Posting of transaction in FI [F-02]
        - 40 cash 113100 8 amt 100000 BA BPCL des = sales posting
        - 50 sales 800000 8 amt "" "" BA BPCL des = +
        - Select profit segment ′ [arrow]
        - Select [continue]
        - Save
        - To see line item list display A/c/CO/PA/Info System/Disp Line Item List [KE24 – Actual]
            - Cur type 10
            - Rec Type B dir FI posting
            - Period 012/2004
            - Co Code HPCL

    - Customer 2704
    - Execute & list appears.
- To see the report
- A/c/CO/PA/Info System/Execute report [KE30]
- Dbl click IDES 50 actual data
    - Sales org 1000
    - From 1.02.00
    - To 12.02.00
    - Plan/act ind = 0
    - Execute
- Goto navigate [menu] ′ switch drill down
- Select customerwise.
- Navigate ′ switch drill down.
- Select actual data.

[There seems to be a confusion between direct FI & incoming sales order. It is better to be clear about what PA you want to achieve before starting to avoid disappointments]

PRODUCT COST CONTROLLING

What are the material types ?

1. Raw Material   ROH - Account Groups
2. Stores & Spares   ERSA
3. Packing Material   VERP
4. Finished Goods   FERT
5. Trading Goods   HAWA
6. Semi – Finished Goods   HALB
7. Services   DIEN

You have to create under <u>material master</u> just like GL Master in FI.

Material Master :

- Purchase View - Views are nothing but areas or different screens.
- Sales View
- Accounting View
- Costing Views
- MRP View
- Production View
- Quality View

Product Costing is used to valuate Finished Goods at Standard Price.

Cost Sheet :

Raw Material	xxx	qty from BOM x price as per matl master
RM Overhead	xxx	%age of RM above
Personnel Cost	xxx	
Manufacturing Cost	xxx	
Mfg Overhead	xxx	
Cost of Goods Mfg		
Admin & SD	xxx	
Cost of Goods Sold	xxx	

Personnel Power

Dept A ′ B ′ C ′ D

[routing means how many depts. Or product runs]

Power Cost 100,000
No of Hrs 10,000
Per Hr 10

Depts are called work centers in PP
In work centers we assign Cost center.

Yarn 2hrs x 10 = 20
ProYarn 6hrs x 10 = 60

All done in 1000 Co Code

Basic Settings

Log/MM/Matl Master/Material/Create General – immediately
MM01

- Material WSLFG
- Material Type Finished Goods
- Material T – F100
- Industry Sector Mech Engg
- Select Orgn Levels
  - Plant 1000 8 [enter]
- Select top right button
- Select Accounting 1 View

  - o Price control S Standard
  - o Std Price 200
- Select top right button
- Select Costing 1 view
  - o Select with qty structure
- Overhead group = SAP10
- Select Costing 2 view.
- Save

Creation of Raw Material

- Material WSLRM1
- Industry Mech Engg
- Matl Type Raw Material
- Material T-T300

- Select Organisational Levels
  - o Plant 1000 8 [enter]
- Select top right button - Acounting 1 view
  - o Valuation Cost 3000
  - o Mov Avg Price 50 Rs
- Save

- Material WSLRM2
- Industry Mech Engg
- Matl Type Raw Material

- Select Organisational Levels
  - o Plant 1000 8 [enter]
  - o Des WSLRM2
- Select top right button - Acounting 1 view
  - o Valuation Class 3000
  - o Avg Price 25 Rs
- Save

<u>Creation of Work Center [in production planning]</u>

Log/Prodn/Master Data/Work Centers/Work Center/Create CR01

- Plant 1000 work center & cost center will be same
- Work Center Test5 [any name]
- Work Center Cat 0001
- 8 [enter]
- Working Hamburg Test5 work center
- Select costing tab ′ date = 1.1.03
- Cost Center Test2
- Machine 1419
- Save

<u>Creation of Routing</u> [routing means how many depts or product runs]
[logic → this product goes thru how many depts.]
Log/Prodn/Master Data/Routings/Standard Routings/Create CA01

- Material WSLFG
- Plant 1000
- Group 50000002
- 8 [enter]
  - o Usage 1
  - o Status 4 [released general]
- Select Operations Button
- Operations Work Center
- 0010 Test5
- Dbl Click 0010 operation
- Machine 120 mins
- Save

Define Costing Sheets :
IMG/CO/PCC/PCPlanning/Basic Settings for Material Cost/Overhead
Define Costing Sheets

- Select COGM [cost of goods manufactured]
- Dbl Click costing sheet rows
- Select 10 raw material
- Dbl Click base
  - o Controlling area 1000
  - o From Cost element 400000 to CE 410000
- Select 20 Material O/h
- Dbl Click overhead rate
  - o Position → enter
  - o Give OH type 2 OH type
- Select 60 Prod Cost
- Dbl Click base
  - o CO area 1000
  - o Select new entries
  - o From CE 416200 to CE 416200
- Save

CREATION BILL OF MATERIAL
Log/Prodn/Master Data/BOM/Material BOM/Create CS01

- Material WSLFG
- Plant 1000
- BOM Usage 1
- 8 [enter]
- Item Item Category Comp Unit
- 0001 L WSCRM1 PC
- 0002 L WSCRM2 PC
- Save

CREATION OF SECONDARY COST ELEMENT

A/c/CO/CEA/c/Master Data/CE/Indiv Proc/Create KA06

- Cost Element 620001 [any no can be given]
- Valid from 01.04.00 [Co Area WSL]
- 8 [enter]
    - o Name machine hour rate
    - o Element Cat internal activity allocation 43
- Save
- Co Area 1000
- Save

CREATION OF ACTIVITY
A/c/CO/CCA/MD/Activity Type/Indiv Proc/Create KL01

- Activity Type 1419 [can be any no or name]
- Valid from 01.01.00 8 [enter]
- Name machine hours
- Description machine hours
- Activity unit H
- CCtr category *
- Act Type Cat 1
- Allocation CE 620001
- Save

CREATION OF COST CENTERS
A/c/CO/CCA/MD/Cost Centers/Create KS01

- Cost Center Test2 [any name or no]
- Name Test2 cost center
- Description Test2 cost center
- Person responsible A
- C Ctr Category 1
- Hierarchy Area H1
- Co Code 1000
- Bus Area 1000
- Save

CREATION OF COST CENTER GROUP KSH1

- Cost Center Group Testall [any name]
- Testall Testall
- Test2
- Save

PLANNING FOR COST CENTER FOR POWER ELEMENT KP06

Version	=	0
From Period	=	10 [for next month]
To period	=	10
Fiscal Year	=	2003
Cost Center	=	Test2

Cost Ele to = 499999
Select ⏩ from based
Select overview screen

Cost Element	Plan Fixed Cost
416200	100000

Save

CHANGE ACTIVITY TYPE PER PRICE PER PLANNING
[giving no of hrs required]
Controlling/CCA/Planning/Activity/Output Price/Change

Version	=	0
From Month	=	10
To Period	=	10
Fiscal Year	=	2003
Cost Center	=	Test2
Activity Type	=	1419

Select ⏩ from based
Select overview screen

Activity	Plan Activity
416200	100000

Save

PRICE CALCULATION [to get per hr cost calculation]
Accounting/Controlling/CCA/Planning/Allocations/Price Calc
[TC – KSPI]

Select Cost Center Group	=	Testall
Select no bus processes	=	
Version	=	0
Period From	=	10
To Period	=	10
Fiscal Year	=	2003
Test Run	=	
Detail List	=	

Execute
Select back arrow
Yes

TO CHECK WHICH COSTING SHEET IS TO BE ATTACHED TO COSTING VARIANT
IMG/Controlling/PCC/Material Cost Estimate with Qty Structure/Define Costing Variant
[TC – OKKN]

Select Position Button
Costing Variant = PPC1 [std cost estimate]
Select PPC1 ′ select details button
Select valuation variant button
Select overhead tab = costing sheet = COGM
Save

GOODS RECEIPT / PRODUCTION RECEIPT [in MM]
Logistics/Matl Mgmt/Inv Mgmt/Goods Movement/Goods Receipt/Other
[TC – MB1C]

Document Date = 23.07.03
Posting Date = 23.07.03
Movement Type = 521
Plant = 1000
[enter] 8

Material	Qty	SLOC
WSLFG	1	0001

Save

TO CHECK THE MATERIAL MASTER TO SEE VALUES ARE UPDATED OR NOT
Material = WSL
Plant = 1000
Accounting 1

CREATION OF COST ESTIMATE WITH QTY STRUCTURE
Accounting/CO/PCC/PCPlanning/Material Costing/Cost Estimate with Qty Structure/ Create
[TC – CK11N]

Material	=	WSLFG	WSLRM1	=	50
Plant	=	1000	RM2	=	25
Costing Variant		PPC1	10 %	=	7.5
Costing Version		1	Power 2x5	=	10
					92.5

8 [enter]
8 [enter]

Cost Element	Total Value
620001	10
400000	50
400000	25
629900	2.10
655100	7.50
	94.6

Save
Goto Material Master MM03
Select Costing 2 View

PRICE UPDATE
Accounting/CO/PCC/PCPlanning/Material Costing/Price Update
[TC – CK24]

Posting Period	=	9 2003	′ Select marking release
Co Code	=	1000	′ Select CoCode 1000
Plant	=	1000	′ Costing Variant PPC1
Material	=	WSLFG	′ Costing Version 01
Execute			′ Save
			′ Select Back Arrow
			′ Select Release Button

When you do marking, the price as per Costing will be the future price.
When you do releasing, cost estimate price will become current price.

Then current price will become previous price & new cost estimate price will become future price.

COST ESTIMATE WITHOUT QUANTITY STRUCTURE
Accounting/CO/PCC/PCPlanning/Matl Cost Planning/Cost Estimate Without Structure/ Create [TC – KKPAN]

Material No = WSLFG
Plant = 1000
Costing Variant = PPC1
Costing Date = 31.12.99
Valuation Date = 01.01.03
Enter 8
Category = Material
Resource = WSLRM1
Plant = 1000
Qty = 1 PC
Enter 8
Category = M
Resource = WSLRM2
Plant = 1000
Qty = 1 PC
Enter 8
Category = E
Resource = Tets2
Plant = 1419 [activity]
Qty = 2 H [hrs]
Enter 8
Save

Marking & releasing [we are avoiding PP completely]
Same as price update.

Implementation Phases

Implementation Stages :

ASAP is a PC based solution recommended by SAP for implementation planning and for use in an R/3 System implementation. ASAP optimizes time, quality & efficient use of resources. ASAP integrates 3 components

1. The ASAP Roadmap
2. Tools
3. R/3 Service & Training

The ASAP Roadmap – which delivers a process oriented, clear & concise project plan to provide step by step direction throughout the R/3 implementation, which consists of 5 phases.

1. Project Preparation / Scoping
2. Business Blueprint
3. Realization
4. Final Preparation
5. Go Live & Support

Tools :

Implementation Assistant
Question & Answer Database [QADB]
Implementation Guide
Profile Generator
Transport System
R/3 Business Engineer
Project Estimator – helps drawing up a project plan.
Concept Check Tool
Accelerators - industry specific solutions [RRR i.e. Ready to Run R/3]
Sample Implementation Project Plans
SAP Ref Structure & Sub Structure fo ASAP – IMG link, which allows direct navigation from BPML to IMG related activities.
IDES the model R/3 Company

Project Related Knowledge :

ASAP Project Management
ASAP Change Management
Risk Analysis
Review

R/3 System

An R/3 transaction is a sequence of dialog steps that are consistent in a business context and that belong together logically. When an R/3 transaction is executed, all individual dialog steps are performed and the data entered in the transaction is updated in the database. From the viewpoint of the database, this is a conversion from one consistent state to the next.
After a user accesses a transaction, the R/3 system starts a query from the application level to the database level. This query is performed in SQL [structured query language] the language compatible with most database systems. The scope of SQL enables the full functionality of the database system, including all vendor-specific enhancements to be used.

R/3	User	Front End
	Application Component	Middle Layer
	ABAP Dictionary	Middle Layer
	Relational Database	Backend

Project Preparation

The primary focus of Phase I is getting the project started, identifying team members & developing a high level plan. This process continues with customer interaction through a QADB, thereby enabling knowledge of the customers process and facilitating of the AS IS Document which is the DELIVERABLE of this phase. Customer sign off on the AS IS is a must.

The project preparation is instrumental in generating the AS IS document. This document captures all the proceses "AS IS". This becomes the deliverable and input for the next stage. The project plan, resources etc are done through a project estimator. In the course of capturing the proceses, a sandbox client can be set up to demonstrate to the customer. As to how SAP will function [look & feel].

Business Blueprint

Understand the business goals of the company & to determine the business requirements needed to support these goals.
The Business Blueprint captures all the processes "TO BE", which has taken the information from the "AS IS" document, & after GAP ANALYSIS, SANDBOX demo etc, USER SIGNOFF, generated a "TO BE" deliverable, which forms the basis for the implementation.

Realization

To implement al the business & process requirements based on the Business Blueprint.
Customize step by step in two work packages, Baseline & Final Configuration.
The implementation takes off in a Development Box, which is an independent and insulated server. All configuration done on any earlier SANDBOXES, are reconfigured on the DEV Box. This configuration is transported to the Test Integration/Implementation Server, where the data is loaded & testing & integration point tests take place. Data transports are always from the Dev Box to the Test Server, & not vice versa. If any modifications are done on the Test Server in the course of testing, they have to be redone on the Dev Server.

Final Preparation

Complete testing, end user training, system management and cutover activities. Critical Open issues are resolved. Upon the successful completion of this phase, business in the R/3 Production Server can be run. After all testing is done, compile documentation, user training and signoff.

Go Live & Support

Transition from a project oriented, pre-productive environment to a successful & live productive operation.
Go Live & Early Watch : The Go Live check is for just before you cut over to live operation. It tests whether the system is suitably configured for the requirements. In early watch sessions, SAP spots potential performance problems early & suggests suitable corrective measures.
Remote Consulting : In remote consulting sessions, SAP consultants log into your server at convienent times, trying to analyse & solve problems in your system from their desk.

Img – Implementation Guide

The IMG acts as a checklist of the customizing activities that an enterprise should complete for a SAP system implementation project. The IMG is hierarchally structured.
From a project IMG, you can work on customizing transactions, project documentation, cross project documentation and project management information.
Industry specific customizing is the name given to the installation of the default customizing parameters in the IMG that relate to a certain industry. You can transfer industry specific master data structures to the system by using a CATT which is also integrated in the R/3 system. CATT's are provided for industry specific businesscases defined by SAP. Industry business solutions are integrated in the Business Framework as Business Components. The implementations of the system can also be ready to run R/3 [RRR] system solution. The main feature of this system is the complete delivery of hardware and software allowing you to rapidly install the R/3 system.

ABAP Dictionary

The ABAP dictionary contains the field definitions that are defined in the standard SAP system. While online, the system uses the definition of the table fields in the ABAP dictionary to check the format of the users field entries. The check on R/3 application level guarantees data consistency before the data is transferred to the database.

Business Object Repository

Where SAP Business Objects are maintained. A SAP Bus Object is the representation of a central bus object in the real world like an employee, sales order etc. Methods [application programs] are used to modify the attributes [characteristics that specify a bus object] e.g change employee address, promote employee. A bus object in a BOR can have many methods from which one or several are implemented as BAPIs.

Business Application Programming Interface

A BAPI is basically an entry gate to the R/3 system, which R/3 offers access to business data & processes. A BAPI is assigned to one & only one bus object. Business components interact in the Business Framework Architecture via open BAPIs.

Architecture :

SAP Bus Component	FI, HR etc
Bus Objects	Sales Orders
BAPIs	Create Sales Order
Client Components	Sales component on an external w/station

Sample FI Configuration Sequence

ENTERPRISE STRUCTURE

1. Create Company	*Company TATABP created.*
2. Create Co Code	*.Company Code TTBP created*
3. Assign Co Code to Co	*TTBP assigned to TATABP*
4. Create Bus Area	*TTBN, TTBS, TTBE, TTBW, TTBC created for North, South, East, West, Central India*
5. Maintain FYV	*Fiscal Year Variant **V3 [TC – OB29]***
6. Assign Co Code to FYV	*TTBP assigned to **V3 [TC – OB37]***

7. Create COA	**CAIN** [TC – OB13]
8. Assign Co Code to COA	*TTBP assigned to* ***CAIN [TC – OB62]***
9. Define A/c Groups	**Groups copied** N/A **as already existing in CAIN** [TC – OBD4]
10. Define Retained Earnings	*A/c 11610000* ***[TC – OB53]***
11. Define PPV	*Posting Period variant TATA* ***[TC - OBBO]***
12. Assign Variants to Co Code	**TATA assigned to TTBP** [TC – OBBP]
13. Open & Close Posting Periods	*Posting periods opened 2000-10* ***[TC – OB52]***
14. Define Doc Types & No Ranges	*No ranges copied from 0001 as none present in IN01* ***[TC – OBA7]***
15. Define Tolerance groups for GL	*Tolerance Gr TATA defined* ***[TC – OBA0]***
16. Define Tolerance Groups for employees	*Tolerance Gr "" defined* ***[TC – OBA4]***
17. Define FSV	**Field Status Variant TATA defined**
18. Assign Co Code to FSV	*TTBP assigned to TATA* ***[TC – OBC5]***
19. Global Parameters	*Checked Global Parameters* ***[TC – OBY6]*** *Propose fiscal year, -ve postings allowed, default value date ON.*
20. Maintain Controlling Area	*TTBP CO area & STD HIER* ***[TC – OKKP]*** **Fiscal Year from 2003** *CCA active, AA IS ON, PA, ABC NOT active* *PROFIT CENTER ON*
21. Maintain Versions	*COPY 0, Select settings for each Fiscal Year, Enter CO area & select fiscal year*
22. Maintain NO Ranges	*GROUP INSERT, create no range, select element COIN, Target TTBP & assign* ***[TC – KANK]***

COST CENTERS

23. Create default cost center	*DEFTATABP* ***[TC – KS01]***
24. Create Cost Element	*UOM KL* ***[TC – KA01] PRIMARY*** **COST OF RM TRF 51000000** *COST OF PROD FACT 49000000* *COST OF FIN GOODS TRF 52100000* *COST OF FIN GOODS SOLD 50200000* *SEMI FIN GOODS TRF 51100000* *MFG SAL & WAGES 55010000* *SALES – DOMESTIC BASE SALES REALISATION 40010000* *UOM KL* ***[TC – KA06] SECONDARY [Celem category 43 internal activity allocation]*** *SETUPCOSTS for setup prior to production* *LABOUR DIR for labour costs* *MACHINECST for machine costs*
25. Create Cost Center Groups & Cost Centers	***[TC – OKEON]*** *TTBP - STD HIER* *DEFTATABP - Default Cost Center* *TPLS Silvassa Plant Gujarat* *TPLSL1 - Lane 1*

	TPLSL1BOS Base Oil Storage *TPLSL1PUR Purification* *TPLSL1BLN Blending* *TPLSL1FIL Filter Press* *TPLSL1CAT Cattle Tank Storage* *TPLSL1AFM Auto Fill Machine* *TPLSL1QC Quality Checks* *TPLSL2 - Lane 2* *TPLSL2BOS Base Oil Storage* *TPLSL2PUR Purification* *TPLSL2BLN Blending* *TPLSL2FIL Filter Press* *TPLSL2CAT Cattle Tank Storage* *TPLSL2AFM Auto Fill Machine* *TPLSL2QC Quality Checks* *TPLT Patalganga Plant Gujarat* *TPLU Paharpua Plant West Bengal* *TPLV Tondiarpet Plant Tamil Nadu* *TPLW Ballabhgarh Plant New Delhi* *TPLX Hoskote Plant Karnataka*

CREDIT CONTROL AREA

26. Create Addl Bus Areas	*TTB1, TTB2, TTB3 created*
27. Create Credit Control Area	*TTCC created*
28. Assign Credit Control Area to Company Code.	*Assigned*

FI-MM INTEGRATION

29. Purchase Quotation 30. Purchase Requisition 31. Purchase Order 32. Automatic Posting Procedures [OBYC – can be accessed thru Config Auto Postings in MM/A/C DETER W/O WIZARD] [with WIZARD, valuation account creates a problem ??]	ME51 **– no integration** **No integration** ***ME21*** *– no integration* BSX – inventory posting configured *[Rules based on valuation modifier, valuation class]* *[Account Assignment – Valuation modifier, Valuation Class, Gl a/c]* *7920 GL 24300000 – Fin Prod: Prod & Purch for sale* *[Posting Key 89/99]* **BSD – inventory posting** *7920 GL Dr 58012000 Other losses matl* *7920 GL Cr 45500000 Other Gains matl* **WRX – GR/IR clearing A/c** *Posting Key 86/96* *GL 13110100 Ext Proc Dom* **GBB – offsetting entry inv posting** **FOR 7920 – General Modification** AUF**,**AUA**,** VAX**,** VBR**, PK 81/91,GL 50200000 Cost of Fin Goods Sold**

FI-SD INTEGRATION

1. Automatic Posting Procedures	**GBB –offsetting entry inv posting**

[**OBYC** – can be accessed thru Config Auto Postings in MM/A/C DETER W/O WIZARD]	*FOR 7920 – General Modification **AUF**,**AUA**, **VAX**, **VBR**, PK 81/91,GL 50200000 Cost of Fin Goods Sold*
2. Assign GL A/c's	**TC VKOA** Table 001 Cust Grp/Mat Grp/ Act Key **Copied from CACN TTSO** Table 002 Cust Grp/ Act Key *Copied from CACN TTSO* Table 003 Mat Grp/ Act Key *Copied from CACN TTSO* Table 004 General *Copied from CACN TTSO* Table 005 Account Key *Copied from CAIN 0001* Cond Type **KOFI,** Sales Org TTSO, AAGR for Cust & Mat, Act Key **ERL**, GL A/C **51010100 Sales Product 1** **Act Key** MWS **[taxes] GL A/c 24638000**

TAXES

3. Check Calc Proc	*Already defined*
4. Assign Country to Calc Proc	*Assigned*
5. Maintain Tax Proc	***[TC – FTXP]***
6. Define Tax Jurisdictions	*IN01 – IN32 defined*
7. Define Tax Codes	*A1 output tax jur code IN10 – Karnataka LST 12% defined **CST FIELD NOT ACCESSIBLE as in condition type JIP1,2 JIN1,2 level 1 was preset instead of level 2. [Acc seq TAXJ is ok?]***
8. Tax Rates	*IN01 Andhra Pradesh LST 11.00 / CST 4.00* *IN02 Arunachal Pradesh 11.50/4.00* *IN03 Assam 11.25/4.00* *IN04 Bihar 12.00/4.00* *IN05 Goa 12.25/4.00* **IN06 Gujarat 12.00/4.00** *IN07 Haryana 13.00/4.00* *IN08 Himachal Pradesh 13.50/4.00* *IN09 Jammu & Kashmir 13.50/4.00* *IN10 **Karnataka** 12.00* *IN11 Kerala 11.50/4.00* *IN12 Madhya Pradesj 11.00/4.00* *IN13 **Maharashtra** 12.00* *IN14 Manipur 10.00/4.00* *IN15 Meghalaya 10.00/4.00* *IN16 Mizoram 10.00/4.00* *IN17 Nagaland 10.00/4.00* *IN18 Orissa 11.00/4.00* *IN19 Punjab 12.50/4.00* *IN20 Rajasthan 12.00/4.00* *IN21 Sikkim 10.00/4.00* *IN22 **Tamil Nadu** 12.00*

	IN23 Tripura 10.00/4.00 *IN24 Uttar Pradesh 11.00/4.00* *IN25 **West Bengal** 12.00* *IN26 Andaman & Nicobar Islands 10.00/4.00* *IN27 Chandigarh 11.00/4.00* *IN28 Dadra & Nagar Haveli 10.00/4.00* *IN29 **Daman & Diu** 10.00* *IN30 **Delhi** 10.00* *IN31 Lakshwadeep 10.00/4.00* *IN32 Pondicherry 10.00/4.00*
9. Define Tax Accounts	***[TC – OB40]*** **JIN1 Act Key MWS GL 13113400** **JIN2 Act Key MW3 GL 13113410** **JIP1 & 2 Act Key NVV**
10. Tax in Customer	***[TC – XD01]*** **SD/Basic Functions/Taxes/** *Define Tax Relevancy of Master Records : In customer taxes, create NEW JIN1 0,& 1 for exempt & fully taxable, similar for JIN2.* *Define Tax Determination Rules : In country IN, change sequence 1,2 to JIN1,2. This will ensure JIN1,2 in VD01.*

ASSET ACOUNTING

11. Org Stru / Check country specific settings	***[TC – OA08]*** *No Changes*
12. Copy COD	***EC 08*** *OIN copied to TTBP*
13. Assign Input Tax indicator for Non – Taxable Transactions	***OBCL*** *A0, and V0 assigned.*
14. Assign COD to Co Code	***OAOB*** *- assigned [if u skip 11, assignment will not take place]*
15. Specify No Assignment across Co Codes	***AO11*** *no change*
16. Specify A/c Determination	No changes
17. Define No Ranges	**AS08** 01 to 06 defined
18. Define Asset Classes	**OAOA** no change
19. Assign GL A/c's **AO90 Plant & Mach 20000**	*20200000 - acqui & prodn costs* *21400000 - contra acqui* *58190000 - loss on ret w/o revenue* *21500000 - clearing a/c asset sale [xxx]* *58190000 - loss on asset sale* *45100000 - gain from asset sale* *20210000 - ord acc dep* *57000000 - exp dep mfg*
30000 Furnitures………………..	*20600000 - acqui & prodn costs* *21400000 - contra acqui* *58190000 - loss on ret w/o revenue* *21500000 - clearing a/c asset sale [xxx]* *58190000 - loss on asset sale* *45100000 - gain from asset sale* *20610000 - ord acc dep*

31000 Vehicles………………..	*57200000 - exp dep admn* *20700000 - acqui & prodn costs* *21400000 - contra acqui* *58190000 - loss on ret w/o revenue* *21500000 - clearing a/c asset sale [xxx]* *58190000 - loss on asset sale* *45100000 - gain from asset sale* *20710000 - ord acc dep* *57100000 - exp dep sales*
32000 Hardware………………..	*20500000 - acqui & prodn costs* *21400000 - contra acqui* *58190000 - loss on ret w/o revenue* *21500000 - clearing a/c asset sale [xxx]* *58190000 - loss on asset sale* *45100000 - gain from asset sale* *20510000 - ord acc dep* *57200000 - exp dep admn* ***A/C DETERMINATION NOT SAVED as on 07/08/04, started saving on 10/08/04***

ACTIVITIES [FOR PP]

20. Actiivate ABC in Co Area	TC – OKKP **activated**
21. Maintain Std Hier for Co Area	TC – OKW1 **assigned**
22. Create Activity Type	TC – KL01**, SETUP, LABOUR & MACHINE** *[A/c/Co/CCA/MD/ActType/IndvProc/Create]* *Activity type MIN, CCtr Cat F prodn* *Atyp Cat 1 Manual Entry, manual alloc* *Price Indicator 1 Plan price auto based on activity* *Output unit MIN minutes*
23. Create Price Planning	**TC – KP26** [A/c/Co/CCA/Pl/ActOutPrices/Change]

AR & AP

24. Define A/c Groups [Cust]	**Preset**
25. Create No Ranges [Cust]	***XDN1*** *- created*
26. Assign No Ranges to Cust A/c Groups	**Assigned**
27. Define A/c Groups [vendors]	**Preset**
28. Create No Ranges [vendors]	XKN1 **- created**
29. Assign No Ranges to Vend A/c Groups	**Assigned**
30. Check doc types	**OBA7 - preset**
31. Define Posting Keys	**OB41 - preset**
32. Default values	**OBU1 - preset**
33. Define a/c's for Cash Discount taken	*GL 44310000*
34. Define a/c's for lost cash disc	*GL 44310000*
35. Define a/c's for over / under payments	*GL 58160000*
36. A/c's for exch rate diffs	*13110000, 24430000*
37. A/c's for rounding diffs	*58242000*
38. A/c's for bank charges	*Trans BSP GL 56000000*
39. Posting Keys for Clearing	***Outgoing Payment***

	Customers 05/18 *Vendors 25/38* *GL 40/50* ***Incoming Payment*** *Customers 08/15* *Vendors 28/35* *GL 40/50* ***Credit Memo*** *Customers 02/11* *Vendors 21/32* *GL 40/50* ***Transfer Posting with Clearing*** *Customers 07/17* *Vendors 27/37* *GL 40/50*
40. HOUSE BANKS	
41. Define House Banks	*House Bank SBI* *Branch Churchgate* *Swift 123456* *Bank Number 11111* *Bank Key SBI* *A/c Id SBI* *Bank A/c No 11111* *Alt A/c No 55555* *GL 24520000* *Discounts 30000000*
42. Setup Co Codes for Payment Transactions	*TTBP Tolerance days 3, Vendors FP, Customers FPJ*
43. Setup Paying Co Codes	*TTBP, min amt for o/p 10.00 INR, 1 b/e per due dt*
44. Payment Methods per country	*IN INR preset.*
45. Payment Methods per Co Code	*TTBP C cheque 9,999,999.00 inr* *E cash 9,999,999.00 inr* *T bank tr 9,999,999.00 inr*
46. Bank determination for payment transactions	*Ranking order 1 for C cheque* *Bank A/c's SBI 25420000* *Available amounts 9,999,999,999.00* *Value Date 9,999,999.00 3 days*

47. Number ranges for cheques	*100001 - 100100 lot 101* ***TC – FCHI***
48. DUNNING	
49. Define Dunning Area	*TTBP [dunning notices not yet defined ???]*
50. Define Dunning Keys	*Preset.*
51. Define Dunning Procedures	***TC – FBMP*** *create new proc & copy from 0001 After defining/copying the texts, the above error [48] disappears.*
52. Define Interest Rates	*[To be done after defining interest indicator.]*
53. Dunning	***TC – F150*** *after passing some entries in TELCO customer, dunning params were saved and run.*
54. INTEREST	*Configured on [23/08/2004]*
55. Define Int Calc Types	*T1, T2 for item and balance @ 10 % defined for TTBP.*
56. Define No Ranges for Int forms	*Preset*
57. Def A/c Bal Int Calc	*T1 & T2 defined*
58. Def Ref Int Rates	*T1 & T2 defined*
59. Define Time Based Terms	*Defined*
60. Enter Interest Values	*10% for T1 & T2*
61. Interest Posting	*Recd 44020000* *Paid 56000000*

Checking Sample FI Configuration Sequence

1. SCC4	Locked
2. OX02	**View Company Code - TTBP**
3. OBY6	*View Co Code Global Data - TTBP*
4. OB45	*View Credit Control Areas - TTCC*
5. OX06	*Overview Co Areas - TTBP*
6. OX10	*View Plants - TPLA - TPLX*
7. OVXB	*View Divisions - LD Lubricant Division*
8. OX09	*View Storage Locations - TPLA – TSA1 st loc for TPLA*
9. OX08	*View Purch Orgn – TCPO, TCPS – TCPX*

10. OVX5	*View Sales Orgn – TTSO*
11. OVXI	*View Dist Chanels - CS, DS, ST*
12. OVX1	*View Sales Offices - 19 sales offices*
13. OVX4	*View Sales Groups – Cust Sales Gr, Dist Sales Gr*
14. OVXD	*View Shipping Points - 23 shipping points.*
15. OB29	*Fiscal Yr variants - V3 12 + 4*
16. OB13	**COA - CAIN**
17. OX06	*Controlling Area – Basic Data*
18. OKKP	*Controlling Area – General Controlling*
19. OX01	*Purchasing Org Assigned to Co Code –* ***Only CPO assigned***
20. OB62	*Assign COA to Co Code CAIN - TTBP*
21. OB37	*Assign FYV to Co Code V3 - TTBP*
22. OX19	*Co area - Basic Data*
23. OB45	*View Credit Control Areas - TTCC*
24. OB01	*View Cr Risk Mgmt Categories*
25. OB02	*View Cr Mgmt Cr Representative Groups*
26. OB45	*Repeated ???*
27. OB38	*Assign Co Code to CCA TTBP - TTCC*
28. 0KE5	*EC-PCA Controlling area settings* ***NOT CONFIGURED***
29. OX10	**View Plants**
30. OX18	*Allocation Plants – Co Code 23 plants*
31. OX09	*View Storage Locations*
32. OVXD	*View Shipping Points - 24 shipping points*
33. EC07	*Create Shipping points – created 24 shipping points*
34. OX08	*View Purch Orgn - 1+6 PO defined.*
35. OX01	*Purchasing Org Assigned to Co Code –* ***Only CPO assigned***
36. OX17	*Plants - Purch Orgn 6 PO assigned*
37. OME4	*Purchasing Groups – 4 groups RM, Pack, Consu, Addl defined*
38. OVX5	*Sales Orgn TTSO defined*
39. OVXA	*Sales org – Divi TTSO - LD.*
40. OVXI	*Dist Channels CS, DS, ST*
41. OVXG	*Sales Area SO - DC – Div TTSO, CS,DS,ST, LD.*
42. OVX1	*View Sales Offices*
43. OVXM	*Sales Area – sales offices 19 assigned*
44. OVX4	*Sales Groups CSG, DSG*
45. OVXJ	*Sales Offices to sales Groups 19 assigned*
46. OVX3	*Sorg - Co Code TTBP - TTSO*
47. OVX6	*Sorg Dist Chan to Plant TTSO*
48. OVXK	*Dist Channel – Sorg TTSO - CS,DS.ST.*
49. OVXC	*Ship Pts – Plant 23 assigned.*
50. OVXB	*View Divisions LD lubricant div*
51. OVFL	*Sales area to Credit Control Area - TTSO,CS,LD,TTCC*
52. OAOA	*SETUP ASSET CLASSES - preset*
53. OBC4	*Field Status Groups*
54. OBC5	*Assign Co Code to FSV TTBP - TATA*
55. OB53	*Retained Earnings A/c 11610000*
56. FSP1	*Edit GL A/c COA data.*
57. FSP2	*Edit GL A/c COA data.*
58. FSP3	*Edit GL A/c COA data.*

59. FS01	*Edit GL a/c Centrally*
60. FS02	*Edit GL a/c Centrally*
61. FS03	*Edit GL a/c Centrally*
62. FS04	*Central GL A/c Changes*
63. FS05	*Edit GL a/c Centrally*
64. FS06	*Edit GL a/c Centrally*
65. FBL3	*GL A/c Line Item Display*
66. FB03	*Display Document*
67. OBD4	*GL A/c Groups*
68. FSS1	*Edit GL a/c Co Code Data*
69. OMWM	*Valuation Control*
70. OMWD	*A/c Deter for Valuation Areas - **Valuation Grouping Code NOT DEFINED NOT ASSIGNED***
71. OMSK	*A/c Cat Ref Val Classes*
72. OMSY	*MM view on Co Codes open for per 6/2004*
73. OMS2	*Material Types - preset*
74. MMNR	*Material Master No Ranges **[very small intervals]***
75. OMS1	*Units of Measure Groups - **NO ENTRIES***
76. OMSF	**Material Groups. G01 – G05**
77. OVZC	*Customer No Ranges – Defined.* *V-03 - V-09 Customer Master - No Entries*
78. OVT0	*Customer A/c Groups - preset*
79. OVS9	*Customer Groups - Industry & Retail*
80. OBB8	*Terms of Payment 0001, 0002*
81. OBA4	*" " defined for TTBP* *XD01,2,3,4 [RFDABL00 ??]*
82. OMSG	*Vendor A/c Groups - preset*
83. OMSJ	*Vendor No Ranges - defined*
84. OBA3	*Tolerance Group TATA defined.* *XK01,2,3,4,5,6, FK02,3,4,5,6 Vendor SAIL1 ?????*
85. OKEO	*Std Hierarchy - CC group - defined & assigned.*
86. KS01	*Create Cost Center - created.*
87. KA01	*Create Cost Element - created*
88. KA02	*Change Cost Element*
89. KA03	*Display Cost Element*
90. KA04	*Delete Cost Element*
91. KA05	*Display Change Documents*
92. KA06	*Create Secondary Cost Element*
93. KL01	*Create Activity Type*
94. KL02	*Change Activity Type*
95. KL03	*Display Activity Type*
96. KL04	*Delete Activity Type*
97. KL05	*Display Change Documents – Activity Type*
98. KP26	*Change Activity Type / Price Planning.*
99. KP27	*Display Activity Type / Price Planning*
100. KSBT	*Activity Type Price Reports*
101. KO01	*Create I/o [not in use]*
102. KO02	*Change I/o [not in use]*
103. KO03	*Display I/o [not in use]*

104.	KO04	*Order Manager*
105.	KOK3	*Collective Display for I/o*
106.	KO12	*Change Overall Planning*
107.	KO13	*Display Overall Planning*
108.	KO22	*Change Original Budget*
109.	FD24	*Credit Mgmt Changes [Cr Co Area]*
110.	FD32	*Cust Credit Mgmt Changes [Cr Co Area]*
111.	FD33	*Display Cust Credit Mgmt Changes [Cr Co Area]*

Advanced Planner & Optimiser [Supply Chain Planning & Optimization]

Provides a complete suite of supply chain planner applications, based on SAP's live cache technology which allows forecasting, planning & optimizing to be executed in realtime. SAP APO is a separate SAP solution with its own release cycle. Each of SAP APO components like Demand Planning can be implemented as a standalone product or as an integrated part of the business framework.

Global ATP [available to promise] :– matches supply to demand on a truly world wide scale, and gives customers reliable delivery commitments by means of both realtime checks & sophisticated simulation methods.

Production Planning & Detailed Schedules : - optimizes the use of resources & creates accurate plant by plant production schedules in order to shorten prodn life cycles and respond rapidly to changes in market demand.

Supply Network Planning :- matches purchasing, production & transportation processes to demand, and balances & optimizes your entire supply network.

Demand Planning :-
Identifies & analyzes patterns & fluctuations in demand, and creates accurate dynamic demand forecasts.

Supply Chain Cockpit :-
Models, monitors & manages your supply chain with a specially designed GUI. The supply chain cockpit provides users with a birds eye view of all activities & applications.

SAP LES [logistics execution system] :-
Is part of SAP's unique Supply Chain Management initiative, and lets you create links between the production, procurement, storage, distribution, transportation, sales and service processes. It helps keep customers happy, staff productive and decision makers informed. It means real time data for decision making, simulation and planning.

SAP B2B Procurement Solution : -
Enables open, full cycle, inter enterprise procurement, and covers all processes from creation of a requisition, with or without catalogs, to the payment of the invoice. All end users are able to purchase goods and services straight from their desktops, leaving purchase departments free to focus on strategic purchasing operations. Using this compelling b2b procurement solution, companies can streamline their requisition & indirect procurement processes, and cut the overall cost of procurement, while providing the purchasing department, with visibility and control across the entire procurement chain. SAP b2b procurement includes the creation & maintenance of requisitions, purchase orders & reservations with or without catalogs, approval & rejection, desktop receiving and service entry support, status & tracking, invoicing & performance reporting functions.

SAP BIW [bus info warehouse]
Enables analysis of data from operationsl R/3 applications or any other bus applications, including external data sources such as databases, online services and the internet. SAP BIW supports OLAP and is particularly suited for processing large volumes of operational & historical data.

MYSAP.COM
MYSAP.COM is a comprehensive, open, e-business solutions environment, comprising of portals, industry specific enterprise applications, internet applications and services, as well as XML based technology – all of which combine to enable companies to participate in the Internet economy. The bus objective of mYSap.com are to empower people to create value, and enable one-step bus transactions. MYSAP.com places the internet at the center of SAP's activities. It

leverages all of SAP's key assets, including its extensive product portfolio, customer base, partner community and expertise in integrating business processes.

In the old economy, integration meant business process integration. In the new economy, it requires integration of processes between enterprises. ERP made SAP R/3 a worldwide standard system. Since 1996 SAP R/3 has been e-commerce capable. SAP products incorporated business technology for the future allowing customers to be ready for the future without system change for the new economy, where the requirement is for collaboration more than working together. Processes, where many users participate and can be executed simultaneously as a one step business.

Sap focus earlier was company created, now it is market centered [via the internet] where mySAP.com places the internet at the center of SAP's activities. It leverages all of SAP's key asets including its extensive product portfolio, customer base, partner community and expertise in integrating business processes. MYSAP.com is the collaborative environment providing personalized business solutions on demand.

WorkPlace:- consists of links inside & outside a company's boundaries. Links can be made to

Non mySAP components	- Ext systems using open internet standards.
MySAPcomponent	- classical & new web based R/3 transactions [R/3 standard system, new dimensions, industry solutions], reports [BIW reports with BW 2.0a], Knowledge WH contents

MYSAP.com internet services - mySAP.com marketplace

Any internet or intranet web sites.

Key Benefits of a Workplace

Access to all necessary internet & external services through one screen.
Seamless integration in mySAP.com environment.
Protal is tailored to users role in the company.
Single sign on access to all services.
User friendly web browser interface.
Access via the Internet anytime, anywhere.
Workplace is an application on a users desktop that co-operates with a web browser & provides a personalized, role specific view on the entire business world. This business world includes market places, applications, services and content provided by a company over the Intranet or other companies via the internet.

Marketplace portal is a place on the web where communities can exchange goods and services electronically. The mySAP.com marketplace is a public business portal hosted by SAP. Anyone who sells or buys can participate in the mySAP.com marketplace. It is not for just SAP applications or SAP customers. The mission of the mySAP.com marketplace, is to engineer business collaboration across enterprises via the internet. The main components of mySAP.com marketplace include :

MyHome : - personalized homepage for the registered user with favourites from the mySAP.com web site.
Communities : - content rich data organized along the vertical & horizontal industries supported by SAP.
One Step Business : - portion of the site where users can browse merchant web sites and procure products and services.
Services : - internet services are available for the user to which he can subscribe.

Key Benefits of the marketplace : -

Personalized home page available for registered users.
Streamlined business process flow with one step business.
Access to a broad scope of suppliers.

Reduce costs ofinteraction with external partners
Content rich communities available for better decision making & to interact with other business professionals.
Direct access to value add internet services.

Miscellaneous : PLEASE DO NOT EXPERIMENT

Report Painter

Report Painter allows you to create reports using data from SAP application components, which you can adapt to meet your individual requirements.

Many of your reporting requirements can already be met by using the standard reports provided by various SAP application components. If these SAP standard reports do not meet your reporting needs, Report Painter enables you to define your specific reports quickly and easily.

Report Painter fulfills a function similar to Report Writer, but is easier to use. Most of the functions found in Report Writer have been built into Report Painter; however, you do not need to be familiar with all Report Writer concepts (such as Sets) in order to use Report Painter.

When executing a Report Painter report, it is displayed by the system in Report Writer format. You thus have access to the same functions as for Report Writer reports defined in the same way, and can combine Report Painter and Report Writer reports together in a report group.

Report Painter uses a graphical report structure, which forms the basis for your report definition and displays the rows and columns as they appear in the final report output.

To facilitate report definition, you can use many of the standard reporting objects provided by SAP (such as libraries, row/column models, and standard layouts) in your own specific reports. When you define a Report Painter report you can use groups (sets). You can also enter characteristic values directly.

Advantages of Report Painter include:

- Flexible and simple report definition
- Report definition without using sets
- Direct layout control: The rows and columns are displayed in the report definition as they appear in the final report output, making test runs unnecessary.

For comprehensive information on the Report Painter, see the *SAP Library*, under *Financial Accounting* ® *Special Purpose Ledger* ® InfoSystem / Report Painter Reports

Report Variants

Creating Report Variants :

1. From the menu bar, choose *System* ® *Services* ® *Reporting*.
2. In the *Program* field, enter the report name. (If you do not know the name, see Finding the Name of a Report You Want to Execute.) as explained below :

   Choose *System* ® *Services* ® *Reporting*.

   The report selection screen appears.

   Choose *Utilities* ® *Find Program*. Or, choose the possible entries icon  for *Program*, and select an entry from the dropdown list box.

   The report search screen (*ABAP Program Directory*) appears:

   In the *Program* field, enter any part of the report name that you know, plus any wildcards (***** or **+**), as needed. * = multiple chars, + = 1 char.

   Choose *Execute*.

   A list of reports appears.

   Place the cursor on the report name, and choose *Choose*. Or, double-click the report name.

   Choose *Program* ® *Execute*. [using back till variant screen, the program name will be in the box]

3. From the menu bar, choose *Goto* ® *Variants*.

4. The *ABAP Variants* initial screen appears

5. In the *Variant* field, enter a name for this variant, and choose *Create*. You can use any combination of characters to create the variant name except for special characters, such as the percent sign (%) or dollar sign ($).

   The selection criteria screen for the report appears.

6. Enter values in the selection criteria input fields.

7. Select attributes [top button] enter description & save.

Displaying Available Report Variants :

1. From the menu bar, choose *System* ® *Services* ® *Reporting*.

2. In the *Program* field, enter the report name.

3. From the application toolbar, choose *Overview of variants*.

4. All the variants attached to the report appear.

5. To view the contents of the variant, place the cursor on a variant and choose *Variants* ® *Display values*.

6. To use the variant, highlight the variant and choose *Execute with variant*.

7. The system displays the selection screen for the report, complete with data.

Using Report Variants :

1. From the menu bar, choose *System* ® *Services* ® *Reporting*.

2. In the *Program* field, enter the report name.

3. Choose *With variant*.

4. In the *Variant* field, enter the desired variant. To obtain a list of available variants, choose the possible entries button.

5. To execute the report with the variant, choose *Execute*.

   The system displays the selection screen filled with data.

WorkFlows : PLEASE DO NOT EXPERIMENT

- Configuring a WorkFlow
    - Create a Simple Oraganisational Unit

In this section you will create a simple organizational structure. You will notice that this is not just a technical representation but also reflects the way a company handles organizational management.

- There are direct relationships between the different objects.

  For example: A *position* is assigned to an *organizational unit*. The position is described by a *job* and a *user* is assigned to this *position.*

- The positions and the relationships also have validity dates.

  For example: A *position* can be created in advance so that it is valid from the beginning of the next month. A user can be assigned to this position for the next sixth months leaving it vacant after this date. The vacancy can be filled at any time by the system administrator.

As you can see, this makes it very easy for the workflow administrator to keep the organizational structure up-to-date, and to maintain the assignments and reorganizations in advance so that they automatically come into effect at midnight on the appropriate day.

Tip: Never delete positions, users, or any other organizational unit. Use the validity date to delimit the existence of the organizational object. This is easy and ensures that the reporting and auditing work consistently.

This tutorial shows you how to create an organizational unit from scratch.

- First Step in Creating the Organizational Plan
- Specify Validity of the Main Organizational Unit
- Description of the Main Screen
- Create a Hierarchy of Organizational Units
- Create an Organizational Sub-Unit
- Create Positions
- Create Positions (Part 2)
- Describe the Position
- Search for a User
- Select a User
- Assign the User to the Position
- Determine the Validity
- The Organizational Unit Is Complete

- First Step in Creating the Organizational Plan
  - SAP/Tools/BusWF/Dev/DefTools/OrgMgmt/OrgPlan/Create [PPOCW]
- Specify Validity of the Main Organizational Unit

All organizational objects have a validity period. This allows you to set up an organizational object in advance. It also allows you to specify a termination date. Later, if there is an organizational reshuffle this termination date can be brought forward.

The organizational unit is only valid for this duration. Later, if it is assigned to a workflow task no agents will be found outside this validity period.

The default is to start immediately and terminate in the year 9999 - in other words forever.

- Description of the Main Screen

The maintenance screen is divided into four frames.

1 **Maintenance frame**. This frame displays the main object and its relationships - in this case the new organizational unit that you are creating. *TOP RIGHT*

2 **Detail frame**. This displays the detailed information about the organizational object selected in the maintenance frame. You can switch between different types of detailed information (views) using the tab strips. *MIDDLE RIGHT create as Org Unit BOOKDEPT & Desc as ORG UNIT FOR*

BOOK

3 Search criteria frame. This frame is independent of the maintenance frame and the detail frame. It allows you to search for new objects which can be displayed or linked to other objects. *LEFT TOP*

4 Search results frame. The results of the search based on the search criteria frame is displayed here. An object can either be dragged and dropped into the maintenance frame in a relationship (such as a user to be assigned to an organizational unit) or displayed in the maintenance frame by double-clicking on it. *LEFT BOTTOM*

The blue arrow buttons ( ) are used to navigate back and forth between the views that you have displayed. For example, while you are displaying the organizational unit you may search for another organizational unit to compare them. Double-clicking on the new unit will display it in the maintenance frame. Choosing the blue "back" arrow will return to view the original unit. Do not confuse this with the undo button ( ), which undoes changes made up to the last save.

The frames can be resized by stretching their frame outline and the detail frame can be eliminated (or recovered) by clicking on its title bar.

Do not forget to regularly save the data ( ).

- Create a Hierarchy of Organizational Units

Top Left NEW ORGN UNIT becomes ORGN UNIT FOR BOOK after Save of Right Middle i.e. detail frame.

- Create an Organizational Sub-Unit

The list of object types that can be created depends on the original object selected.

An organizational object can be assigned:

- Subsidiary organizational objects
- Positions
- Tasks (single step tasks used in a workflow)
- Workflows (meaning that anyone assigned to the original organization has the authorization to start this workflow). Normally you create a workflow from the Workflow Builder rather than this screen.

Select orgn unit by double clicking on it.

- Create Positions

Type in a description of the new orgn unit [e.g. Southern Division], and create an addl orgn unit.
Save the changes you have made so far.

Select one of the orgn units & create positions for it usingthe create button again.

- Create Positions (Part 2) & Describe the Position

This time select position and dbl click
Enter a description for the position e.g. Reader1, & JOB as BookReader.[or assign a JOB using F4]

- Search for a User

Assign an existing user to the position, by searching for a user.

- Select a User & Assign the User to the Position

Enter thesearch criteria & find users matching. Drag & drop the user chosen into the postion [Reader1] in the frame on the right i.e. Task Assignment Frame.

- Determine the Validity *Accept the default.*
- The Organizational Unit Is Complete *Now you have assigned a user to the position and you can continue this for other positions. Your organizational unit is now complete.*

ASSIGN AGENTS

Start the Customizing Transaction

- Select Task-Specific Customizing for Workflow
- Expand the Application Hierarchy
- Select the Application
- Task List
- Make the Task a General Task
- The Tasks Have Been Classified

- *Select Event Activation: USE IMG/BasisCompo/BusMgmt/SAPBusWF/ Perform Task Specific Customizing*
- *GOTO Log Gen/Log Basic Data/Bus Partners/Vendor Master & assign agents to tasks FA LO-MD-BP-VM.*
- *Select the tasks shown in the chapter description, and make the task a general task using the ATTRIBUTE button.*
- *Select General task in the dialog box.*
- *Choose Edit / Refresh Index to refresh the buffers.*

ACTIVATE EVENTS

Select Event Activation

- Activate the Event
- All Events Activated

- *Return to the application hierarchy & select event activation to activate the event linkage for this WF.*
- *GOTO Log Gen/Log Basic Data/Bus Partners/Vendor Master & activate event linking FA- LO-MD-BP-VM.*
- *Select one of the events & use activate icon. Repeat for other events.*
- *Your WF will now start automatically.* All the events have been activated. Whenever a vendor is blocked, this workflow will automatically start. Since the tasks are general tasks, everyone in your system will receive the work items in their inbox, whenever this occurs.

The belowmentioned are not part of the above.
IMG/BASISCOMPO/BUSMGMT/SAPBUSWF/

- Maintain Std Settings [SWU3]
    - Automatic Customization
    - Test RFC Destination
    - Start Verification Workflow
- Bus Workplace [SO01]

IMG/FA/ARAP/BusTrans/Release for Payment/

- Create Workflow Variant for Release for Payment
- Assign Company Code Workflow Variant for Release for Payment
- Define Release Approval Groups for Release for Payment
- Define Release Approval Paths for Release for Payment
- Assign Release Approval Paths for Release for Payment

- Assign Release Approval Procedure for Release for Payment
- Define Relevant Document Types for Release for Payment
- Define Users with Authorization to Release Payment

Schedule Manager - SCMA

- Create a task list [top header/tasklist/create]
    - Enter name of task
    - Enter desc, calender etc & save
    - Tasklist appears in the tasklist
    - Change task list [top]
        - Right click on task list
        - Create task
            - Enter desc, program/transaction, start time etc
    - Schedule a task for a particular date and time.
        - Return to Scheduling [TOP]
        - Select Task, right click & simulation of scheduling
        - Enter planned run date
    - Select task & execute IN BACKGROUND [TOP HEADER]
        - Enter output device [LP01], title & enter
        - Click immediate & save
        - Background job is scheduled
        - System/Services/jJobOverview/execute [sm37]
        - Click jobname & view spool [xxx]
    - You can also create a RUN SCHEDULE from IMG/FA/GLOBAL/DOCUMENT/RECURRING ENTRIES/ DEFINE RUN SCHEDULES & ENTER RUN DATES. These can be incorporated in a schedule manager as tasks & then executed.