TFIN52

Financial Accounting II
Part B

THE BEST-RUN BUSINESSES RUN SAP

SAP

- mySAP ERP Core Component 6.0
- 2006/Q2
- Material number 50080316

Course Prerequisites

Required:

- **Accounting knowledge**
- **TFIN50 Financial Accounting I**
- **SM001, Solution Manager Overview**

Target Group

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Participants

- **Solution consultants responsible for the implementation of Financial Accounting with mySAP ERP Financials**

Duration

- **10 days**

Course Objectives

■ **After the course, participants will be able to understand the logic of New General Ledger Accounting**

■ **After the course, the participants will be able to activate, configure, and use New General Ledger Accounting**

■ These course materials are not suitable for self-learning. The information you will get from your course instructor is essential to completing the materials.

■ In some cases, there may not be enough time to perform all the exercises during the course. The exercises provide additional examples that are covered during the course. You can also go through the exercises yourself after the course, to reinforce what you have learnt.

Course Content

Preface

Exercises and Solutions

Course Overview

Introduction

Ledger Definition

Document Splitting

Integration

Periodic Processing

Reporting

Introduction

Periodic Processing

Ledger Definition

Reporting

Document Splitting

Integration

Introduction

Contents:

■ **This unit summarizes the most important properties and benefits of New General Ledger Accounting in a compact overview**

Introduction: Objectives
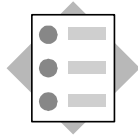
After completing this unit, you will be able to

- **Outline the advantages and benefits of New General Ledger Accounting**

- **Name possible functions of New General Ledger Accounting**

Possibilities with New General Ledger Accounting

Legal and Management Reporting

Real-Time Integration CO => FI

Standard Enhancement and Extensibility (with custom fields)

Segment Reporting

New General Ledger Accounting in mySAP ERP

Financial Reporting Using Any Characteristics (document splitting)

Transparency and Consistency

Simple Representation of Parallel Accounting

Accelerated Period-End Closing

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**New General Ledger Accounting: One Component –
Lots of Functions**

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R/3 Enterprise:

FI Classic
(Legal requirements)

COS Ledger

Reconciliation Ledger

EC-PCA
(Management and Segment Reporting)

Special Purpose Ledger
(Multidimensional; customizable)

mySAP ERP:
A consistent world

New General Ledger Accounting

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- Prior to mySAP ERP, SAP customers have to install and operate many different components to meet international (or industry-specific) requirements and standards as completely as possible.

- In fact, the situation is worsening because more and more service providers (in the public sector, insurance, and media sectors, for example) are demanding balance sheets based on additional criteria - such as grant, fund, or industry.

- Of course, the increasing importance of IAS/IFRS as accounting principles is also heightening the need for improved quality and modeling of segment reporting.

- Furthermore, a unified solution would undoubtedly also be a bonus for tackling issues such as *Fast Close* and *Sarbanes-Oxley*.

- **Overview** of the **totals tables** when the **classic components** are used:

  - Classic FI: GLT0

  - Cost-of-sales ledgers: GLFUNCT

  - Reconciliation ledger: COFIT

  - EC-PCA / classic Profit Center Accounting: GLPCT

New General Ledger Accounting in *mySAP ERP* has the following advantages compared to classic General Ledger Accounting (such as in *R/3 Enterprise*)**:**

■ **New General Ledger Accounting has an extended data structure in the standard delivery.**
  Customer fields can also be added to the general ledger.

■ **With (real-time) document splitting, balance sheets can be created for entities, such as "Segment".**

■ **You can run a real-time reconciliation of Management Accounting (CO) and Financial Accounting (FI) - there is the real-time integration with Controlling. This renders time-consuming reconciliation tasks obsolete!**

■ **New General Ledger Accounting makes it possible to manage multiple ledgers within General Ledger Accounting. This is one of the possible ways of portraying parallel accounting in the SAP system.**

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■ The subsequent units will elaborate on these benefits.

■ **SAP Note 756146** also provides an overview of the benefits of New General Ledger Accounting.

■ New General Ledger Accounting can be explained briefly as follows: New General Ledger Accounting contains functions that combine classic General Ledger Accounting with the *Special Purpose Ledger* component.

■ Important: Despite all the new features, the "interfaces" for entering the data and making the postings are virtually identical to the interfaces in the previous release.

You should now be able to:

■ **Describe the functions of New General Ledger Accounting**

■ **Briefly describe the benefits of New General Ledger Accounting**

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Introduction

Periodic Processing

Ledger Definition

Reporting

Document Splitting

Integration

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Ledger Definition

Contents:

- **Activating New General Ledger Accounting**
- **Getting to know the new totals table *FAGLFLEXT***
- **Assigning scenarios and their importance**
- **Entry view and general ledger view for Financial Accounting documents**
- **The *Segment* characteristic**
- **Deriving the segment**

Ledger Definition: Unit Objectives

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After completing this unit, you will be able to

- **Activate New General Ledger Accounting**
- **Name the new fields in the totals table**
- **Describe the importance of scenarios**
- **Tell the difference between the entry view and the general ledger view**
- **Define and derive segments**

New General Ledger Accounting

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With *mySAP ERP Central Component*, the SAP system offers in the Financials area an interesting alternative in General Ledger Accounting:

NEW GENERAL LEDGER ACCOUNTING

Crucial question: *Do companies have to use New General Ledger Accounting*?

- **It will be <u>optional</u> for <u>existing customers</u>. You will not be obliged to activate New General Ledger Accounting. During a release upgrade** (to mySAP ERP)**, classic General Ledger Accounting (using totals table *GLT0*) remains active at first. Of course, New General Ledger Accounting has many advantages!**

- **For <u>new installations</u>, New General Ledger Accounting is <u>active</u> by default in *mySAP ERP*.**

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- **Information for existing customers:** If the advantages presented in the course AC210 are important or even crucial for your company, you can implement New General Ledger Accounting in a separate migration project after upgrading to *mySAP ERP*. For more information, see the unit of *Migration* at the end of this course.

- **Information for new customers:** In the case of a new installation, see **SAP Note 756146** on setting up the system for New General Ledger Accounting.

Activating New General Ledger Accounting
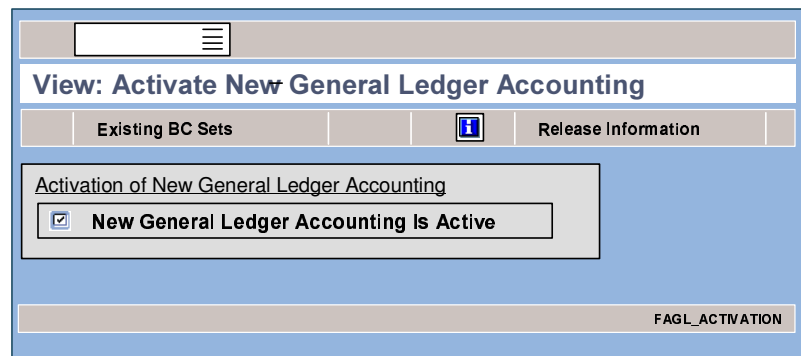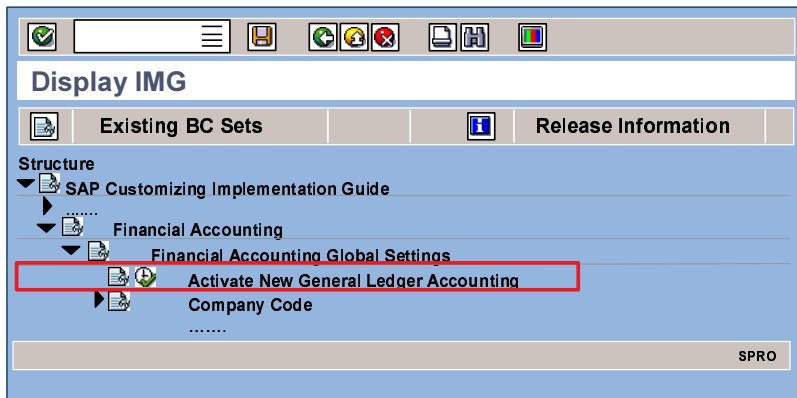
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- If existing customers want to use New General Ledger Accounting, they first need to activate it using a Customizing transaction (=> *FAGL_ACTIVATION*).

- **Caution:** This transaction is performed at the start of the course to enable you to explore the new functions. In practice, executing this transaction (for existing customers) is one of the last activities performed during the migration project leading up to the implementation of New General Ledger Accounting.

- The **activation indicator is set <u>for each client</u>**.

  - Caution: Activating New General Ledger Accounting results in system-wide changes to application and Customizing paths.

New Menu Paths After Activation

Display IMG

| Existing BC Sets | | Release Information |

Structure

- SAP Customizing Implementation Guide
  - ....
  - Financial Accounting
    - Financial Accounting (New)
      - Financial Accounting Basic Settings (New)
        - Ledgers
        - Global Parameters for Company Codes
        - Document
        - ......
      - General Ledger Accounting (New)
        - Master Data
        - Business Transactions
        - Planning
        - Periodic Processing
        - ....
      - Accounts Receivable and Accounts Payable
      - Bank Accounting
      - Asset Accounting
      - ......
  - Controlling
  - Investment Management
  - ......

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- The **paths for New General Ledger Accounting** are **added** to the existing Customizing paths.

- To help you find your way around, the classic Financial Accounting paths will initially remain available in their present form.

- Once you have become familiar with the paths for New General Ledger Accounting, you can run program *RFAGL_SWAP_IMG_OLD* to hide the classic Financial Accounting paths.

- Activating New General Ledger Accounting also makes several new nodes available in the application and the SAP Easy Access menu.

- <u>**Caution:**</u> The activation of New General Ledger Accounting not only affects the menu entries; a few classic functions / transactions can no longer be executed either.

Ledger Definition

SAP provides the <u>leading ledger 0L</u> and <u>totals table FAGLFLEXT</u> with the <u>standard system</u>.

Define Ledgers in General Ledger Accounting

LD	Ledger Name	Totals Table	Leading
0L	Leading ledger	FAGLFLEXT	☑

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The leading ledger gets many of its "control parameters" (as before) from the company code – we tried to keep everything as familiar as possible – specifically:

■ The leading ledger manages the (additional) **local currency (currencies)** that is (are) assigned to the company code.

■ The leading ledger uses the **fiscal year variant** that is assigned to the company code.

■ The leading ledger uses the **posting period variant** that is assigned to the company code.

Special features of the leading ledger:

■ There is **<u>exactly one</u> leading ledger**!

■ Only the **values** from the leading ledger are **posted to CO** in the standard system!

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■ You define **additional currencies** in Customizing under *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Ledgers -> Ledger -> Define Currencies of Leading Ledger.*

■ The assignment of the **fiscal year variant** and the **variant of posting periods** to the leading ledger is located in Customizing under: *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Ledgers -> Fiscal Year and Posting Periods.*

■ In addition to the leading ledger, you can also define other, non-leading ledgers (=> also see the unit *Parallel Accounting*).

• The non-leading ledgers can then be assigned currencies and/or fiscal year variants that differ from the leading ledger.

One look at the database tables makes the primary <u>standard extension</u> of the data structure visible immediately:

New General Ledger Accounting
Totals Table FAGLFLEXT
Selection of available fields:

Field	...	Short Text
...	...	...
RYEAR	...	Fiscal Year
RACCT	...	Account number
COST_ELEM	...	Cost Element
BUKRS	...	Company Code
RCNTR	...	Cost Center
PRCTR	...	Profit Center
RFAREA	...	Functional Area
RBUSA	...	Business Area
SEGMENT	...	Segment for Seg. Report
...	...	...

SE11_OLD

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- The totals table of New General Ledger Accounting (=> *FAGLFLEXT*) updates more entities than was possible in the classic totals table (=> *GLT0*).

- Examples of the new standard fields include:
  - Cost Center
  - Profit Center
  - Segment

- Totals table *FAGLFLEXT* can be extended with additional fields – both predefined SAP fields and entirely new customer fields. To add customer fields to totals table *FAGLFLEXT,* they first have to be added to the account assignment block (=> Function: *Edit Account Assignment Block*).

  - **<u>Caution</u>**: Please do **<u>not</u> test this during the course**, because extending the account assignment block will lock out all other transactions (including for other course participants).

Scenarios – Definition and Assignment

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What is a scenario definition?

A scenario defines which fields are updated in the ledgers (in the general ledger view) **during a posting** (from other application components).

Scenarios provided by SAP:

- **Cost center update** (FIN_CCA)
  - Update of the sender cost center and receiver cost center fields
- **Preparation for consolidation** (FIN_CONS)
  - Update of consolidation transaction type and trading partner fields
- **Business area** (FIN_GSBER)
  - Update of the sender business area and receiver business area fields
- **Profit center update** (FIN_PCA)
  - Update of profit center and partner PC fields
- **Segmentation** (FIN_SEGM)
  - Update of the segment, partner segment, and PC fields
- **Cost-of-sales accounting** (FIN_UKV)
  - Update of the sender functional area and receiver functional area fields

Ledger:

Leading ledger (0L)

Non-leading ledger (N1)

Non-leading ledger (N2)

...

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- The fields that are updated by the scenarios can be used to model certain business circumstances – such as segment reporting.

- To display the available **scenarios**, goto **Customizing** for *Financial Accounting (New)*, and choose *Financial Accounting Global Settings (New) -> Ledgers -> Fields -> Display Scenarios for General Ledger Accounting.*

- You **cannot define your own scenarios**.

- The delivered **scenarios are assigned to the ledgers** in Customizing for Financial Accounting (New) under Financial Accounting Global Settings (New) -> Ledgers -> Ledger -> Assign Scenarios and Customer Fields to Ledgers.

  - **Important note: A ledger** (=> the leading ledger in all cases) **can be assigned one or more scenarios, or even all six at once!**

  - The decision as to how many scenarios to assign depends solely on which "facts" / "business aspects" you want to model in the General Ledger Accounting.

- You do not necessarily have to define non-leading ledgers, which means scenarios do not have to be assigned to non-leading ledgers either. **Important: You do <u>not</u> need a ledger for each scenario!**

- Multiple/non-leading ledgers are useful for portraying accounting in accordance with different accounting principles.

When New General Ledger Accounting is active, a Financial Accounting document always has two views: The <u>entry view</u> and the <u>general ledger view</u>.
Besides the leading ledger, you may also see the document in other, non-leading ledgers in the general ledger view.

Definition:

Entry View: **View** of **how** a document also appears in the **subledger views** / **subledgers** (AP / AR / AA / taxes)!

General ledger view: **View** of **how** a document appears (only) **in the general ledger**!

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Scenarios – Assignment and Functions I

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Modeled situation: Entry view of an FI document **(=> the view when posting the document),** without assignment of scenarios to a ledger.

Display Document: Entry View

[icons] Taxes   [icon] General Ledger View

Document no. 1000000001   Company code: 1000   Fiscal Year: YYYY
Doc. date: DD.MM.YYYY   Posting date: DD.MM.YYYY   Period: M

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	BA	FuArea	CCtr.	PC	Segment	
1000	1	40	417000	Purch. Services	50.00	EUR	1I	9900	0400	1000	1402	SEG A	
	2	50	100000	Petty Cash	55.00-	EUR							
	3	40	154000	Input Tax	5.00	EUR	1I						

FB03

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- In general, you will notice that **nothing has changed** regarding **entry** of the documents.
- The dependencies have also remained the same. For example:
  - Account *Purchased Services* (417000) is defined as a primary cost element in CO and therefore requires a CO-relevant account assignment during entry.
  - The CO object (such as cost center) is used to derive the profit center and functional area
  - <u>New with ERP</u>: A segment can now be derived from the profit center.

Scenarios – Assignment and Functions II

SAP

Modeled situation: General ledger view of an FI document, **without** **assignment** of scenarios to the leading ledger 0L!

Display Document: General Ledger View

🔲 🖨 ℹ️ Taxes   📋 Entry View

Doc. Number: 1000000001   Company Code: 1000   Fiscal Year: YYYY
Doc. Date: DD.MM.YYYY   Posting Date: DD.MM.YYYY   Period: M

Ledger: 0L   Document: 1000000001 Fiscal Year: JJJJ   Period: M

🔲🖨🔽📅🔽∑%📄📄📑📑ℹ️

CCd	l	PK	Acct	Description	Amount	Curr.	Tx	BA	FuArea	CCtr	PC	Segment	
1000	1	40	417000	Purch. Services	50,00	EUR	1I						
	2	50	100000	Petty Cash	55,00-	EUR							
	3	40	154000	Input Tax	5,00	EUR	1I						

FB03

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■ **If the corresponding scenarios are not assigned, no entities are inherited to General Ledger Accounting** (=> neither to the leading ledger nor to one or more non-leading ledgers).

- **Effects of a missing scenario assignment:** If you call up a balance sheet (and a profit & loss statement), you would indeed see the amount of € 50.00 on the *Purchased Services* account. It would be impossible, however, to allocate the bookkeeping transaction to a business area, functional area, profit center, or any other entity. Accordingly, if you do not assign scenarios to a ledger (=>or to multiple ledgers, if necessary), segment balance sheets will not be possible.

Scenarios – Assignment and Functions III

Modeled situation: **General ledger view** of an FI document, **with** previous **assignment** of scenarios "Annual Report" and "Cost Center Update" to the leading ledger.

Display Document: General Ledger View

🔲 🖨 ℹ️ Taxes   📋 Entry View

Doc. No.: 1000000001   Company Code: 1000   Fiscal Year: YYYY
Doc. Date: DD.MM.YYYY   Posting Date: DD.MM.YYYY   Period: M

Ledger: 0L   Document: 1000000001   Fiscal Year: YYYY   Period: M

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	BA	FuArea	CCtr.	PC	Segment	
1000	1	40	417000	Purch. Services	50.00	EUR	1I	9900		1000			
	2	50	100000	Petty Cash	55.00-	EUR							
	3	40	154000	Input Tax	5.00	EUR	1I						

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- Given that the scenarios *Cost Center Update* and *Business Area* are assigned to the leading ledger 0L, these two entities are updated to General Ledger Accounting and displayed in the corresponding general ledger view.

- The *Segment* field, for example, is not updated or displayed in the general ledger view, however, because this scenario has not previously been assigned to the leading ledger.

- Caution: Scenario assignment is not capable of effecting a "zero balance setting" for any given entity.

  - In terms of the business area (=> BA): It is not yet possible to create a correct BA balance sheet (for BA 9900, for example), because the BA was not inherited to posting items 2 and 3.

  - To use this function, document splitting must additionally be configured with active inheritance.

Use of the Entity Segment

The *Segment* field is one of the <u>standard account assignment objects</u> available in mySAP ERP for running analyses for "objects" below the company code level.

The <u>objective</u> is to give a detailed look at the various business activities *(=> markets or products – in general: activity areas)* **at a (broad-based) enterprise - Keyword: <u>segment reporting</u>**

<u>Alternative account assignments used in the past:</u>
- **Profit Center**
- **Business Area**
- (Profitability segment)

- Segments can be used to meet the requirements of international accounting principles (=> IAS / IFRS / U.S. GAAP) regarding "segment reporting".

  - Excerpt from IAS 14:… reporting is required for a business or geographical segment when the majority of its revenues stems from sales to external customers and segment revenues account for at least 10% of total internal and external revenues of all segments, segment income accounts for at least 10% of all segment income, or segment assets account for at least 10% of the assets of all segments. A segment can be reported separately even if it does not meet these size requirements. If the segments subject to reporting requirements account for less than 75% of total consolidated revenues or enterprise revenues, then other segments must be reported on separately, irrespective of the 10% limit, until at least this 75% is reached. …

- The *Business Area* or *Profit Center* objects can be used as alternatives.

- The segment is provided in addition because the business area and/or profit center were frequently used for other purposes in the past and thereby to meet other requirements.

Deriving a Segment

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Change Profit Center

	Analysis Time Frame		Validity Period	

General Data

Profit Center   **1000**   Profit Center 1000

Controlling Area   **1000**   CO Europe

Basic Data

Person Responsible   **James Patterson**

Department   **Department IV**

Hierarchy Area   **H1023**

Segment

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- The ERP system enables you to assign a segment in the master data of a profit center.
- Postings are automatically made to the segment when the profit center is posted to.
  - There is no "dummy segment posting", as in the profit center logic; if the profit center does not have a segment, there is no segment account assignment either.
- The default setting involves deriving the segment from the profit center, but customers can develop their own derivation solutions through a user exit (BAdI).
  - The definition name of the BAdI is: FAGL_DERIVE_SEGMENT.

Display (Vendor) Document: Entry View

Document No. 19000001538   Company Code: 1000   Fiscal Year: YYYY
Doc. Date: DD.MM.YYYY   Posting Date: DD.MM.YYYY   Period: M

| CCd	It	PK	Account	Description	Amount	Curr.	CCtr.	Profit Center	Segment	
1000	1	31	1000	Vendor X	11000-	EUR				
	2	40	417000	Purch. Services	10000	EUR	1000	1402	SEG A	
	3	40	154000	Input Tax	1000	EUR				

FB03

To post, analyze, and display document segments in New General Ledger Accounting, you have to perform the following steps:

1. **Definition** of the **scenario**: The scenario *Segmentation* has to be defined for the leading ledger (and for any other non-leading ledgers) – if it is not, the segment is only visible in the entry view.

2. **Define** the segments.

3. **Derive** the segments – The standard SAP system supports derivation from profit centers

4. **Maintain** the **field status variant** and/or **field status groups** of the corresponding **FI accounts**: The *Segment* field (=> group *Additional Account Assignments*) must be **defined** as an "optional entry" *

5. **Maintain** the **field status** of the corresponding **posting key**: The above statement also apples. *

6. **Display** the *Segment* field using the **Layout** (icon) in the **document display**

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- **To maintain the scenarios**: In Customizing under *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Ledgers -> Ledger -> Assign Scenarios and Customer Fields to Ledgers*.

- The *Segment* field (technical name: SEGMENT) appears in the standard version of the totals table in New General Ledger Accounting (=> *FAGLFLEXT*) in mySAP ERP.

- **Definition of the segments:** In Customizing under *Enterprise Structure -> Definition -> Financial Accounting -> Define Segment*

- **Maintaining a segment in a profit center:** Application Accounting -> Controlling -> Profit Center Accounting -> Master Data -> Profit Center -> Individual Processing -> Change

  • Caution: If a customer does not use Profit Center Accounting, for example, a BAdI enables alternative derivation strategies to be used.

- **Maintain** the **field status variant** the fastest method (since Release 4.6): Transaction code *FBKP* or in Customizing under *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Ledgers -> Fields -> Define Field Status Variants*

- **Maintain** the field status of the **posting key** - the fastest method (since Release 4.6): Transaction code *FBKP* or in Customizing under *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Document -> Define Posting Key.*

- * If the field status is not defined as described here, postings are still made to the *Segment* table field, but this table field cannot be displayed or edited in the coding block.

Ledger Definition: Summary

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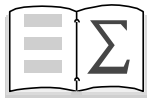
You should now be able to:

- **Activate New General Ledger Accounting**
- **Name the new fields in the general ledger totals table**
- **Explain how scenarios are used**
- **Describe the difference between the entry view and the general ledger view**
- **Define and derive segments**

Exercises

Unit: Ledger Definition

Topic: Configuring New General Ledger Accounting

At the conclusion of these exercises, you will be able to

- Activate and configure New General Ledger Accounting. You will understand the scenarios of New General Ledger Accounting, how to create and derive segments, and how to tell the difference between the entry view and the general ledger view of a Financial Accounting document.

2-1 **Exercises for configuring New General Ledger Accounting**

2-1-1

Control exercise – Please do not change the system configuration!

Call up the **activation indicator** for New General Ledger Accounting and make sure New General Ledger Accounting has been activated!

Which **transaction code** can you use to call up the activation indicator?

What does the acronym "FAGL" stand for?

2-1-2

Control exercise – Please do not change the system configuration!

Check the Customizing settings to find out the **ID** of the **leading ledger**, as well as the **totals table** where the values are saved.

2-1-3

Control exercise – Please do not change the system configuration!

Important: In all future exercises, the two hash keys (=> ##) stand for your two-digit group number!

Check the "**new**" **IMG paths** to find out , which **fiscal year variant** your **company code** *AA##* uses, and **which field status variant** is assigned to your **company code** *AA##*.

2-1-4

Control exercise – Please do <u>not</u> change the system configuration!

Which **scenarios** have been assigned (by the trainer) to the **leading ledger**, *0L*?

2-1-5   **Create** a new **segment** with ID *SEG##* and name it "Segment Group ##".

2-1-6   Now **create** a **profit center** with ID *PC##*. For a **template**, please use **profit center** *1000* **in controlling area** *1000*. **Maintain the following data** for the profit center**:**
Analysis Time Frame: **01/01/<u>1999</u>** to **12/31/9999**
Name: **PC Group ##**
Long Text: **Profit Center Group ##**
Person Responsible: **Group ##**
Department: **Course**
Hierarchy Area: **H9500** (Course)
Segment: Your new **Segment** *SEG##* from the previous exercise. **Activate** the new profit center.

2-1-7   Call **cost center** *T-F05A##* **in change mode** and make sure that the cost center is assigned to your company code *AA##*. **Replace** the existing cost center with your **new profit center** *PC##*. Answer any warning/information messages with "Yes". **Save** your changes.

2-1-8   **Now create vendor** *210##* in your company code *AA##* – leave the account group blank and choose **Vendor** *1000* in **Company Code** *1000* as a **<u>template</u>**. **Fill in all the required fields** with the address data and **save** your data.

2-1-9

Control exercise – Please do <u>not</u> change the system configuration!

Before the first posting, **now check** whether the **cost center**, the **profit center**, and the **segment are defined as** "**Optional**" in the **field status group** of **account** *417000* (Purchased Services) / **company code** *AA##*.

2-1-10 Now create a **vendor invoice** for the services you purchased **with the following data**:
Company Code: **AA##**
Vendor: **210##**
Invoice and posting date: **Today**
Amount: **€ 4,640**
Calculate Tax indicator: **Set**
Tax Code: **VN**
Text: **1. Posting AC210**
G/L Account: **417000**
Amount in document currency: **4,640** or just "*"
CO-Relevant Account Assignment: Cost center **T-F05A##**
Simulate and **save** the posting document!

2-1-11 **Display the document**. **Change the layout** in the entry view such that the **cost center**, **profit center**, and **segment are displayed**! **Save this layout user-specifically,** with **name** *L1*. If you want, you can also save your new layout as the default setting. If you do, layout *L1* will be started automatically whenever you display the document.

Solutions

Unit: Ledger Definition

Topic: Configuring New General Ledger Accounting

2-1 **Exercises for configuring New General Ledger Accounting**

2-1-1

Control exercise – Please do <u>not</u> change the system configuration!

Call up the **activation indicator** for New General Ledger Accounting and make sure New General Ledger Accounting has been activated!

Customizing: Financial Accounting→ Financial Accounting Global Settings → Activate New General Ledger Accounting

Which **transaction code** can you use to call up the activation indicator?

Transaction code: FAGL_ACTIVATION

What does the acronym "FAGL" stand for?

<u>F</u>inancial <u>A</u>ccounting <u>G</u>eneral <u>L</u>edger

2-1-2

Control exercise – Please do <u>not</u> change the system configuration!

Check the Customizing settings to find out the **ID** of the **leading ledger**, as well as the **totals table** where the values are saved.

Customizing: Financial Accounting (New) → Financial Accounting Global Settings (New) → Ledgers → Ledger → Define Ledgers for General Ledger Accounting

→ **The ID is 0L**

→ **The totals table name is FAGLFLEXT**

2-1-3

Control exercise – Please do <u>not</u> change the system configuration!

<u>Important</u>: In all future exercises, the two hash keys (=> ##) stand for your <u>two-digit group number</u>!

Check the "**<u>new</u>**" **IMG paths** to find out which **fiscal year variant** your **company code** *AA##* uses …

Customizing: Financial Accounting (New) → Financial Accounting Global Settings (New) → Ledgers → Fiscal Year and Posting Periods→ Assign Company Code to a Fiscal Year Variant

Your company code *AA##* has fiscal year variant *K4*

... and which **field status variant** is assigned to your **company code** *AA##*?

Customizing: Financial Accounting (New) → Financial Accounting Global Settings (New) → Ledgers → Fields → Assign Company Code to Field Status Variants

Your company code AA## has field status variant 1000

2-1-4

Control exercise – Please do <u>not</u> change the system configuration!

Which **scenarios** have been assigned (by the trainer) to the **leading ledger**, *0L*?

Customizing: Financial Accounting (New) → Financial Accounting Global Settings (New) → Ledgers → Ledger → Assign Scenarios and Customer Fields to Ledgers

Select ledger *0L* double-click to select the *Scenarios* entry in the dialog structure. The following scenarios may be visible:
Cost Center Update
Preparations for Consolidation
Business Area
Profit Center Update
Segmentation
Cost of Sales Accounting

2-1-5   **Create** a new **segment** with ID *SEG*## and name it "Segment Group ##".

*Customizing: Enterprise Structure → Definition → Financial Accounting →
Define Segment*

Maintain the new entry as described in the exercise text.

2-1-6   Now **create** a **profit center** with ID *PC*##. For a **template**, please use
profit center *1000* **in controlling area** *1000*. **Maintain the following data**
for the profit center:
Analysis Time Frame: **01/01/<u>1999</u>** to **12/31/9999**
Name: **PC Group ##**
Long Text: **Profit Center Group ##**
Person Responsible: **Group ##**
Department: **Course**
Hierarchy Area: **H9500** (Course)
Segment: Your new **Segment *SEG*##** from the previous exercise. **Activate**
the new profit center.

*Customizing: Enterprise Structure → Definition → Financial Accounting →
Define Profit Center*
In the displayed dialog box, choose *EC-PCA: Create profit center*

**Maintain the new entry, with the reference profit center as described in the
exercise text.**

2-1-7   Call **cost center** *T-F05A*## **in change mode** and make sure that the cost
center is assigned to your company code *AA*##. …

*SAP Easy Access menu → Accounting → Controlling → Cost Center Accounting
→ Master Data → Cost Center → Individual Processing → Change*

… **Replace** the existing profit center with your **new profit center** *PC*##.
Answer any warning/information messages with "Yes". **Save** your changes.

2-1-8   **Now create vendor** *210*## in your company code *AA*## – leave the account
group blank and choose **Vendor** *1000* in **Company Code** *1000* as a
<u>template</u>. **Fill in all the required fields** with the address data and **save** your
data.

*SAP Easy Access Menu → Accounting → Financial Accounting → Vendors →
Master Records → Create*

Maintain the new entry, with the reference as described in the exercise text.

2-1-9

Control exercise – Please do <u>not</u> change the system configuration!

Before the first posting, **now check** whether the **cost center**, the **profit center**, and the **segment are defined as** "**Optional**" in the **field status group** of **account** *417000* (Purchased Services) **/ company code** *AA##.*

SAP Easy Access menu → Accounting → Financial Accounting → General Ledger→ Master Records→ G/L Accounts → Individual Processing → Centrally

Enter account *417000* **and company code** *AA##.*
Double-click the tab *Create/bank/interest*
Double-click the entry for the *Field status group* **(=> G033)**
Double-click on the *Additional account assignments* **group**

Find the appropriate account assignments in the displayed table. You may have to scroll down to see the segment.

2-1-10 Now create a **vendor invoice** for the services you purchased **with the following data**:
Company Code: **AA##**
Vendor: **210##**
Invoice and posting date: **Today**
Amount: **€ 4,640**
Calculate Tax indicator: **Set**
Tax Code: **VN**
Text: **1. Posting AC210**
G/L Account: **417000**
Amount in document currency: **4,640** or just "***"
CO-Relevant Account Assignment: Cost center **T-F05A##**
Simulate and **save** the posting document!

SAP Easy Access Menu → Accounting → Financial Accounting → Vendors → Document Entry→ Invoice

Enter the missing data as described in the exercise text.

2-1-11 **Display the document**. …

Remain in the *Enter Vendor Invoice* **screen and choose menu path** *Document → Display*

… **Change the layout** in the entry view such that the **cost center**, **profit center**, and **segment are displayed**! …

Choose *Change Layout...* **from the drop-down list under the** *Select Layout* **pushbutton. Display the three described fields.**

... **Save this layout user-specifically,** with **name** *L1*. If you want, you can also save your new layout as the default setting. If you do, layout *L1* will be started automatically whenever you display the document.

Choose *Save Layout...* **from the drop-down list under the** *Select Layout* **pushbutton.**

Course Overview: Document Splitting

SAP

- Introduction
- Ledger Definition
- **Document Splitting**
- Integration

- Periodic Processing
- Reporting

Document Splitting

Contents:

- **Motivation for document splitting**
- **Document splitting functions**
- **Activating document splitting**
- **Defining document splitting characteristics**
- **Inheritance in document splitting**
- **Example postings with document splitting**

Document Splitting: Objectives

SAP

At the conclusion of this unit, you will be able to

- **Explain the motivation and theory behind document splitting**
- **Activate and use document splitting**
- **Perform example postings with document splitting**

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Document Splitting – Motivation

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Available functions in the SAP system (Release SAP ERP Central Component 5.0 and later) **to create segment financial statements:**

- **The _Segment_ field is a standard field in the totals table for New General Ledger Accounting (FAGLFLEXT)**

- **New FI drilldown reporting functions let you create segment financial statements**

Requirement: Example: Posting w/diff. segment assignment

CCd	It	PK	Acct	Description	Amount	Curr.	Segment	
1000	1	31	1000	Vendor X	11,000-	EUR		
	2	40	417000	Purch. Services	4,000	EUR	SEG A	
	3	40	417000	Purch. Services	6,000	EUR	SEG B	
	4	40	154000	Input Tax	1,000	EUR		

Entry View

Solution: Document splitting/online split

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- The system requirements can be even more "simple" – there do not necessarily have to be different segment assignments in the expense lines. At the very least, the payables line (in the general ledger view) has to have a "segment assignment" line, for example, to create balanced segment financial statements at all.

Assumptions for Document Splitting

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Assumptions for Document Splitting:

- The **operative process** (of document entry) **must <u>not</u> be disturbed** (changed) by the online split – **specific example:**
  When entering the following vendor invoice in the system ...

Description	Amount	Curr.	Segment	
Vendor X	11,600-	EUR		
Purch. Services	4,000	EUR	SEG A	
Purch. Services	6,000	EUR	SEG B	
Input Tax	1,600	EUR		

…. the user **only wants to enter the vendor once**.
Later, of course, when segment financial statements are required (for segment A, for example), the payables (in the <u>general ledger</u>) should report the corresponding share (=> 4,640).

- When a **vendor line item list** is called (in the FI-AP subledger), of course, there should still **only be one open item** for the above invoice.
  Therefore: Document splitting is only relevant for the general ledger; it does not need to be visible from within the subledgers.

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Steps Involved in Document Splitting

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Simplified, you can divide the document splitting process into three steps:

1.

Passive split:

■ **During clearing** (during a payment, for example), **the account assignments of the items to clear are inherited to the clearing line item[s]** (=> such as payables line item[s]).

■ **This step cannot be customized.**

2.

Active (rule-based) split:

■ **The system splits documents on the basis of** (delivered or custom) **document splitting rules**

■ **Document splitting rules can be configured**

3.

Clearing lines/zero balance formation by balancing char. (and document)**:**

■ **The system creates clearing lines automatically to achieve a split**

■ **You can control this process with the "zero balance indicator"**

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■ In situations involving clearing, the **passive split** not only ensures that the account itself is balanced, but also the additional dimensions. See the example in the next slides.

■ The logic behind the rules for **active splits** is explained in the following slides.

■ **Clearing lines** are always formed when values have to be reposted between account assignment objects. For example: Transfer posting from profit center A to profit center B.

• The clearing lines ensure that not only the document itself is balanced internally, but also the additional dimensions (=> such as business area, segment, or profit center).

■ Between steps two and three, document splitting is supported by two things: **inheritance** and **default account assignment**.

■ The system **always** processes document splitting in the sequence shown in the slide.

Document Splitting Characteristics (from FI)

SAP

You first have to define for which (FI) characteristics document splitting is performed

---

Typical document splitting characteristics:
- **Business area**
- **Profit center**
- **Segment**

Important: User-defined entities can also be split

Document splitting characteristics for general ledgers

Field	Zero Bal.	Mand. Fld.	....
PRCTR Profit Center ▤	☑	☐	....
SEGMENT Segment ▤	☑	☐	....
▤			

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- You define the document splitting characteristics in *Customizing* under *Financial Accounting (New) -> General Ledger Accounting (New) -> Business Transactions -> Document Splitting -> Define Document Splitting Characteristics for General Ledger Accounting*

  - The system proposes logical document splitting characteristics based on the assigned scenarios.

  - If you elect to use additional document splitting characteristics, you should use these characteristics in at least one ledger.

- You should always set the *Zero Balance* **indicator** if you plan to use the characteristics to create financial statements. The balance of the involved entities is then always 0 for **every posting**, ensuring "entity balancing".

- The *Mandatory field* has two meanings:

  - Firstly, it is an **extension of the field status** for accounts in which the characteristics cannot be "entered" during document entry, and/or for accounts that cannot be controlled using the field status. Example: Vendor lines should always include a profit center or a segment.

  - Secondly, it is a check as to whether a business process-equivalent business transaction variant was selected (which determines whether a splitting rule can be found).

Activating Document Splitting and Inheritance

- **Document splitting** is **first** activated **client-wide** in Customizing
- **In a further step** (in the dialog structure), **you can use this transaction to activate/deactivate document splitting for each company code**

Activate Document Splitting
- ☑ Splitting

Method   **0000000012**   Splitting: Like 0000000002 ....

Level of Detail
- ☑ Inheritance
- ☐ Standard A/C Assignment   Constant

SPRO

- **Inheritance** means that, **when you create a customer invoice from a revenue line, for example, the entities** (such as business area or segment) **are projected (inherited) to the customer and tax lines in the general ledger view**.
- The **standard A/C assignment** **can be used to replace all account assignments that could not be derived from the posting with a constant "value"**

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- Document splitting is activated in Customizing for New General Ledger Accounting under *Financial Accounting (New)-> General Ledger Accounting (New) -> Business Transactions -> Document Splitting -> Activate Document Splitting*

  - Splitting method 0000000012 is the standard splitting method provided by SAP.

- There is no reason why you should not activate **inheritance** when document splitting is active.

  - If you were not to use inheritance, you would have to define "rules" for the business processes to ensure that the **account assignments are projected**, for example, to achieve a zero balance in order to post the document.

  - Activation of inheritance is practically the first step to enable documents to be posted when document splitting is active, without any other Customizing activities.

  - Inheritance is performed online and at the line item level.

- To use a default account assignment, you first have to define a constant, which you do in *Customizing* under *Financial Accounting (New) -> General Ledger Accounting (New) -> Business Transactions -> Document Splitting -> Edit Constants for Nonassigned Processes*

Modeled business transaction:

- **Vendor invoice** with **multiple expense line items** and different account assignments (*with input tax of 10%*)

Entry view:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	31	1000	Miller Inc.	11,000.00-	EUR	VN			
	2	40	477000	Advertising Costs	1,000.00	EUR	VN	1000	1000	SEG A
	3	40	417000	Purch. Services	9,000.00	EUR	VN	4140	1402	SEG B
	4	40	154000	Input Tax	1,000.00	EUR	VN			

General ledger view / Ledger 0L:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment ▲
1000	1	31	160000	Vendor Payable	1,100.00-	EUR	VN		1000	SEG A
	2	40	477000	Advertising Costs	1,000.00	EUR	VN	1000	1000	
	4	40	154000	Input Tax	100.00	EUR	VN		1000	
	1	31	160000	Vendor Payable	9,900.00-	EUR	VN		1402	SEG B
	3	40	417000	Purch. Services	9,000.00	EUR	VN	4140	1402	
	4	40	154000	Input Tax	900.00	EUR	VN		1402	

Layout sorted by segment in ascending order

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- The entities defined as document splitting characteristics are inherited in non-assigned posting items.

- As you can see in the slide, the individual posting components always balance to zero.

- In this rule-based split, the vendor and tax lines (items 1 and 4) in the general ledger view are split in accordance with the expense lines / base item category *Expense* (items 2 and 3; expense accounts 477000 and 417000).

Simulating the General Ledger View

Simulate Document (Entry View):

Display Overview

Document Date	11.05.2006	Type	KR	Company Code	AA00
Posting Date	11.05.2006	Period	5		
Document Number	INTERNAL	Fiscal Year	2006		
Reference					
Doc.Header Text					

C...	Itm	PK	Account	Description
AA00	1	31	30500	Zimmermann GmbH
	2	40	477000	Advertising and Sale
	3	40	417000	Purchased services
	4	40	154000	Input tax
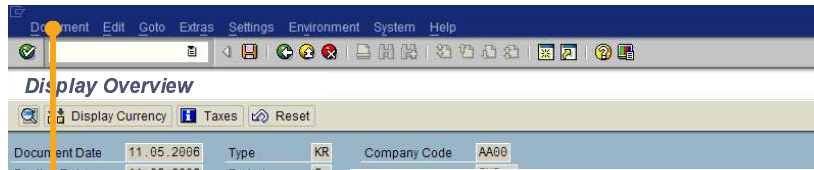
Simulate Document (General Ledger View):

General Ledger Simulation

Document Date	11.05.2006	Posting Date	11.05.2006	Fiscal Year	2006
Reference		Cross-co. code no.		Posting Period	5
Currency	EUR	Ledger Group		Ledger	0L

Co...	Itm	L.item	PK	S	G/L Account	G/L account name	Σ	Amount	Curr.	Profit Ctr
AA00	1	000001	31		160000	AP-domestic		9.900,00-	EUR	1000
AA00	3	000004	40		417000	Purchased services		9.000,00	EUR	
AA00	4	000005	40		154000	Input tax		900,00	EUR	
							■	0,00 EUR		1000
AA00	1	000002	31		160000	AP-domestic		1.100,00-	EUR	1402
AA00	2	000003	40		477000	Advertising and Sale		1.000,00	EUR	
AA00	4	000006	40		154000	Input tax		100,00	EUR	
							■	0,00 EUR		1402
							■ ■	0,00 EUR		

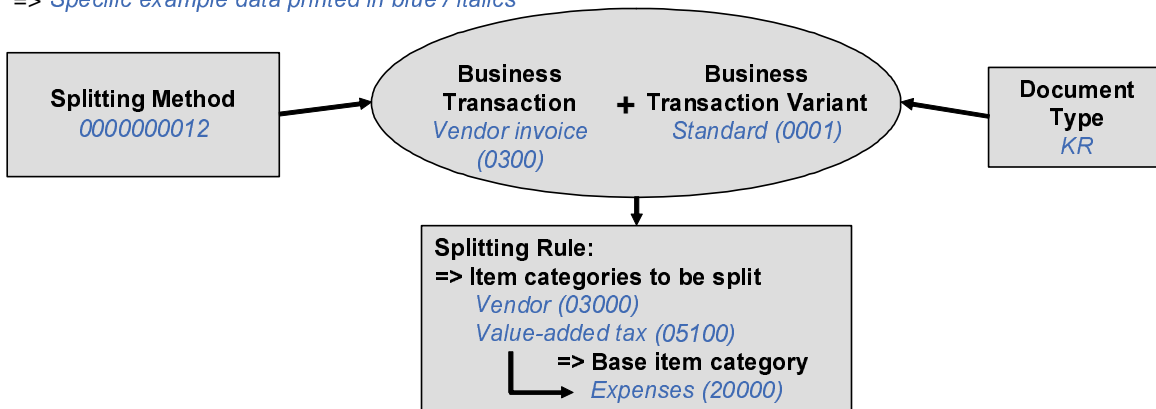From the menu, choose *Document -> Simulate General Ledger*

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- **From Release mySAP ERP 2005**, you can **simulate** not only the entry view but also the **general ledger view** before the posting.

- In this way, you can analyze early any error that would lead to a termination (=> error message) of the posting.

- You can then use the expert mode to view the detailed data of document splitting.

Document Splitting – Split Logic, Active Split

Splitting logic based on the **example** of a **vendor invoice**:
=> Basic terms printed in black / bold
=> *Specific example data printed in blue / italics*

Splitting Method
0000000012

Business Transaction
Vendor invoice (0300)
+
Business Transaction Variant
Standard (0001)

Document Type
KR

Splitting Rule:
=> Item categories to be split
Vendor (03000)
Value-added tax (05100)
=> Base item category
Expenses (20000)

Effects in the application (without any reference to an explicit document splitting characteristic):

Vendor document (entry view):

Expense	10
Expense	90
Tax	10
to vendor	110

Vendor document split (general ledger view):

Expense	10
Tax	1
to vendor	11
Expense	90
Tax	9
to vendor	99

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- A **splitting method**, in brief, is the **total of all splitting rules of all business transactions**. As such, the splitting method defines how and under which circumstances document splitting is performed. In detail, this means that each splitting method defines how each item category is handled in the individual business transactions - for example, whether the account assignment of a customer item is copied from the revenue items to a customer invoice. (=> See rule-based split)

  - The **business transaction** is a general breakdown of actual business processes that SAP provides and that is assigned a wide variety of item categories.

  - The **business transaction variant** is a specific version of the predefined business transaction provided by SAP and the (technical) modeling of a real business process for document splitting.

  - An **item category** is a (technical) map of the posted line items. It describes the items that appear within a document (business transaction). They are derived from, among other things, the account types of the G/L accounts.

    - In other words: The item category is the semantic description for the document split.

  - An individual **splitting rule** defines which item categories can/will be split (=> **item categories to be split**) and at the same time defines which base can be used (=> **base item categories**).

Document Splitting: Splitting Rule Detail View

Splitting Method	0000000012	Splitting: Like 0000000002 (follow-up costs online)
Business Transaction	03000	Vendor Invoice
Transaction Variant	0001	Standard

⊞ Assigned Item Categories

⊟ Splitting Rule

Account Determination Zero Balance Posting   000   Standard Account for Zero Balance
Leading Item Category   03000   Vendor

⊟ Item Categories to be Split

⊞	....	....
⊞	03000	Vendor
⊟	05100	Value-Added Tax

Splitting based on base items
Base item with VAT indicator of the item to be split

⊟ Base Item Categories

	01000	Balance sheet account
	......	....
	20000	Expense
	......	....

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- The view shown above is displayed when you choose the **printer icon** for an explicit splitting rule: *Customizing: Financial Accounting (New) -> General Ledger Accounting (New) -> Business Transactions -> Document Splitting -> Extended Document Splitting -> Define Splitting Rules.*

  - You can also call the splitting rules with **transaction code** *GSP_RD*

Document Simulation – Expert Mode I

SAP

Simulate Document (General Ledger View):

The **expert mode** provides **information on** all essential **document splitting parameters** (such as splitting method or business transaction) <u>and</u> **describes how the split amounts are achieved**.

Example: How does the system calculate the amount of **payables** (=> AP domestic) **for profit center 1000** (=> **9900.00 €**)?

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Document Simulation – Expert Mode II

SAP

Customizing Parameter of Document Split:

Simulation of Document Splitting: Expert Mode

Configuration of Doc. Splitting

Parameter	Val.
Reference Transact.	BKPF
Splitting Method	0000000012
	0300
Business Transaction Variant	0001
Deriv. via Doc. Type	KR
Company Code of Leading Item	AA00
Zero Balance Method	P

Document Display

🗐 Display Crcy

Company Code / Item	Acct Assgmt Cat.	Assignment Origin	Ite_	Pos_	G/L Acc	Item cat.	Amount	Crcy	Profit Ctr
▽ 🗀 AA00									
▽ 🗀 0000000001	Split According to Base Rows		1	31	160000	03000	9.900,00-	EUR	1000
🗐		Base Line 0000000004							
🗐		Base Line 0000000005							
▷ 🗀 0000000002	Split According to Base Rows		1	31	160000	03000	1.100,00-	EUR	1402
🗐 0000000003	Base Line		2	40	477000	20000	1.000,00	EUR	1402
🗐 0000000004	Base Line		3	40	417000	20000	9.000,00	EUR	1000
▽ 🗀 0000000005	Split According to Base Rows		4	40	154000	05100	900,00	EUR	1000
🗐		Base Line 0000000004							
▷ 🗀 0000000006	Split According to Base Rows		4	40	154000	05100	100,00	EUR	1402

9.900 = Base Line 0….04 / Expenseline (=> **9.000**) **+** Base Line 0…. 05 / Tax out of Base Line 0….04 (=> **900**)

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Document Splitting – Follow-Up Process I

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Modeled business transaction:

■ The **vendor invoice** (see Example Figures II) **is now paid**

- It is paid with a retention amount of **3% cash discount** – amount paid: **10.670.00** .

■ **What to watch for:**

- The selected **document splitting characteristics** now have to be **inherited to the posting lines of the payment document** as well.

- The payment document is split on the basis of **document splitting rules** of the original expense posting / vendor invoice.

Entry view:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	50	113100	Bank	10,670.00-	EUR				
	2	50	276000	Discount rec.	30.00-	EUR	VN		1000	SEG A
	3	50	276000	Discount rec.	270.00-	EUR	VN		1402	SEG B
	4	25	1000	Miller Inc.	11,000.00	EUR				
	5	50	154000	Input Tax	30.00-	EUR	VN			

See overleaf for general ledger view

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■ For more information on "cash discount received" lines, see the *Integration* unit, topic *Online Distribution of Follow-Up Costs*.

Document Splitting – Follow-Up Process II

SAP

General ledger view / Ledger 0L:

CCd	I	PK	Acct	Description	? Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	50	113100	Bank	1,067.00-	EUR			1000	SEG A
	2	50	276000	Discount rec.	30.00-	EUR	VN		1000	
	4	25	160000	Vendor Payable	1,100.00	EUR			1000	
	5	50	154000	Input Tax	3.00-	EUR	VN		1000	
					0.00	**EUR**				**SEG A**
1000	1	50	113100	Bank	9,603.00-	EUR			1402	SEG B
	3	50	276000	Discount rec.	270.00-	EUR	VN		1402	
	4	25	160000	Vendor Payable	9,900.00	EUR			1402	
	5	50	154000	Input Tax	27.00-	EUR	VN		1402	
					0.00	**EUR**				**SEG B**

Layout sorted by segment in ascending order and with segment subtotals

- In the line item display, the payment document and original invoice document appear as cleared items, as in prior releases.

- The **document splitting rules** for splitting the payment of a vendor invoice are provided in the **standard** SAP system.

  - The "payables lines" (=> account 160000) are created through passive document splitting.

- If we assume that the invoice were not to be paid in full and a **residual item** of €2,000.00 were to remain, this would create a new vendor line item; this residual item would in turn be split among the original expenses in the general ledger view for invoice entry.

Document Splitting - Inheritance

SAP

Modeled business transaction:

■ **G/L account postings** – Expense, taxes to petty cash / document type *SA*

System configuration:

■ Scenarios *Profit Center Update* and *Segmentation* are assigned

■ Document splitting activated – Doc. splitting chars *Profit Center* and *Segment* are defined

Entry view:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment	
1000	1	40	476000	Office materials	50.00	EUR	VN	1000	1402	SEG A	
	2	50	100000	Petty Cash	58.00-	EUR					
	3	40	154000	Input Tax	8.00	EUR	VN				

Inheritance indicator not set!   **Inheritance indicator set!**

General ledger view / Ledger 0L:

Important: Missing columns are identical to the entry view.	Amount	CCtr	PC	Segment
	50.00	1000	1402	SEG A
	58.00-			
	8.00			
❌ Balancing field "Segment" is not filled in line item 002				

General ledger view / Ledger 0L:

Important: Missing columns are identical to the entry view.	Amount	CCtr	PC	Segment
	50.00	1000	1402	SEG A
	58.00-		1402	SEG A
	8.00		1402	SEG A

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■ The *Inheritance* indicator ensures that the corresponding account assignment objects are projected to the petty cash and tax line items, even without corresponding splitting rules.

■ This indicator also ensures a zero balance setting for entities selected for document splitting, without requiring you to define any other system settings.

Document Splitting – Creation of Zero Balance

Modeled business transaction:

- **G/L account posting** – Transfer posting within an account

System configuration:

- Scenarios *Profit Center Update* and *Segmentation* are assigned

- Document splitting activated – Doc splitting chars *Profit Center* and *Segment* are defined

Entry view:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	40	113100	Bank	10,000.00	EUR				SEG A
	2	50	113100	Bank	10,000.00-	EUR				SEG B

General ledger view / Ledger 0L:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment ▲
1000	1	40	113100	Bank	10,000.00	EUR				SEG A
	3	50	194500	Clear. Seg.	10,000.00-	EUR				
	2	50	113100	Bank	10,000.00-	EUR				SEG B
	4	40	194500	Clear. Seg.	10,000.00	EUR				

Layout sorted by segment in ascending order

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- <u>Reason for reposting</u>: A vendor invoice was assigned to an incorrect segment and paid with this incorrect segment.

  - Both the expense and the vendor item obviously need to be corrected.

- Zero balance creation is only useful and necessary if you want to create a complete balance sheet for a specific characteristic. The above case is an example of clearing line formation.

Document Splitting – Modeling

SAP

Modeled business transaction:

- **G/L account postings** – Multiple expense line items, taxes to petty cash

System configuration:

- Scenarios *Profit Center Update* and *Segmentation* are assigned

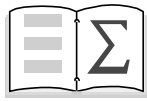- Document splitting activated – Doc. splitting chars *Profit Center* and *Segment* are defined

---

Entry view:

CCd	I	PK	Acct	Description	Amount	Curr.	Tx	CCtr	PC	Segment	
1000	1	40	476000	Office materials	50.00	EUR	VN	1000	1000	SEG A	
	2	40	476000	Office materials	100.00	EUR	VN	4140	1410	SEG B	
	3	50	100000	Petty Cash	165.00-	EUR					
	4	40	154000	Input Tax	15.00	EUR	VN				
⊗ Balancing field "Segment" is not filled in line item 003										FB50	

- **The standard splitting rules do not cover this type of business transaction**
- **To post the transaction, you have to enhance the existing splitting rules**

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- What are the reasons for the error message during the error message?

  - No base item category is assigned for item category *Cash Account* (nor for item category *Value-Added Tax*) in the corresponding combination of business transaction and business transaction variant that is assigned to the respective document type.

  - Moreover, "inheritance" of the segment is not possible because it is not unique.

- If you have to modify a rule, you should create your own splitting method and copy the assigned rules from the standard configuration.

Document Splitting: Summary

SAP

You can now:

- **Explain the motivation behind document splitting and how it works**

- **Activate and use document splitting**

- **Perform example postings with the online split (document splitting) function**

Exercises

Unit: Document Splitting

Topic: Postings with Online Document Splitting

At the conclusion of these exercises, you will be able to

- Understand and configure document splitting. You will also be able to enter and analyze split documents.

3-1 **Exercises for configuring and demonstrating document splitting**

3-1-1

Control exercise – Please do <u>not</u> change the system configuration!

Please check whether at least the **Segment splitting characteristic** is defined! The **Zero-Balance** and **Mandatory Field** indicators have to be set for the segment. If this is not the case, please notify your course instructor.

3-1-2 When should you set the "zero balance" indicator for the splitting characteristics in general ledger accounting?

3-1-3 Does it make sense to also set the "mandatory indicator" for a balancing entity?

3-1-4 **Activate document splitting for** your **company code** *AA##*. **As already configured**, use **splitting method 0000000012** (splitting: like 0000000002 [follow-up costs online]) for your company code, and make sure **inheritance is activated**. You do not need to enter a constant for a default account assignment.

3-1-5 Now create a **vendor invoice** for the **spare parts** you purchased **with the following data**:
Company Code: AA##
Vendor: **210##**
Invoice and posting date: Today
Amount: **€ 2320**
Calculate tax indicator: **Set**
Tax Code: **VN**
Text: Spare parts purchase group ##
G/L Account: **404000**
Amount in document currency: **2,320** or just "*"
CO-Relevant Account Assignment: Cost center **T-F05A##**
Simulate and **save** the posting document!

3-1-6 **Display the document**. You can see in the entry view that your segment *SEG##* was derived. Now switch to the **general ledger view**: The **segment** should now be <u>**inherited**</u> in the payables and tax line items.

Important: If your instructor has (also) defined the profit center (and/or business area) as a splitting characteristic, these entities will also be inherited in the payables and tax line items.

3-1-7 **Active split:** You will now **enter an additional spare parts invoice** for **vendor** *210##*. In contrast to the previous exercise, **some of the spare parts** should now be assigned to your defined **segment** *SEG##*, **with the rest assigned to segment** *SEGA*!

3-1-7-1To make sure that the second part of the posted amount is really assigned to segment *SEGA*, **check** the settings for **cost center** *T-F05B##* before you post: **Which profit center is defined in cost center** *T-F05B##***?**

3-1-7-2Which segment is defined in the corresponding profit center? Hopefully segment *SEGA* ☺

The **invoice total** should amount to **€ 10,000 <u>net</u>**. **Split** the costs for the spare parts <u>**however you like**</u>, as long as you assign **some parts** to **cost center** *T-F05A##* **and the others** to **cost center** *T-F05B##*.
You can use **account 404000** or **400000** as the **expense account**. Use the data and control parameters from the previous exercise.

3-1-8 **Display the document**. You can already see in the entry view that the expense has been split – of course in the ratio you defined yourself in the posting. **Now switch to the general ledger view:** You should now see 6 line items instead of the 4 posting line items.

3-1-9 To instantly see whether a zero balance has been reached for each segment, **change the layout** of the document: Sort by segment and calculate a subtotal for the *Segment* column.

3-1-10 You can **save** this **layout** as user-specific layout *L2*.

3-1-11 To demonstrate that the split is really only performed in the general ledger, and not in the subledgers, **call a vendor line item list** for your vendor *210##*.
You should see 3 open items. The last recorded document is displayed as <u>**one**</u> open item in the amount of EUR 11,600.00. To show the split by segment, you have to display the document from within the Open item list.

Solutions

Unit: Document Splitting

Topic: Postings with Online Document Splitting

3-1 **Exercises for configuring and demonstrating document splitting**

3-1-1

> **Control exercise – Please do not change the system configuration!**

> **Please check** whether at least the **Segment splitting characteristic** is defined! The **Zero-Balance** and **Mandatory Field** indicators have to be set for the segment. If this is not the case, please notify your course instructor.

Customizing: Financial Accounting (New) → General Ledger Accounting (New) → Business Transactions → Document Splitting → Define Document Splitting Characteristics for General Ledger Accounting

3-1-2 When should you set the "zero balance" indicator for the splitting characteristics in general ledger accounting?

You have to set this indicator whenever the characteristic involved is a balancing entity. Setting the "zero balance" indicator ensures that the characteristic will have a zero balance in the document.
Specifically: If the indicator is set, the system checks whether the balance of the characteristic is zero during posting. If this is not the case, the system creates additional clearing line items in the document to achieve the zero balance.

3-1-3 Does it make sense to also set the "mandatory indicator" for a balancing entity?

Yes: in this case, the system not only generates the clearing line items, but also checks whether all the line items in the posting are assigned to the appropriate characteristic after the split.

3-1-4 **Activate document splitting for** your **company code** *AA##*. **As already configured**, use **splitting method 0000000012** (splitting: like 0000000002 [follow-up costs online]) for your company code, and make sure **inheritance is activated**. You do not need to enter a constant for a default account assignment.

Customizing: Financial Accounting (New) → General Ledger Accounting (New) → Business Transactions → Document Splitting → Activate Document Splitting

The settings in the first screen should already be correct.
Switch to *Deactivation per Company Code* in the dialog structure. Find the line with your company code, *AA##,* and delete the inactive indicator.

3-1-5 Now create a **vendor invoice** for the **spare parts** you purchased **with the following data**:
Company Code: AA##
Vendor: **210##**
Invoice and posting date: **Today**
Amount: **€ 2320**
Calculate tax indicator: **Set**
Tax Code: **VN**
Text: Spare parts purchase group ##
G/L Account: **404000**
Amount in document currency: **2,320** or just "*"
CO-Relevant Account Assignment: Cost center **T-F05A##**
Simulate and **save** the posting document!

SAP Easy Access Menu → Accounting → Financial Accounting → Vendors → Document Entry→ Invoice

Enter the required data as described in the exercise text.

3-1-6 **Display the document**. …

Remain in the *Enter Vendor Invoice* screen and choose menu path *Document → Display*

... You can see in the entry view that your segment *SEG##* was derived. Now switch to the **general ledger view**: The **segment** should now be __inherited__ in the payables and tax line items.

Important: If your instructor has (also) defined the profit center (and/or business area) as a splitting characteristic, these entities will also be inherited in the payables and tax line items.

3-1-7 **Active split:** You will now **enter an additional spare parts invoice** for **vendor** *210##*. In contrast to the previous exercise, **some of the spare parts** should now be assigned to your defined **segment *SEG##*, with the rest assigned to segment *SEGA*!**

3-1-7-1 To make sure that the second part of the posted amount is really assigned to segment *SEGA*, **check** the settings for **cost center *T-F05B##*** before you post: **Which profit center is defined in cost center *T-F05B##*?**

SAP Easy Access menu → Accounting → Controlling → Cost Center Accounting → Master Data→ Cost Center → Individual Processing → Display

Profit center 1402 is defined.

   3-1-7-2 Which segment is defined in the corresponding profit center?
    Hopefully segment *SEGA* ☺

SAP Easy Access menu → Accounting → Controlling → Profit Center Accounting → Master Data→ Profit Center → Individual Processing → Display

Enter profit center 1402 and display the master data. Input field Segment appears in the logical field group Basic Data.

   The **invoice total** should amount to **€ 10,000 <u>net</u>**. **Split** the costs for the spare parts **<u>however you like</u>**, as long as you assign **some parts** to **cost center** *T-F05A##* **and the others** to **cost center** *T-F05B##*.
   You can use **account 404000** or **400000** as the **expense account**. Use the data and control parameters from the previous exercise.

SAP Easy Access Menu → Accounting → Financial Accounting → Vendors → Document Entry→ Invoice

Enter the required data as described in the exercise text.

3-1-8 **Display the document**. …

Remain in the *Enter Vendor Invoice* screen and choose menu path *Document → Display*

   ... You can already see in the entry view that the expense has been split – of course in the ratio you defined yourself in the posting. **Now switch to the general ledger view:** You should now see 6 line items instead of the 4 posting line items.

3-1-9 To instantly see whether a zero balance has been reached for each segment, **change the layout** of the document: **Sort by segment and calculate a subtotal for the *Segment* column.**

Select the *Segment* column in the display document and press the *Sort Ascending* button. Select the *Amount* column and press the *Totals* button. Then select the *Segment* column again and press the *Subtotal* button.

3-1-10 You can **save** this **layout** as user-specific layout *L2*.

Choose Save Layout... from the drop-down list under the Select Layout pushbutton.

3-1-11 To demonstrate that the split is really only performed in the general ledger, and not in the subledgers, **call a vendor line item list** for your vendor *210##*. …

SAP Easy Access Menu → Accounting → Financial Accounting → Vendors → Account → Display/Change Line Items

Enter vendor *210##* and company code *AA##*, then start the selection of your open items, open as of today.

... You should see 3 open items. The last recorded document is displayed as <u>**one**</u> open item in the amount of EUR 11,600.00. To show the split by segment, you have to display the document from within the Open item list.

Double-click the displayed document number.

Choose menu path *Goto → Document Overview*

Course Overview: Integration

Introduction

Ledger Definition

Document Splitting

Integration

Periodic Processing

Reporting

Integration

SAP

Contents:

- **Integration with FI Subledgers**
- **Integration with Controlling**

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Integration: Objectives

SAP

After completing this unit, you will be able to

- **Enter postings in Accounts Payable and Accounts Receivable**

- **Enter post-capitalization of cash discounts for assets in realtime**

- **Understand and configure the realtime integration from CO to FI**

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The New General Ledger – Integration

Integration with the following components is relevant:

■ **Integration with FI Subledgers**
- **FI-AP (Accounts Payable)**
  - Covered in detail in the Document Splitting unit
- **FI-AR (Accounts Receivable)**
- **FI-AA (Asset Accounting)**

■ **Integration with Controlling**
- **CO -> FI real-time integration**

The New General Ledger – Integration

Integration with the following components is relevant:

- **Integration with FI Subledgers**
  - **FI-AP (Accounts Payable)**
    - Covered in detail in the Document Splitting unit
  - **FI-AR (Accounts Receivable)**
  - **FI-AA (Asset Accounting)**

- **Integration with Controlling**
  - **CO -> FI real-time integration**

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Customer documents are subject to the same rules as in accounts payable:

The account assignment objects in the revenue line item are inherited to the customer and tax items in the invoice. You can see this in the general ledger view of the document display.

The customer and tax line items of a customer invoice with different account assignment objects in the revenue line items are split online, in proportion to the amounts in the revenue line items. You can also see this in the general ledger view of the document display.

The customer line item list still only outputs one item per document.

When payments are received, the bank and any cash discount items are split analogous to the revenue lines in the original customer invoice – Key word: follow-up process.

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- You can see the inheritance of customer items clearly in transaction *FB70* (=> Enter Customer Invoice).

- When you enter a customer invoice with different account assignments in the revenue line items, you see that nothing has changed compared to the prior releases: You have to enter the various revenue line items by hand for the different account assignment objects – the tax and customer line items are created automatically.

  - After posting, you can view the online split in the general ledger view of the document – The entry view shows the document as it was entered during posting.

The New General Ledger – Integration

SAP

Integration with the following components is relevant:

- **Integration with FI Subledgers**
  - **FI-AP (Accounts Payable)**
    - Covered in detail in the Document Splitting unit
  - **FI-AR (Accounts Receivable)**
  - **FI-AA (Asset Accounting)**

- **Integration with Controlling**
  - **CO -> FI real-time integration**

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Assumed system configuration:
=> Asset accounting is managed as a subledger with **two depreciation areas**
(=> Book [01] and Costing [20]).
=> The costing-based depreciation is passed on to CO in the costing area.
=> **Parallel accounting is not relevant** (yet).

1. Both account assignment elements are *generally derived*
from the assigned CO objects in the asset master record (=> cost center or order)

To actually assign a segment (or a PC) for asset transactions, you have to activate
Account Assignment Type APC Values Posting for **Area 01** for the corresponding CO object.

Company Code: 1000
Depreciation Area: 01   Area 01 / Book Depreciation

Account Assignment Objects

AA Object	Name of AA Object	TTy	TTy Text	Acct. Assign. Type	Assign
KOSTL	Cost Center	*	Gen. Trn. Type	APC Values Posting	☑
CAUFN	Internal order	*	Gen. Trn. Type	APC Values Posting	☑

ACSET

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- *Business context*: It should be possible to **achieve the specified target scenario if** you have **assigned the segmentation scenario** (or profit center update) to the leading ledger.

  • In addition, the **Segment characteristic** (or PC or BA) must be a **balancing entity**.

- The above example shows a typical configuration for Asset Accounting (component FI-AA) if the involved company does not have to apply any accounting principles other than the trade law governing book depreciation:

  • Area 01: Posts values to General Ledger Accounting in real time

  • Area 20: Only posts depreciation

- The **new entities within New General Ledger Accounting** in mySAP ERP, such as segment or profit center, **cannot be defined directly in the asset master record**. The system derives these two objects from the cost center or order, which can be maintained in the "time-dependent data" for the asset.

- The **account assignment types** are defined in **Customizing for Asset Accounting** under *Financial Accounting (New) -> Asset Accounting -> Integration with the General Ledger -> Additional Account Assignment Objects-> Specify Account Assignment Types for Account Assignment Objects*

  • You can only maintain account assignment types for active account assignment objects.

- See also **SAP Note 684659.**

Target / option: Model asset transactions in segments (or profit centers):

(2.) The segment (or PC) now has to be inherited from the asset item to the vendor and tax items
(or, if inbound is not integrated, to the clearing account line.

Solution: Activate **splitting with inheritance**

Posting result of an integrated asset acquisition (TCode *F-90*):

General ledger view / Ledger 0L:

CCd	I	PK	Acct	Description	∑ Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	31	160000	Vendor Payable	116,000.00-	EUR	VN		1000	SEG A
	2	70	11000	00002002 0000	100,000.00	EUR	VN		1000	SEG A
	3	40	154000	Input Tax	16,000.00	EUR	VN		1000	SEG A
					▫ **0.00**	**EUR**				

Layout with totals formation for the "Amount" column.

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- Document splitting also works in the case of the segmentation of an asset acquisition that is posted for multiple assets (with different segment assignments).

  - Document types AA (or AN) are assigned the default business transaction 0000 (unspecified posting) and business transaction variant 0001 (standard) in the context of document splitting.

  - The reconciliation accounts (asset balance sheet accounts and value adjustment accounts) are already classified internally as item categories.

  - The item categories for the asset retirement accounts may still need to be defined.

- New FI drilldown reports let you create **segment or profit center financial statements** immediately (=> TCode *FGI0*)!

  - As a result, you no longer have to **transfer assets to Profit Center Accounting** (TCode *1KEI*) for profit center financial statements.

- The cost center for the asset is not displayed in the entry view or the general ledger view by default. This means that the **asset balance sheet value** is **not** forwarded to a **CO account assignment object** by default! This corresponds to the wishes of the vast majority of SAP customers.

  - For information on how to circumvent the default setting so that the asset balance sheet values can be posted to a cost center (in CO), for example, see SAP Note 395762.

Post-Capitalization of Cash Discount for Asset 1

Same initial situation: Payment of invoice for asset with deduction of 3% cash discount

Target / option: (also) model asset transactions in segments (or profit centers):

Processing until Release R/3 Enterprise (inclusive):

1. Enter the invoice with posting **against** the **cash discount received account**

General ledger view / Ledger 0L:

CCd	I	PK	Acct	Description	∑ Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	50	113100	Bank	112,520.00-	EUR			1000	SEG A
	2	50	276000	Cash disc. rec.	3,000.00-	EUR	VN		1000	SEG A
	3	25	160000	Vendor Payable	116,000.00	EUR			1000	SEG A
	4	50	154000	Input Tax	480.00-	EUR	VN		1000	SEG A
					0.00 EUR					

Layout with totals formation for amount column.

The **asset** still has a **value of € 100,000.00**. **Deduction** of the **cash discount amount** from the asset only **takes place using** a **second step**:

2. Start (periodic) **program SAPF181**

- Of course, the above example with gross entry of the invoice document (=> capitalizing the asset without deducting the cash discount) and the subsequent payment with deduction of cash discount can also take place in the reverse order: Capitalization of the asset with deduction for cash discount and (delayed) payment of the invoice amount without deduction for cash discount.

  • In the reverse case as well, in R/3 Enterprise and earlier versions, the asset value is only corrected in a second step, with program SAPF181.

Post-Capitalization of Cash Discount for Asset II

Same initial situation: Payment of invoice for asset with deduction of 3% cash discount

Processing using the possibilities of New General Ledger Accounting:

1. **Enter the invoice** referring to the **asset**:

General ledger view / Ledger 0L:

CCd	I	PK	Acct	Description	? Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	50	113100	Bank	112,520.00-	EUR			1000	SEG A
	2	75	011000	00002002 0000	3,000.00-	EUR	VN		1000	SEG A
	3	25	160000	Vendor Payable	116,000.00	EUR			1000	SEG A
	4	50	154000	Input Tax	480.00-	EUR	VN		1000	SEG A

Layout with totals formation for amount column.   **0.00 EUR**

I.e. the asset has (immediately after payment) a **value of € 97,000**.
It consists of two (asset) **transactions**:

Amount	Trans. Type	Transaction Type Text
100,000.00	100	Purchase acquisition (=> *from vendor invoice*)
3,000.00-	100	Purchase acquisition (=> *from payment*)

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- The *post-capitalization of cash discount to asset* is only possible if document splitting is active.

  - Important: You do not necessarily have to define document splitting characteristics, however.

- Path in Customizing: *Financial Accounting (New) -> General Ledger Accounting (New) -> Business Transactions -> Document Splitting -> Define Post-Capitalization of Cash Discount to Assets*

- The *post-capitalization of cash discount to asset* only works if the function was already configured when the invoice was entered. It is not enough to simply activate the function before entering the payment.

- If you use the post-capitalization of cash discount to asset, you can eliminate the (periodic) run of program SAPF181.

The New General Ledger – Integration

SAP

Integration with the following components is relevant:

- ■ **Integration with FI Subledgers**
  - **FI-AP (Accounts Payable)**
    - Covered in detail in the Document Splitting unit
  - **FI-AR (Accounts Receivable)**
  - **FI-AA (Asset Accounting)**

- ■ **Integration with Controlling**
  - **CO -> FI real-time integration**

Real-Time Integration CO -> FI

SAP

Financial Accounting

Controlling

Transaction 1: Posting to expense account:

System activity:

- Charge an FI account

If account is defined as cost element ...

System activity:

- Charge a CO object, such as a cost center

Transaction 2: Transfer posting in CO, e.g. to another cost center **…**
… with a different company code, business area, profit center, or other segment, …

New

System activity – New in mySAP ERP:

- Changes result in a **real-time (reconciliation) posting** in FI for each CO document
- **You no longer have to manage the reconciliation ledger**

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- The (real-time) integration from Financial Accounting (FI) to Controlling (CO) has been available in the SAP system for some time now.

- However, the **opposite direction, from CO to FI**, was not previously possible in real time. **This involves changes to characteristics, for example, in the following processes/transactions:**
  - Periodic allocations (assessment, distribution, transfer posting)
  - Manual transfer postings to CO [=> TCode *KB11(N)]*
  - Activity allocations [TCode *KB21(N)*]
  - Settlement from orders or projects [TCode *KO88* and *CJ88*]

- CO reconciliation with Financial Accounting always required the reconciliation ledger, which was maintained in Cost Element Accounting.
  - Periodic program runs carried out summary adjustment/reconciliation postings for each cost element/expense account: Transaction code *KALC*.

- Transaction *KALC* is no longer available (by default) after New General Ledger Accounting has been activated – an information message points out the new real-time integration between CO and FI.
  - With transaction *KALC,* it was not possible to reconcile the *Segment* characteristic.

Variants for CO -> FI Real-Time Integration

You can use a Customizing variant for real-time integration to configure the following (examples):

- The criteria for real-time integration
- The activation date for the real-time integration

Variants for CO -> FI Real-Time Integration

- ☑ Real-Time Int. Active
- ☑ Acct. Determ. Active
- ....
- ....

Key Date: Active from: MM/DD/YYYY

Selection of Document Lines for CO->FI Integration:

◉ **Use Checkboxes**

- ☑ Cross-company code
- ☐ Cross-business area
- ☑ Cross-functional area
- ☐ Cross-receivables
- ☐ Cross-profit center
- ☑ Cross-segment
- ☐ Cross-fund

....

- ☐ Trace Active

SPRO

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- You **define the variants** for CO->FI real-time integration in *Customizing* under *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Ledgers -> Real-Time Integration of Controlling with Financial Accounting -> Define Variants for Real-Time Integration*

- In a further step, you assign the variant to your company code(s).

- To determine which characteristic changes will generate real-time FI line items, you can use the checkboxes, define Boolean rules, or implement a BAdI with your own program logic.

  - Note that it is not useful to select characteristics that you have not assigned to at least one ledger through the scenarios.

- The key date activation defines when (from which posting date of the CO document) CO-FI reconciliation is possible through real-time integration.

  - You could also create Financial Accounting documents for CO documents entered before New General Ledger Accounting was activated.

- To transfer **secondary cost elements** from CO to FI, you have to define an **account assignment**. You define account determination in *Customizing* under *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Ledgers -> Real-Time Integration of Controlling with Financial Accounting -> Account Determination for Real-Time Integration*.

  - It is also possible to transfer primary costs to FI through account determination; the original cost elements are generally used for this.

Real-Time Integration CO -> FI – Example Figures

1. A **posting** for wages/salaries (**=>** account 420000) is entered in FI.
Cost center 1000 is also assigned and is used to derive functional area 0400.

FI
420000   Payables
500.00   500.00

Functional area 0400:   500.00

CO
Cost center 1000
420000   + 500.00

2. Through a **manual transfer posting in CO**, for example, the value in **cost center 1000** is now **transferred to cost center 4140** – but this cost center is assigned to FKBER 0100.

The following now occurs in real time:

CO
2a.
Cost center 1000
420000   + 500.00
420000   - 500.00
Σ   0.00

Cost center 4140
420000   + 500.00

FI
2b.
420000   420000
500.00   500.00

Functional area 0400:   500.00
- 500.00
Σ   0.00–

Functional area 0100:   500.00

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- This slide demonstrates **CO->FI real-time integration based on the characteristic/entity** *Functional Area*.

  - The characteristics *Profit Center*, *Segment*, and *Business Area* have been omitted from the example for clarity's sake.

- What do you see in the **Financial Accounting document (=> 2b.)**?

  - The posting is made in **real time** (for each CO document) – (periodic) reconciliation using the reconciliation ledger and transaction KALC is no longer required.

  - **In this case, the FI follow-on document has no clearing accounts**. Clearing lines are only necessary if the activity in Management Accounting / CO (=> 2.) results in a change of a balancing entity.

  - You can navigate from the real-time follow-on Financial Accounting document to the Management Accounting document (=> 2./2a.) and vice versa – key word: Traceability of the accounting documents.
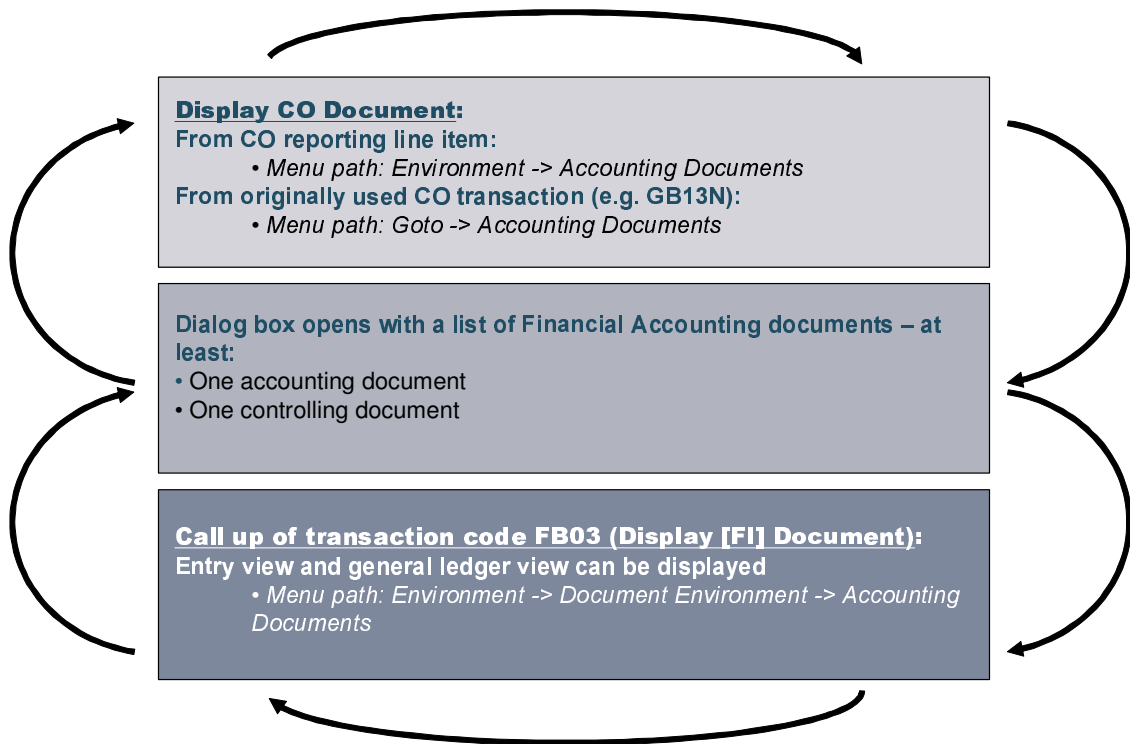
Transaction FAGLCOFITRACEADMIN

■ **If necessary**, the **CO=>FI real-time integration** can be **logged** with a trace.

■ If the trace was active during a CO posting, you can analyze the real-time integration data again at any time – **including the following data:**

   ● The **document number** of the original **CO document**

   ● Whether it was a **transfer** or a **test run**

   ● The **document number of the follow-up document in FI** if a transfer to FI took place

   ● The **reason for transfer**, but also the **reason for a failed transfer**

   ● The **posting mode**: **online posting** or **subsequent transfer** (subsequent posting / follow-up)

   ● Posting date, posting time, and user

   ● **Line item data** for the documents:

      ◆ **All posted to objects** and **partner objects**

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■ You can **activate the trace in the real-time integration variant**; it is then **active for all users at all times**. You cannot deactivate it subsequently. Note that this may result in a significant - potentially undesired - number of log entries.

■ If the trace is not activated in the real-time integration variant, it can still be activated and deactivated user-specifically at any time.

   • The corresponding transaction code to enter (in the command field) is: *FAGLCOFITRACEADMIN*

■ If the Management Accounting activity (CO activity) does not change any FI characteristics (=> company code, segment, etc.), then no FI follow-on document is created. But if the trace is active, a trace entry is created anyway.

Real-Time Integration CO -> FI – Document Flow

Display CO Document:
From CO reporting line item:
  • Menu path: Environment -> Accounting Documents
From originally used CO transaction (e.g. GB13N):
  • Menu path: Goto -> Accounting Documents

Dialog box opens with a list of Financial Accounting documents – at least:
• One accounting document
• One controlling document

Call up of transaction code FB03 (Display [FI] Document):
Entry view and general ledger view can be displayed
  • Menu path: Environment -> Document Environment -> Accounting Documents

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- You can navigate from the CO document to the FI [reconciliation] document generated in real time – and in the opposite direction.

  • This guarantees the **traceability of the accounting documents**.

- This bidirectional navigation between documents is possible because the real-time CO-FI integration **creates an FI follow-on document for each activity**, and not just a totals posting at the end of the month.

Integration: Summary
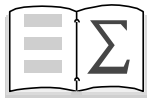
You are now able to

- **Explain the integration of the FI-AP and FI-AR subledgers with the New General Ledger**

- **Post-capitalize a cash discount for an asset in realtime**

- **Understand and configure the realtime integration from CO to FI**

Exercises

Unit: Integration

Topic: Real-Time Integration Between CO and FI

At the conclusion of these exercises, you will be able to:

- Configure the real-time integration between CO and FI This is clarified using a specific example. Real-time integration is a full replacement for the reconciliation ledger.

4-1 **CO -> FI Real-Time Integration**

4-1-1 You will now configure and test the **real-time integration between CO and FI**.
To do this, **define your own variant for real-time integration** with the **ID V##**. Your variant, *V##,* should have the **following settings:**
Variant for CO->FI Real-Time Integration:
Checkbox: Real-Time Integration: Active: **Set**
Key Date: Active from: **01.01.CY [current year]**
Checkbox: Account Determination: Active: **Set**
Document Type: **AB**
Ledger Group (FI): **0L**
Text: **Variant for real-time integration, group ##**
Selection of Document Lines for Real-Time Integration CO->FI:
Checkbox: Use Checkboxes: **Set**
=> Select all entities (company code, business area, and so on)
Technical Settings:
Checkbox Trace Active: **Set**

Caution: You do not necessarily have to activate the trace in the variant; it can be activated as needed at any time.
In fact, we recommend leaving the trace inactive by default in production systems, as the system may otherwise generate a huge number of log entries.
You will activate the trace immediately, however, in this AC210 exercise.

4-1-2 Now **assign** your new **variant V## to your company code** *AA##.*

4-1-3 **Now view** the **first vendor invoice that you posted** (=> task 2-1-10)**:** it should have the document number *1900000000*– if not, you need to search for the first document that you posted.
You assigned € 4,000.00 to cost center *T-F05A##.*
You should now **assume**, **that** this **assignment was incorrect:** you should **actually** have posted this cost to **cost center** *T-F05C##.*

4-1-4   You will now therefore **repost a line item in Controlling**. Call the corresponding transaction in the CO application and **enter the following data** for the accounting document**:**
Caution: If the controlling area is requested, enter **Controlling Area** *1000*
Document number: **1900000000** (or the relevant number of the first document you posted)
Company Code: **AA##**
Fiscal Year: **Current year**
Delete any other selections (such as cost center) and then choose **Execute**

In the results list, **change** the account assignment (specifically: Account Assignment 1) from **Cost Center** *T-F05A##* to **Cost Center** *T-F05C##*. **Save** your data.

4-1-5   **Start a cost center actual/planned variance report** for **cost center** *T-F05C##* and check whether the costs (=> cost element *Purchased Services*) have arrived at the new cost center. **Goto the CO line items** and display the segment in the layout. You can see that segment *SEGA* was derived from the cost center through the profit center. But you originally posted the purchased services in the amount of € 4,000.00 to segment *SEG##*!
To now **avoid having an inconsistency** between **Controlling and Financial Accounting**, **the system must have generated** an **accounting document** that maps the change of segment assignment:
Find out from the CO line items, whether a corresponding **accounting document was generated** in real-time and **then jump to it.**

4-1-6   The **entry view** of the **FI follow-up document** already contains various assignments to the segments. The **general ledger view** then makes **it clear what it means** that Customizing specifies that the segment characteristic must have a **"zero-balance setting": clearing lines** are automatically **created** to achieve a zero balance for each segment.
To make things even clearer, use your L2 layout to display the document in the general ledger view.

4-1-7   If the **trace** is **active** in the real-time integration, you can see whether real-time integration between CO and FI worked, which documents were created, and which entities were changed in **transaction** *FAGLCOFITRACEADMIN*:
Choose the **button** *Display Trace (Free Selection)*
In the *Field Selection* **dialog box, select** *Company Code (FI)* and then choose Continue (Enter)
In the *Determine Work Area: Entry* **dialog box, enter** your **company code** *AA##* and choose Continue (Enter).
The **log should** now **show two entries**.
You can double-click on the document number to display the detail data for the trace, which helps you **answer the following questions**:

Was the document transferred?

Which posting mode was used?

Does a follow-up document exist in FI?

Which entities/characteristics were changed?

Solutions

Unit: Integration

Topic: Real-Time Integration Between CO and FI

4-1 **CO -> FI Real-Time Integration**

4-1-1 You will now configure and test the **real-time integration between CO and FI**.
To do this, **define your own variant for real-time integration** with the **ID V##**.

Customizing: Financial Accounting (New) → Financial Accounting Global Settings (New) → Ledgers → Real-Time Integration of Controlling with Financial Accounting → Define Variants for Real-Time Integration

Your variant, *V##,* should have the **following settings:**
Variant for CO->FI Real-Time Integration:
Checkbox: Real-Time Integration: Active: **Set**
Key Date: Active from: **01.01.CY [current year]**
Checkbox: Account Determination: Active: **Set**
Document Type: **AB**
Ledger Group (FI): **0L**
Text: **Variant for real-time integration, group ##**
Selection of Document Lines for Real-Time Integration CO->FI:
Checkbox: Use Checkboxes: **Set**
=> Select all entities (company code, business area, and so on)
Technical Settings:
Checkbox Trace Active: **Set**

Caution: You do not necessarily have to activate the trace in the variant; it can be activated as needed at any time.
In fact, we recommend leaving the trace inactive by default in production systems, as the system may otherwise generate a huge number of log entries.
You will activate the trace immediately, however, in this AC210 exercise.

4-1-2 Now **assign** your new **variant V## to your company code** *AA##.*

Customizing: Financial Accounting (New) → Financial Accounting Global Settings (New) → Ledgers → Real-Time Integration of Controlling with Financial Accounting → Assign Variants for Real-Time Integration to Company Codes

Click New Entries to assign your variant V## to your company code AA00.

4-1-3 **Now view** the **first vendor invoice that you posted** (=> Exercise 2-1-10)**:** it should have the document number *1900000000–* if not, you need to search for the first document that you posted.

SAP Easy Access menu Accounting → Financial Accounting → Accounts Payable → Document → Display

Enter the document number, your company code AA##, and the current fiscal year and press Enter.

You assigned € 4,000.00 to cost center *T-F05A##*.

You should now **assume**, **that** this **assignment was incorrect:** you should **actually** have posted this cost to **cost center** *T-F05C##*.

4-1-4 You will now therefore **repost a line item in Controlling**. Call the corresponding transaction in CO:

SAP Easy Access Menu: Accounting → Controlling → Cost Center Accounting → Actual Postings → Repost Line Items → Enter

… and **enter the following data** for the accounting document**:**
Caution: If the controlling area is requested, enter **Controlling Area** *1000*
Document number: **1900000000** (or the relevant number of the first document you posted)
Company Code: **AA##**
Fiscal Year: **Current year**
Delete any other selections (such as cost center) and then choose **Execute**

In the results list, **change** the account assignment (specifically: Account Assignment 1) from **Cost Center** *T-F05A##* to **Cost Center** *T-F05C##*. **Save** your data.

4-1-5 **Start a cost center actual/planned variance report** for **cost center** *T-F05C##* and check whether the costs (=> cost element *Purchased Services*) have arrived at the new cost center. …

SAP Easy Access Menu: Accounting → Controlling → Cost Center Accounting → Information System → Reports for Cost Center Accounting → Plan/Actual Comparisons → Cost Centers: Actual/Plan/Variance

Go to the **CO line items**...

Double-click one of the displayed cost elements. *In the Select Report dialog window, double-click entry Cost Centers: Actual Line Items to select it.*

... and display the **segment** with the **Layout** function.

To change the layout, choose menu path Settings → Layout → Change. Copy the segment to the Displayed Columns.

You can see that segment *SEGA* was derived from the cost center through the profit center.
However, you originally posted the purchased services in the amount of € 4,000.00 to segment *SEG##*.
To now **avoid having an inconsistency** between **Controlling and Financial Accounting**, **the system must have generated** an **accounting document** that maps the change of segment assignment:

Find out from the CO line items, whether a corresponding **accounting document was generated in real-time** and **then jump to it.**

Menu path Environment → Accounting Documents. Choose Accounting Document in the List of Documents in Accounting dialog box.

4-1-6 The **entry view** of the **FI follow-up document** already contains various assignments to the segments. The **general ledger view** then makes **it clear what it means** that Customizing specifies that the segment characteristic must have a **"zero-balance setting": clearing lines** are automatically **created** to achieve a zero balance for each segment.
To make things even clearer, use your L2 layout to display the document in the general ledger view.

Button *Select Layout* → **Click Layout L2**

4-1-7 If the **trace** is **active** in the real-time integration, you can see whether real-time integration between CO and FI worked, which documents were created, and which entities were changed in **transaction** *FAGLCOFITRACEADMIN*:

Enter /nfaglcofitraceadmin in the command field

Choose the **button** *Display Trace (Free Selection)*
In the *Field Selection* **dialog box, select** *Company Code (FI)* and then choose Continue (Enter)
In the *Determine Work Area: Entry* **dialog box, enter** your **company code** *AA##* and choose Continue (Enter).
The **log should** now **show two entries**.
You can double-click on the document number to display the detail data for the trace, which helps you **answer the following questions**:

Was the document transferred?

Answer: YES

Which posting mode was used?

Answer: Online posting

Does a follow-up document exist in FI?

Answer: YES

Which entities/characteristics were changed?

Answer: The profit center and the segment

Introduction

Ledger Definition

Document Splitting

Integration

Periodic Processing

Reporting

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Contents:

- **Reduction of TCO with New General Ledger Accounting**
- **Foreign currency valuation** (FAGL_FC_VALUATION)

Periodic Processing: Objectives

At the conclusion of this unit, you will be able to

- **Analyze which periodic tasks will become redundant when you use New General Ledger Accounting**
- **Configure and run a foreign currency valuation**

Closing Operations – Reduction in TCO

SAP

As you saw repeatedly in the "Integration" unit,
**using New General Ledger Accounting can save you from
many periodic closing and reconciliation operations**,
because the system has already performed them in real time.
**This leads to an acceleration of period end activities.
Total Cost of Ownership (TCO).**

Examples of eliminated closing activities:
- **Maintenance and use of the reconciliation ledger** (=> TCode *KALC*)
- **Balance sheet adjustment** (=> *SAPF180* – e.g. for creation of bus. area balance sheets)
- **Profit and loss adjustment** (=> *SAPF181* – e.g. for post-capitalization of cash discount)
- **Maintenance and use of the various FI-SL ledgers** (=> *SAPF180A* + TCode *1KEK* – such as transferring values to Profit Center Accounting)
- Many tasks are also eliminated because **technical support for segment reporting** is available

Other period-end closing activities are <u>not</u> eliminated and still have to be performed. But there are differences to previous releases due to the logic in New General Ledger Accounting.

In the AC210 examples use foreign currency valuation (of vendor line items)
and the depreciation run in FI-AA

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- Examples of periodic processing tasks that are not eliminated but that are changed slightly as a result of the ledger logic or that are based on new programs and that are not shown explicitly in AC210 are:

  - Balance carryforward (in FI)

  - Reclassification/sorting of receivables and payables

  - Flat-rate individual value adjustment

FC Valuation – FAGL_FC_VALUATION

Initial situation: **Vendor invoice in foreign currency** of **$10,000.00** – posted on 02/15/CFY with a **€/$ exchange rate of 1.25**

General ledger view / Ledger 0L / Document 19000...:

CCd	I	PK	Acct	Description	∑ Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	31	160000	Vendor Payable	10.000,00-	USD	V9		1000	SEG A
	2	40	417000	Purch. Services	10.000,00	USD	V9	1000	1000	SEG A
					0,00	USD				

Vendor LI list for above document **as of key date 02/28/CFY:**

Stat.	Doc. No.	Ty.	Doc. Date	Due	Net Due	Int.	LC Amt	LC	CCC Amt	CC	Exc.Rate
🔴	19000…	KR	02/15/TY	📇	04/01/TY	-32	8,000.00	€	10,000.00	$	/1.25000
🔴	......	....	....	.....	....	.....	....	...	....	...	....

If we **assume** that the **euro/dollar exchange rate falls to parity** as of the key date, 02/28/CFY, the **payables will be €2,000 higher** than on the posting date.

Therefore: An **expense in the amount of €2,000** has to be entered – The **foreign currency valuation run** takes care of it!

- To start the correction posting, start **program FAGL_FC_VALUATION** in mySAP ERP.

  - The old program, SAPF100, cannot be executed after you have activated New General Ledger Accounting.

- You will find the program in the SAP Easy Access menu for accounts payable/accounts receivable, under "Foreign Currency Valuation of Open Items (New)"

- The inheritance of the profit center and segment in the vendor and tax line items shows that **document splitting is active** for the posting shown in the example.

  - *Therefore*: The accounts selected by the correction posting must have been defined as **item categories** for document splitting.

New in **mySAP** **ERP:**

- A **valuation run requires the entry** of a <u>valuation area</u> **(from FI).**

- **This area must be defined in Customizing and be assigned a** <u>valuation method</u> **– You can't do it during the run itself!**

  - The **valuation method defines** <u>as before</u> **"how"" valuation is run and with which valuation approach** (*such as the maximum value principle for payables*).

- Only for balance valuation / <u>not</u> <u>line</u> <u>item</u> <u>valuation</u>: In a further Customizing step, you combine the valuation area with an **<u>accounting principle</u> (AP)**.

  - o The AP is also required if you want/have to work with multiple valuation approaches (for example, IAS and local) – more about that later!

Valuation area	←	Valuation method		Accounting principles
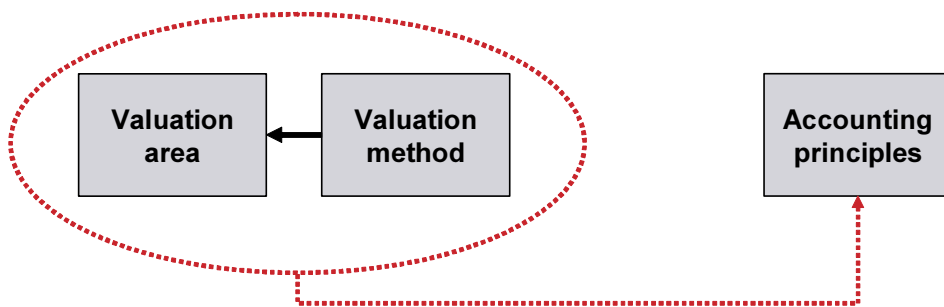
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- The corresponding **Customizing paths** to the facts in the slide are found in *Customizing* under *Financial Accounting (New) -> General Ledger Accounting (New) -> Periodic Processing, Valuate.*

- The valuation areas to be defined should not be confused with the depreciation areas in Asset Accounting (=> FI-AA). These are original FI valuation areas.

- You also use these valuation areas if you want to portray parallel accounting in the SAP system. If you only need the **local valuation approach**, as is assumed in this unit, then you will only have to define one valuation area. You can select the ID and name freely.

  - Proposal: LO – local valuation area

- *Outlook*: The "Parallel Accounting" unit of AC210 covers the modeling of multiple valuation approaches.

FC Valuation – FAGL_FC_VALUATION III

Account determination for transaction **"KDF"** *(exch. rate diff. open items / GL account)*:
Chart of accounts: INT
Valuation area: --
G/L account: 160000 (vendor payables)
Valuation:
Expense:	230010	(revaluations from currency valuation)
Revenue:	280010	(revenue from currency valuation)
FS correction:	161099	(correction account: vendor payables)

FC valuation at end of month CFY / Valuation area XY – Posting results:
General ledger view / Ledger 0L / Document 100...**20** / Posting date: **02/28/CFY**

CCd	I	PK	Acct	Description	∑Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	40	230010	Expen. from Val.	2,000.00	EUR			1000	SEG A
	2	50	161099	Corr. Vend.Pay.	2,000.00-	EUR			1000	SEG A

and always the same – correction/reversal posting:
General ledger view / Ledger 0L / Document 100...21 / Posting date:

CCd	I	PK	Acct	Description	∑ Amount	Curr.	Tx	CCtr	PC	Segment
1000	1	50	230010	Expen. from Val.	2,000.00-	EUR			1000	SEG A
	2	40	161099	Corr. Vend.Pay.	2,000.00	EUR			1000	SEG A

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- In order that a posting can be created, the **expense and correction accounts** have to be defined first in the system: *Customizing: Financial Accounting (New), General Ledger Accounting (New), Periodic Processing, Valuate, Foreign Currency Valuation, Prepare Automatic Postings for Foreign Currency Valuation => Transaction Exchange Rate Difference of Open Items / G/L Account =>* e.g. account 160000

  - Although the foreign currency valuation program, FAGL_FC_VALUATION, requires a valuation area, valuation area "Blank" is sufficient in account maintenance – that is, you **define the accounts without a valuation area.**

- **The FI entities from the original vendor invoice/open items are inherited in the foreign currency valuation documents if document splitting is active.**

  - **If document splitting is not active**, the accounts are only supplied with the corresponding values; the FI entities **are not inherited** in the correction posting.

- If the above example involved an original vendor invoice with various expense line items and different characteristic value assignments, the correction document would also be split if document splitting were active. For more information, see an example (based on a customer item) in the unit "Parallel Accounting".

- **Important:** For the valuation of balances, you can decide whether the valuation is corrected again on the first of the next month or not. This will also be possible for open line items in the future. Currently, this is not yet possible (status: June 2006). Once available, this option will then be delivered via Support Packages.

The cherry on top: If you want, you can also post the **revaluation amount online** to the original CO object that was charged **directly in controlling**.

*Prerequisites***:**

=> **Document Splitting** active

=> [expense, revenue, and correction accounts defined as item categories]

=> **Document splitting characteristic** ("Cost Center" in our example) defined for **CO**

=> Revaluation account defined as (primary) **cost element**

Result: You can navigate directly to a CO document from the respective foreign currency valuation documents.

Cost Centers: Plan/Actual/Variance
Cost Center: **1000** *(charged with (original) CO 19000….)*
Reporting Period: **02** to **02 CFY**

Cost Elements	Actual	Plan
230010 Expen. from valuation	2,000.00	
417000 Purchased services	8,000.00	
* Costs	10,000.00	

*   6,896.55   = $8,620.69 = original expense

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- *Important*: The (system) prerequisites described in the slide must already be met when the vendor invoice is posted (in a foreign currency).

- International context: The revenue account from currency valuation can also be defined as a cost element. In this case, negative costs would be posted to the corresponding CO object after a currency-related reduction of the payable.

- If you ran the cost center report in February with the entire year as reporting period, cost element 230010 would not show any values.

- You can navigate from the line items of the CO report to the posted CO document, and from there back to the FI document.

  • In contrast to the document shown in the slide, the FI document would have cost center 1000 as an additional characteristic.

Periodic Processing Summary
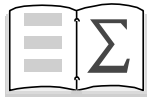
You can now:

- **Describe the potential for improving TCO**

- **Configure and use the new foreign currency valuation program**

Exercises

Unit: Periodic Processing

Topic: Foreign Currency Valuation
(of Customer Receivables)

At the conclusion of these exercises, you will be able to:

- Call company code or segment financial statements. You will not only be able to configure RFBILA00 properly; you will also be able to use the new FI drilldown reports.

5-1   **Exercise for foreign currency valuation** (of customer receivables)

5-1-1   Create a **customer** *210##* in your **company code** *AA##*. Choose *Sold-To-Party* (entry at the very bottom) as the **account group**. You can use **customer** *1000* in **company code** *1000* as a **template**. Fill in all the required-entry fields for the address data and save your data.

5-1-2   Now enter a **customer invoice in U.S. dollars** for your **customer** *210##*, in the **amount of $ 5,000.00**. This means you are creating an invoice for a (major) international customer in their currency.
Also assume that the **$ exchange rate was 0.83333 on the posting date**. This corresponds to a € exchange rate of 1.20: 1/1.20 = 0.8333. Accordingly, the euro is strong compared to the dollar, or alternatively: The dollar is relatively weak.

Enter the **following data** in the posting transaction:
Customer: **210##**
Invoice date: **07/07/<u>previous</u> year**
Reference: **1##**
Posting date: **07/17/<u>previous</u> year**
Invoice amount: **5,000**
Currency: **USD**
Calculate tax: **Set** the **checkbox**. To simplify things, you can still enter the document **without taxes** (=> tax code **A0**). If you want to use taxes, please choose tax code **AN**.

Enter the values and **switch to the** *Local Currency* tab. Check the (current) **exchange rate** (=> taken from table TCURR) and **change** it manually to "*/1.20*" **or** "*0.83333*", in line with the assumptions. The entry is simple if you use the F4 help for the *Exchange Rate* field.

Important: **You can press *Enter* to skip any** warning messages **due to values that differ from the table exchange rate; after all, that's the objective of this exercise.**

Also important: **If the *Exchange Rate* field is not (or no longer) ready for input, you can specify the euro-denominated amount of 4,166.67 in the *Local Currency Amount* field in the same tab page.**

You are now missing the revenue account / **credit item** for the posting: Enter **G/L account** *800200* in the entry screen and enter "*" to copy the amount of $ 5,000.00.
Because you also want/have to **assign a segment account** for the posting, enter the **profit center** you created, *PC##*, in the corresponding field.

Simulate and **save** the document.

5-1-3 **Display the document** again from the posting transaction. The segment is inherited to the receivable line item in the **general ledger view**. You can press the *Display Currency* button to display the amounts in euros and U.S. dollars.

5-1-4 Now enter a **second invoice** for the same customer. We **now assume**, however, that the invoice is posted later, at a time when the **dollar** is relatively **strong** (compared to the euro) – use a **€ exchange rate of 0.8**. This implies a (relatively strong) $ exchange rate of 1.25, as 1/0.8 = 1.25

Otherwise, the procedure is **similar to exercise 5-1-2**. **Use the following data**:
Customer: **210##**
Invoice date: **01/08/ of the <u>current</u> year**
Reference: **2##**
Posting date: **01/10/ of the <u>current</u> year**
Invoice amount: **4,000**
Currency: **USD**
Calculate tax: **Set** the **checkbox**. To simplify things, you can still enter the document **without taxes** (=> tax code **A0**). If you want to use taxes, please choose tax code **AN**.

Enter the values and **switch to the** *Local Currency* tab. **Change** the displayed **exchange rate** manually to "*/0.8*" **or** "*1.25*", in line with the above assumption. The entry is simple if you use the F4 help for the *Exchange Rate* field.

Important: **You can press *Enter* to skip any** warning messages **due to values that differ from the table exchange rate; after all, that's the objective of this exercise.**

Also important: **If the *Exchange Rate* field is not ready for input, you can specify the euro-denominated amount of 5,000 in the *Local Currency Amount* field in the same tab page.**

You are now missing the revenue account / **credit item** for the posting: Enter **G/L account** *800200* in the entry screen and enter "*" to copy the amount of $ 4.000. Because you also want/have to **assign a segment account** for the posting, enter **profit center** *1000* in the corresponding field.

Simulate and **save** the document.

5-1-5   Now start a **customer line item list** for your **customer** *210##* to display the posted open customer invoices.

Optional: If you desire, you can change the layout (of the results list) to display the *effective exchange rate* (=> technical field name: 1-KURSE) and the *reference field* (=> technical field name: 1-XBLNR). Save your user-specific layout, *L##*, with name *Layout Gr. ##*.

5-1-6

Control exercise – Please do <u>not</u> change the system configuration!

You now have to configure the system for foreign currency valuation. You first maintain the accounts you want to post to. Start the appropriate Customizing transaction and perform the **following activities**:
=> Select *Transaction* **KDF**
=> Select *Chart of Accounts* **INT**
=> **S**elect *general ledger/reconciliation account* **140000** (customer receivables)
=> Examine the logical field group *Valuation* and **check** whether the following accounts are already defined**:**
Expense account: Account **230 011**
Revenue account: Account **280 010**
Balance sheet correction account: Account **140 099**

Important: If you used different valuation areas for account determination in previous releases, you no longer have to in mySAP ERP. This applies even if you use different accounting principles (subsequently).

If you had to valuate foreign currency payables as well, you would also assign expense, revenue, and correction accounts to the payables account (e.g. 160 000).

5-1-7

Control exercise – Please do <u>not</u> change the system configuration!

Because document splitting has been activated for your **company code**, *AA##*, the expense, revenue, and correction accounts have to be defined as item categories for the foreign currency valuation. Please check whether **chart of accounts** *INT* already has the **entries** *230010*, *230011, 280010*, and *140099*! If this is not the case, please notify your course instructor.

5-1-8   To start the foreign currency valuation run later (in the application), a valuation area **must** be passed on in mySAP ERP – regardless of whether or not different valuation approaches are needed for parallel accounting.

Important: The valuation area you define now has nothing to do with depreciation (valuation) areas in Asset Accounting; it is a valuation area that is defined in FI.

Create a separate valuation area in FI Customizing. The **ID** of the new valuation area should have <u>two letters</u>. The first letter <u>of every group</u> is "<u>L</u>". The "L" stands for "Local" in this example. Select the **second letter** for your group from the following table:

Group	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18
Letter.	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R

Examples:
Group 1 uses the letter A => the ledger ID is *LA*
Group 5 uses the letter E => the ledger ID is *LE*….

Enter the **following data** for the new ledger:
Area: **L#** (=> # stands for the second letter from the above table)
Valuation method: **Leave blank (for now)**
Currency type: **Company code currency**
Additional currency types: **Leave blank**
Balance sheet structure: **Leave blank** or **INT**
Long text: **Local valuation area group ##**

5-1-9   5-1-9   Also **create a valuation method** in Customizing. You will need it to define how to valuate a run. Name your new **valuation method** *L##* and define it with the **following data:**
Description: **Local valuation for average rate, group ##**
Valuation procedure: **Lowest value principle**
Document Type: **SA**
Exchange rate type for debit/credit balance: **M for both**

5-1-10 **Link** the new **valuation method** *L##* with your new **valuation area** *L#* from exercise 5-1-8.

Important: Prior to release mySAP ERP, the valuation method was not entered until the actual run in the application. This is no longer possible in New General Ledger Accounting.

5-1-11 You have now configured **all the settings** for the actual **foreign currency valuation**, provided you only need to follow one set of accounting principles and only want to valuate open items (the assumptions in this set of exercises).

Start the valuation run in the Accounts Receivable application. As you will see in the SAP Easy Access menu, when New General Ledger Accounting is activated, you can no longer start the old valuation program SAPF100 (=> "Foreign Currency Valuation of Open Items"). You have to use the option "Foreign Currency Valuation of Open Items (New)". This is **program FAGL_FC_VALUATION**.

You can start a **test run first** before you **start the update run**.

Enter the **following data** in the selection screen for the program:

Company Code: **AA##**

Valuation key date: **Last day of previous month**

Important: If your AC210 takes place in January, please use January 31 of this year as the key date.

Valuation area: **L#**

Create Postings indicator: Do not set until after a test run, when you start the update run.

You do not need to specify a **folder name**, as you will not use a folder.

The program now needs to know which "objects" will be processed, **regardless** of whether this is a **test or production run**.

Open tab page *Open Items*:

Set the *Valuate Customer OI* checkbox.

Start the program.

Starting in the results list, you can **navigate** to the **simulated postings** (=> after a test run) or to the **actual postings** (=> after a production run)!

Now remain in the results list of the valuation run.

Note: Because this run is "local", using the lowest value principle, only the open item is valuated; as of the key date, it no longer has a value of € 5,000.00, but instead € 4,000.00. In the example, this should be the second item – the document entered in the current year.

5-1-12 When you examine the **valuation** or **correction document** after the update run, you will see that the **segment** from the original customer invoice has been **passed through** to the documents from the valuation run. In the example, this should be segment *SEGB*. If your documents have a different segment, don't worry – you probably entered a different cost center for your posting than described in the exercise ☺!

A new valuation run **always** creates a **correction document** on the first of the following month. There is no way around this!

Unit: Periodic Processing

Topic: Foreign Currency Valuation
(of Customer Receivables)

5-1   **Exercise for foreign currency valuation** (of customer receivables)

5-1-1   Create a **customer** *210##* in your **company code** *AA##*. …

SAP Easy Access Menu → Accounting → Financial Accounting → Customers → Master Records → Create

Choose *Sold-To-Party* (entry at the very bottom) as the **account group**. You can use **customer** *1000* in **company code** *1000* as a **template**.
Fill in all the required-entry fields for the address data and save your data.

5-1-2   Now enter a **customer invoice in U.S. dollars** for your **customer** *210##*, in the **amount of $ 5,000.00**. This means you are creating an invoice for a (major) international customer in their currency.
Also assume that the **$ exchange rate was 0.83333 on the posting date**.
This corresponds to a **€ exchange** rate of 1.20: 1/1.20 = 0.8333.
Accordingly, the euro is strong compared to the dollar, or alternatively: The dollar is relatively weak.

SAP Easy Access Menu → Accounting → Financial Accounting → Customers → Document Entry → Invoice

Important: You can press *Enter* to skip any **warning messages** due to values that differ from the table exchange rate; after all, that's the objective of this exercise.

Enter the **following data** in the posting transaction:
Customer: **210##**
Invoice date: **07/07/previous year**
Reference: **1##**
Posting date: **07/17/previous year**
Invoice amount: **5,000**
Currency: **USD**
Calculate tax: **Set** the **checkbox**. To simplify things, you can still enter the document **without taxes** (=> tax code **A0**). If you want to use taxes, please choose tax code **AN**.

Enter the values and **switch to the** *Local Currency* tab. Check the (current) **exchange rate** (=> taken from table TCURR) and **change** it manually to "*/1.20*" **or** "*0.83333*", in line with the assumptions. The entry is simple if you use the F4 help for the *Exchange Rate* field.

Important: If the *Exchange Rate* field is not (or no longer) ready for input, you can specify the euro-denominated amount of 4,166.67 in the *Local Currency Amount* field in the same tab page.

You are now missing the revenue account / **credit item** for the posting:
Enter **G/L account** *800200* in the entry screen and enter "*" to copy the

amount of $ 5,000.00.
Because you also want/have to **assign a segment account** for the posting, enter the **profit center** you created, *PC##*, in the corresponding field.

Simulate and **save** the document.

5-1-3 **Display the document** again from the posting transaction. The segment is inherited to the receivable line item in the **general ledger view**. You can press the *Display Currency* button to display the amounts in euros and U.S. dollars.

SAP Easy Access Menu → Accounting → Financial Accounting → Customers→ Document Entry→ Invoice

Choose menu path Document → Display

5-1-4 Now enter a **second invoice** for the same customer. We **now assume**, however, that the invoice is posted later, at a time when the **dollar** is relatively **strong** (compared to the euro) – use a **€ exchange rate of 0.8**. This implies a (relatively strong) $ exchange rate of 1.25, as 1/0.8 = 1.25.

Otherwise, the procedure is **similar to exercise 5-1-2**.

SAP Easy Access Menu → Accounting → Financial Accounting → Customers→ Document Entry→ Invoice

Use the following data:
Customer: **210##**
Invoice date: **01/08/ of the <u>current</u> year**
Reference: **2##**
Posting date: **01/10/ of the <u>current</u> year**
Invoice amount: **4.000**
Currency: **USD**
Calculate tax: **Set** the **checkbox**. To simplify things, you can still enter the document **without taxes** (=> tax code **A0**). If you want to use taxes, please choose tax code **AN**.

Enter the values and **switch to the** *Local Currency* tab. **Change** the displayed **exchange rate** manually to "*/0.8*" **or** "*1.25*", in line with the above assumption. The entry is simple if you use the F4 help for the *Exchange Rate* field.

Important: You can press *Enter* to skip any **warning messages** due to values that differ from the table exchange rate; after all, that's the objective of this exercise.

<u>**Also important:**</u> If the *Exchange Rate* field is not ready for input, you can specify the euro-denominated amount of 5,000 in the *Local Currency Amount* field in the same tab page.

You are now missing the revenue account / **credit item** for the posting: Enter **G/L account** *800200* in the entry screen and enter "*"* to copy the amount of $ 4000. Because you also want/have to **assign a segment account** for the posting, enter **profit center** *1000* in the corresponding field.

Simulate and **save** the document.

5-1-5 Now start a **customer line item list** for your **customer** *210##* to display the posted open customer invoices.

SAP Easy Access Menu → Accounting → Financial Accounting → Customers → Account → Display/Change Line Items

Enter your customer *210##* **and your company code** *AA##,* **and run the program to display the open items as of today's date: Menu path** *Program → Execute*

Optional: If you desire, you can change the layout (of the results list) to display the *effective exchange rate* (=> technical field name: 1-KURSE) and the *reference field* (=> technical field name: 1-XBLNR). Save your user-specific layout, *L##,* with name *Layout Gr. ##.*

Press the *Change Layout ...* **button to display the fields. To save the changes to your layout, press** *Save Layout.*

5-1-6

Control exercise – Please do <u>not</u> **change the system configuration!**

You now have to configure the system for foreign currency valuation. You first maintain the accounts you want to post to. Choose the appropriate transaction in Customizing ...

Customizing → Financial Accounting (New) → General Ledger Accounting (New) → Periodic Processing → Valuate → Foreign Currency Valuation → Prepare Automatic Postings for Foreign Currency Valuation

... and perform the **following activities**:
=> Select *Transaction* **KDF**
=> Select *Chart of Accounts* **INT**
=> **Double-click** to select *general ledger/reconciliation account* **140000** (customer receivables)
=> Examine the logical field group *Valuation* and **check** whether the following accounts are already defined**:**
Expense account: Account **230 011**
Revenue account: Account **280 010**
Balance sheet correction account: Account **140 099**

Important: If you used different valuation areas for account determination in previous releases, you no longer have to in mySAP ERP. This applies even if you use different accounting principles (subsequently).

If you had to valuate foreign currency payables as well, you would also assign expense, revenue, and correction accounts to the payables account (e.g. 160 000).

5-1-7

Control exercise – Please do <u>not</u> change the system configuration!

Because document splitting has been activated for your **company code**, *AA##*, the expense, revenue, and correction accounts have to be defined as item categories for the foreign currency valuation. Please check whether **chart of accounts** *INT* already has the **entries** *230010, 230011, 280010,* and *140099.* If this is not the case, please notify your course instructor.

Customizing: Financial Accounting (New) → General Ledger Accounting (New) → Business Transactions → Document Splitting → Classify G/L Accounts for Document Splitting

5-1-8   To start the foreign currency valuation run later (in the application), a valuation area **must** be passed on in mySAP ERP – regardless of whether or not different valuation approaches are needed for parallel accounting.

Important: The valuation area you define now has nothing to do with depreciation (valuation) areas in Asset Accounting; it is a valuation area that is defined in FI.

Create a separate valuation area in FI Customizing. …

Customizing: Financial Accounting (New) → General Ledger Accounting (New) → Periodic Processing → Valuate → Define Valuation Areas

... The **ID** of the new valuation area should have **two letters**. **The first letter <u>of every group</u> is "L".** The "L" stands for "Local" in this example. Select the **second letter** for your group from the following table:

Group	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18
Letter	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R

Examples:
Group 1 uses the letter A => the ledger ID is *LA*
Group 5 uses the letter E => the ledger ID is *LE*….

Enter the **following data** for the new ledger:
Area: **L#** (=> # stands for the second letter from the above table)
Valuation method: **Leave blank (for now)**
Currency type: **Company code currency**
Additional currency types: (=> column *"Addt CT"):* **Leave blank**
Balance sheet structure (=> column *"BalStr"):* **Leave blank** or **INT**
Long text: **Local valuation area group ##**

5-1-9   Also **create a valuation method** in Customizing. You will need it to define how to valuate a run. …

Customizing: Financial Accounting (New) → General Ledger Accounting (New) → Periodic Processing → Valuate → Define Valuation Methods

... Name your new **valuation method** *L##* and define it with the **following data:**
Description: **Local valuation for average rate, group ##**
Valuation procedure: **Lowest value principle**
Document Type: **SA**
Exchange rate type for debit/credit balance: **M for both**

SAP

Introduction

Ledger Definition

Document Splitting

Integration

Periodic Processing

Reporting

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Reporting

Contents:

- **Comparison of data in classic General Ledger Accounting and New General Ledger Accounting**

- **Use of FI drilldown reporting in New General Ledger Accounting**

- **Line item and balance display in New General Ledger Accounting**

Reporting: Objectives

SAP

At the conclusion of this unit, you will be able to

- **Compare values in New General Ledger Accounting against values in Classic General Ledger Accounting**
- **Use RFBILA00 for different ledgers and for new characteristics**
- **Use the flexibility of FI drilldown reporting to report on various characteristics**

Reporting: Data Source

Change View "Update/Read Classic General Ledger Accounting": Details

Update / Read Classic General Ledger Accounting
- ☑ Write to Classic General Ledger Accounting (GLT0)
- ☐ Read from Classic General Ledger Accounting (GLT0)

SPRO

By default, after activation of New General Ledger Accounting, the reports only the read the tables for New General Ledger Accounting – "Read from Classic General Ledger Accounting" indicator is not set ☺

If you want to update the tables for classic General Ledger Accounting (=> table GLT0) **at first** (possibly for security reasons or for verification), **you can still read/analyze data from these tables.**

 Note, however, that you will only be able to use the "old" reports in this case! ☹

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- Any **update of the tables in classic General Ledger Accounting** should be **deactivated after you have run and verified the first period-end closing**, at the latest. If, however, you were to update the tables of both classic and New General Ledger Accounting, you would generate many data records unnecessarily.

- *Customizing path*: *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Tools -> Deactivate Update of Classic General Ledger (GLT0)*
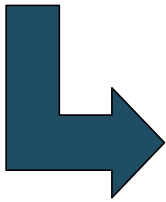
Comparing the Different Ledgers

SAP

Our initial use of classic General Ledger Accounting will let us compare classic and new forms of General Ledger Accounting:

Selection data for base ledger

Ledger	0L (leading ledger)
Version	1
Company Code	1000
……	

Selection data for comparison ledger

Ledger	0 (G/L accounts transaction figures [GLT0])
Version	1

CCd	Acct	Curr	Year	Base Ledger	Comp. Led.	Diff.
1000	11000	EUR	2005	1,756,000.00	1,756,000.00	0.00
1000	11010	EUR	2005	560,785.00	560,785.00	0.00
…..	…..	….	….	…….	……	…
1000	417000	EUR	2005	22,345.89	22,345.89	0.00
…..	…..	….	….	…….	……	…

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- <u>Path in</u> *Customizing: Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Tools -> Compare Ledgers*

- In contrast to CO, data is very frequently written to FI in <u>version 1</u>.

- You can also use this transaction to compare leading and non-leading ledgers.

Balance Sheet and Profit & Loss Statement

Even when New General Ledger Accounting is active, you can still use the "classic" *RFBILA00* **to create the balance sheet and profit & loss statement – the program is still available in the information system of General Ledger Accounting in the SAP Easy Access menu:** *General Ledger Reports (New) => Balance Sheet/Profit and Loss Statement/Cash Flow => General => Actual/Actual Comparisons => Financial Statements*

New in report RFBILA00:

■ **In the selection screen, you can select the ledger for which you want to run the analyses.**

■ **You can use the "Dynamic Selections" (=> 🖼) to select additional entities (*profit center, segment, functional area, cost center*) in the *Transaction Figures* folder, or to restrict the selection to the requested entities.**
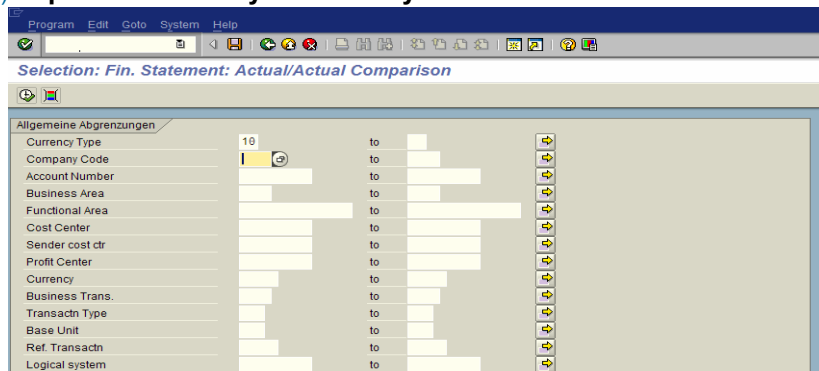
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■ We recommend saving frequently-used program variants to save time.

Financial Statements – An Alternative

A **new FI drilldown report** is available as an alternative to the conventional financial statements.

The new report appears directly above RFBILA00 in the SAP Easy Access menu:
General Ledger Reports (New) => Balance Sheet/Profit and Loss Statement/Cash Flow => General => Actual/Actual Comparisons => *Fin. Statement: Actual/Actual Comparison*

Advantages of drilldown reporting compared to RFBILA00:

■ **A drilldown report is much more <u>flexible</u> than the "old" ABAP program** (=> more later)

■ **Selection by standard characteristics** (such as profit center, business area, functional area, and segment; as well as company code, account number, and partner objects) **is possible directly in the entry screen**

Program Edit Goto System Help

Selection: Fin. Statement: Actual/Actual Comparison

Allgemeine Abgrenzungen

Currency Type	10	to
Company Code		to
Account Number		to
Business Area		to
Functional Area		to
Cost Center		to
Sender cost ctr		to
Profit Center		to
Currency		to
Business Trans.		to
Transactn Type		to
Base Unit		to
Ref. Transactn		to
Logical system		to

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■ Defining suitable programming variants can save you lots of time in the drilldown reports.

Fin. Statements: Actual/Actual Comparison I

SAP

Classic drilldown report:

Report   Edit   Goto   Navigate   Extras   Settings   System   Help

Execute 0SAPBSPL-01: Overview

Number format...

Navigation

Profit Center	Currency type	▲ ▼ 🔍	10	Company code currenc	
Account number	Currency	▲ ▼ 🔍	EUR	Euro	
Segment					
Functional Area					

BS/P&L item/acct.		
Commercial balance sheet	0,00	0,00
A S S E T S	121.390,90	0,00
Fixed assets	100.000,00	0,00
Current assets	21.390,90	0,00
L I A B I L I T I E S	121.390,90-	0,00
Capital and reserves	27.893,10	0,00
Payables	149.284,00-	0,00
Profit and loss statement	27.893,10	0,00
Sales revenues	800,00-	0,00
Other operating income	100,00-	0,00
Raw materials and consumables	28.793,10	0,00
Other operating charges	0,00	0,00
Financial statement usage	27.893,10-	0,00

- In the selection screen for the drilldown report, you can specify whether you want to call the report in the classic or graphical layout.

Fin. Statements: Actual/Actual Comparison II

SAP

Graphical report output:

| Report Edit Goto Extras Settings System Help |

Execute Drilldown Report

Selection date

0SAPBSPL-01

Navigation	P.	N.	Text		BS/P&L item/acct.		
▽ Currency type				▽	Commercial balance sheet	0,00	0,00
10			Comp...		▽ A S S E T S	121.390,90	0,00
▽ Currency					▷ Fixed assets	100.000,00	0,00
EUR			Euro		▷ Current assets	21.390,90	0,00
BS/P&L item/acct.					▽ L I A B I L I T I E S	121.390,90-	0,00
Profit Center					▷ Capital and reserves	27.893,10	0,00
Account number					▷ Payables	149.284,00-	0,00
Segment				▽	Profit and loss statement	27.893,10	0,00
Functional Area					▷ Sales revenues	800,00-	0,00
					▷ Other operating income	100,00-	0,00
					▷ Raw materials and consumables	28.793,10	0,00
					▷ Other operating charges	0,00	0,00
				▽	Financial statement usage	27.893,10-	0,00
					▷ Profit from profit and loss	27.893,10-	0,00

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- The result is, of course, identical in both types of display (provided that the same selections are made).

Navigation in Drilldown Reporting

The **flexibility** of drilldown reporting comes from the ability to navigate through nearly any characteristics.

The following characteristics are selected by default in the drilldown financial statement:
=> **Profit center**
=> **Account number**
=> **Segment**
=> **Functional area**

It is simple to select other and/or additional characteristics, such as the business area or cost center.

Result / effects:
By "navigating" through drilldown reporting, it is very easy to turn a company code financial statement into a **segment financial statement** (=> key word: segment reporting) **or a profit center financial statement**!

Navigation is available in both the conventional and graphics-based drilldown reports.

■ The program's flexibility lets you **drilldown to an individual financial accounting document**:

• In the results screen, call up the available report-report interface by pushbutton => Choose *Line Items*

• Double-click one of the document numbers displayed to access the original FI document.

New FI Drilldown Reports

**In addition to the drilldown report for creating financial statements, mySAP ERP also features other new FI drilldown reports.
An excellent overview is available in transaction:**

FGI0

Drilldown report Edit Goto Extras Environment System Help

Execute Drill-Down Report: Initial Screen

New selection

Report	Description
▽ 📁 Reporting for Table FAGLFLEXT	
▷ 📊 0SAPBLNCE-01	
▷ 📊 0SAPBSPL-01	
▷ 📊 0SAPBSPL-02	
▷ 📊 0SAPFS10-01	
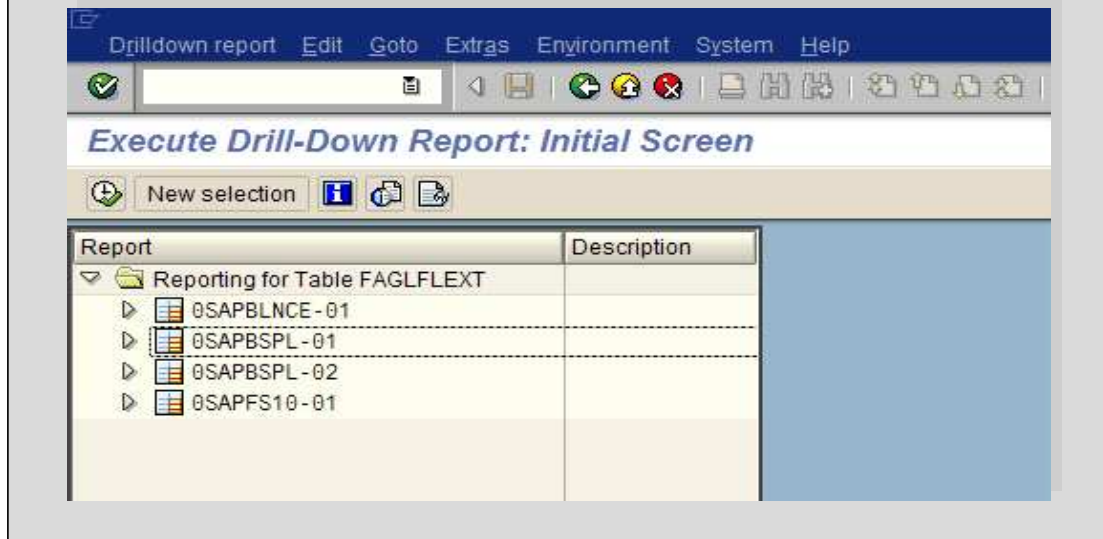
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- Transaction FGI0 displays a list of defined program variants, which you can then run instantly.
- Drilldown reporting is available in Financial Accounting in releases prior to mySAP ERP as well. To display an overview of FI drilldown reports that you can also use with classic General Ledger Accounting, start transaction *FSI0*.

FI Drilldown Transaction Figures - Account Balance

SAP

The drilldown report "Transaction Figures – Account Balance" gives you a fast, easy **G/L account balance list** for <u>all accounts</u>:

Options for **navigation** let you display the balance list for each <u>segment or per segment-account combination</u>

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- We recommend using **classic drilldown reporting** to display the **G/L account balances**. Of course, the graphical list also returns the correct results.

- You can also navigate from here to the originally posted documents.

- The actual G/L account balance display has also been reworked in mySAP ERP – TCode FAGLB03!

G/L Account Balance Display – TCode FAGLB03

- **You need to know three things about G/L account balance display:**
- You can **select the desired ledger** on the selection screen.
- In Customizing, you can **define characteristics to be applied in dynamic selections**. You can use the dynamic selections to make a preselection in the selection screen.
- When you **double-click** a balance value, the **line item display** (with the general ledger view) appears.
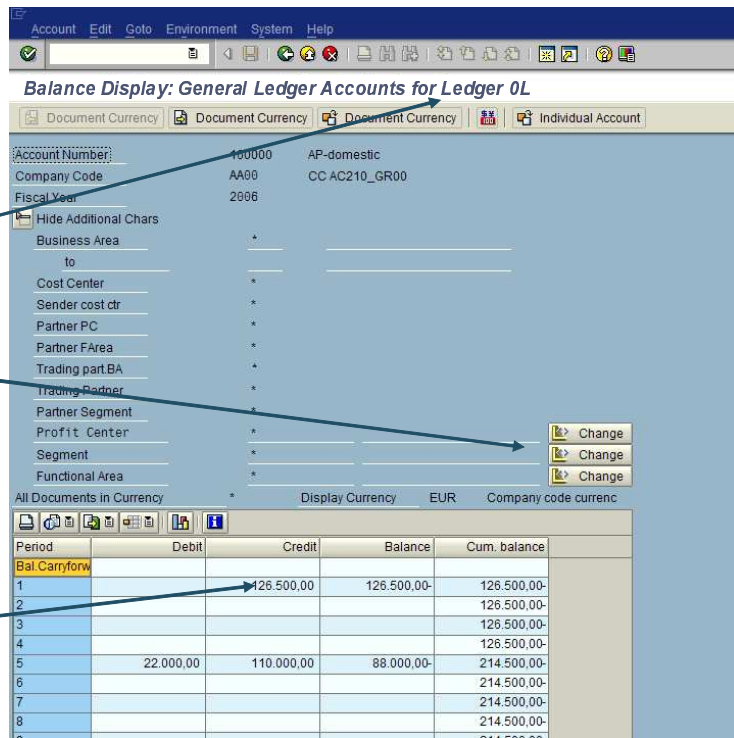
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- **Customizing path** for defining the **characteristics that can be selected dynamically:** *Financial Accounting (New) -> General Ledger Accounting (New) -> Information System -> Define Balance Display.*

- **Easy Access path** for **calling the G/L account balance display:** *Accounting -> Financial Accounting -> General Ledger -> Account -> Display Balances (New)*

G/L Accounts: Line Item Display – TCode FAGLL03

SAP

- ■ **Special features for LI display for G/L accounts:**
- ■ The **line item display** can be started **with** information from the **entry view or general ledger view** – you decide by choosing the corresponding button *General Ledger View* or *Entry View* in the selection screen of the program.
  - ■ The two views show different results for accounts that are managed on an open item basis and that are split in document splitting (=> additional line items are added during processing) – For example: bank accounts.
  - ■ **Note:** It is now also possible to call **line item display (in the general ledger view)** for **accounts** for which the *Line Item Display* **indicator** is **not set** in the master record (=> typically reconciliation accounts [such as asset balance sheet accounts, payables/receivables accounts])!

- ■ If you opt for **line item display with the general ledger view**, you can also choose the **ledger to be selected** (=> *Choose Ledger*). Furthermore, you can use the **custom selections** (=> 📊) to include general ledger line items (such as *Profit Center*, *Segment, Functional Area, Cost Center*).

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- ■ You find the **G/L account line item display in the SAP Easy Access menu** under**:** *Accounting -> Financial Accounting -> General Ledger -> Account-> Display/Change Items (New).*

Payables/Receivables Using General Ledger Account Assignments

SAP

You can call your (open) **payables and receivables** not only using the **line item display** in the subledgers (=> transactions *FBL1N* and *FBL5N*), **but also** using (four) **standard drilldown reports**.

The corresponding drilldown reports offer an easy way to classify your line items using the **subledger account assignments and**/or **general ledger account assignments** (=> using characteristics *Profit Center* or *Segment*).

Execute Payables: Profit Center: Overview

Payables: Profit Center	
Ledger	0L

CO Area 1000 CO Europe
Navigation
Profit Center ▲ ☒ Local Currency ▲ ▼ 🔍 EUR   Euro
Vendor   :
Company Code   :
Document Number   ▼

G/L	Payables in LC
◇INT /160000 AP-domestic	126.500,00-
◆Result	126.500,00-

For drilldowns by profit centers and other characteristics, see the next slide.

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- The general ledger account assignments of the standard drilldown are *Profit Center* and *Segment*.

- The ledger is selected in the drilldown selection screen.

- The requirement for such a drilldown originates from (classic) Profit Center Accounting, where it is possible to use the report groups *8A98* (=> Profit Center: Receivables) and *8A99* (=> Profit Center: Payables) to structure the receivables or payables account by profit center once the values have been transferred successfully to Profit Center Accounting.

- You find these drilldown options in the **SAP Easy Access menu** under**:** *Accounting -> Financial Accounting -> General Ledger -> Information System -> General Ledger Reports (New) -> Line Items -> Open Items -> ...*

Drilldown Examples – Payables by GL Account Assignments

Drilldown by Profit Center:

Payables: Profit Center
Ledger 0L
CO Area 1000 CO Europe
Navigation
Vendor
Company Code
Document Number
Fiscal Year
Local Currency ▲ ▼ 🔍 EUR

Profit Center		Payables in LC
◊1000	Motorcycles	47.300,00-
◊1402	Administration	79.200,00-
♦Result		126.500,00-

Drilldown by Vendor:

Payables: Profit Center
Ledger 0L
CO Area 1000 CO Europe
Navigation
Company Code
Document Number
Fiscal Year
Line item
Local Currency ▲ ▼ 🔍 EUR

Vendor		Payables in LC
◊30500	Zimmermann GmbH	82.500,00-
◊30510	Burkhardt und Partne	22.000,00-
◊30520	Brecht, Philipp	22.000,00-
♦Result		126.500,00-

Drilldown by Vendors per Profit Center:

Payables: Profit Center
Ledger 0L
CO Area 1000 CO Europe
Navigation
Company Code
Document Number
Fiscal Year
Line item
Local Currency ▲ ▼ 🔍 EUR Euro
Profit Center ▲ ▼ 🔍 1000 Motorcycles

Vendor		Payables in LC
◊30500	Zimmermann GmbH	25.300,00-
◊30510	Burkhardt und Partne	11.000,00-
◊30520	Brecht, Philipp	11.000,00-
♦Result		47.300,00-

But which **documents** are "behind" the amount 25 300.00 , for example?

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- It is of course also possible at any time to select a single vendor and to drilldown by profit center.
- The screenshots show the classic display.
- See the next slide for the display of the documents that make up the individual amounts.

Object List

Payables: Profit Center

| Ledger | 0L |

CO Area 1000 CO Europe

Navigation
- Company Code
- Fiscal Year
- Line item
- G/L

☒ Local Currency ▲ ▼ 🔍 EUR — Euro
☒ Profit Center ▲ ▼ 🔍 1000 — Motorcycles
☒ Vendor ▲ ▼ 🔍 30500 — Zimmermann GmbH

Document Number	Payables in LC
◇1900000000	22.000,00-
◇1900000004	3.300,00-
♦Result	25.300,00-

You can **navigate** via the **document number** to the documents that are used to produce a selection result.

Such an **analysis** can also be performed using the **output type Object List**.
It shows the general ledger account assignments of the payable/receivable accounts for each document.

0SAPPAYABL01 Payables: Profit Center
Data from   23.05.2006 12:54:48
Ledger   0L Leading Ledger
CO Area   1000 CO Europe

LCurr	G/L Account	Profit Center	Vendor	CoCd	DocumentNo	Year	Itm	Σ	Payables in LC
EUR	INT /160000	1000	30500	AA00	1900000000	2006	1		22.000,00-
EUR	INT /160000			AA00	1900000004	2006	1		3.300,00-
			30500					▪	25.300,00-
EUR	INT /160000		30510	AA00	1900000001	2006	1		11.000,00-
			30510					▪	11.000,00-
EUR	INT /160000		30520	AA00	1900000002	2006	1		11.000,00-
			30520					▪	11.000,00-
		1000						▪ ▪	47.300,00-
EUR	INT /160000	1402	30500	AA00	1900000000	2006	1		33.000,00-
EUR	INT /160000			AA00	1900000003	2006	1		22.000,00-
EUR	INT /160000			AA00	1900000004	2006	1		2.200,00-
			30500					▪	57.200,00-
EUR	INT /160000		30510	AA00	1900000001	2006	1		11.000,00-
			30510					▪	11.000,00-
EUR	INT /160000		30520	AA00	1900000002	2006	1		11.000,00-
			30520					▪	11.000,00-
		1402						▪ ▪	79.200,00-
								▪ ▪ ▪	126.500,00-

The selection result is sorted and totaled by profit center and vendor.

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- You could also use the object list to process the results from the last two slides (such as *Payables Sorted by Profit Center* or *Payables per Vendor*).

- In comparison to the other output types, the object list always provides a very large number of results because the values are always issued in combination with a document number.

FI Drilldown Reporting: G/L Account Balances

SAP

The graphical output of this drilldown report makes it easy, for example, to create a cost center report (in FI):

FI drilldown report:

Navigation	P	N	Text		Account		
▽ Currency Type					Consumption, raw material		290,54
10			Company code c...		Water		5.717,31
▽ Currency					Purchased services		4.000,00
EUR			Euro		Salaries - base wages		40.956,41
Account Number					Annual Bonus		3.461,70
▽ Cost Center					Gastos de Previsión Social		8.571,54
1000/1000			▲ ▼ Corporate Services		Other personnel expenses		78,35
Company Code					Building maintenance costs		8.864,51
Segment					Insurances		3.093,23
Profit Center					Occupancy costs		10.097,65
					Machinery rental		6.113,08
					Postage		5.670,78
					Data processing supplies e		1.497,20
					Other administrative expens		6.352,55
					Other general expenses		3.700,00

In comparison: CO report

Cost centers: actual/plan/variance   Date: 11.04.2006   Page: 2 / 4

Column: 1 / 2

Cost Center/Group   1000   Corporate Services
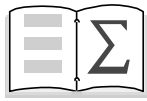Person responsible: Pfaehler
Reporting period: 1 to   12 2006

Cost elements		Act.costs	Plan costs	Abs. var.	Var.(%)
400000	Raw Materials 1	290,54	619,74	329,20-	53,12-
416300	Water	5.717,31	23.355,00	17.637,69-	75,52-
417001	Purchased services	4.000,00		4.000,00	
420000	Direct labor costs				
430000	Salaries	40.956,41	173.664,00	132.707,59-	76,42-
431900	Holiday premium				
435000	Annual Bonus	3.461,70	14.471,99	11.010,29-	76,08-
440000	Legal social expens				
440100	Soc. secur., salary	8.571,54	37.486,33	28.914,79-	77,13-
449000	Other pers. costs	78,35	12.358,18	12.279,83-	99,37-
451000	Building maintenanc	8.864,51	36.329,96	27.465,45-	75,60-
466000	Insurance expenses	3.093,23	12.974,96	9.881,73-	76,16-
470000	Occupancy costs	10.097,65	41.519,96	31.422,31-	75,68-
471000	Machinery rental	6.113,08	26.079,72	19.966,64-	76,56-
473000	Postage	5.670,78	23.471,76	17.800,98-	75,84-

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- As this slide shows, New General Ledger Accounting can also model "simple CO".

- Although the slide only shows primary processes, secondary cost processes - such as activity allocation between cost centers - are also shown in the FI drilldown report.
  - Prerequisites:

  - CO => FI real-time integration is active

  - The corresponding CO transaction (such as transaction RLK - actual activity allocation) must be assigned an FI account in account determination.

- It is also possible to use this drilldown report to portray the values posted at the **profit center** level. Moreover, you can work with **profit center hierarchies** at any time.

FI Drilldown Reporting: G/L Account Balances II

SAP

Even better for the "wow effect":
G/L account balances with classic drilldown report

FI drilldown report:

CO report:

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- The similarity with the CO report is achieved through the flexibility of drilldown reporting, which enables you to change the display format relatively simply. You can easily display or hide specific columns as well as change the characteristic display, for example.

- Customers with a BI (Business Integration Warehouse) are provided with InfoSources for extracting the data into the BI – such as InfoSource 0FI_GL_10.

Reporting: Summary

SAP

You can now:

- **Use the standard programs to run various analyses of the data in New General Ledger Accounting**
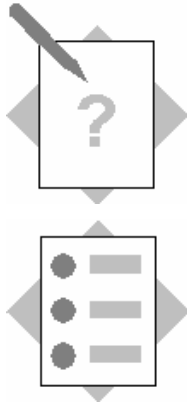
Exercises

Unit: Reporting

Topic: Displaying Various Financial Statements

At the conclusion of these exercises, you will be able to:

- Call company code or segment financial statements. You will not only be able to configure RFBILA00 properly; you will also be able to use the new FI drilldown reports.

6-1   **Exercises for Evaluating the New General Ledger**

6-1-1   **Call** the **balance sheet/profit and loss report *RFBILA00*** and display the **financial statements for your company code** *AA##* and **ledger** *0L*. **Enter the following data** on the selection screen**:**
Chart of accounts: **INT**
Company code: **AA##**
Ledger: **0L** or **leave empty**
Financial statement version: **INT**
Reporting year: **Current year**
Reporting periods: **1 to 16**
Comparison year: **Previous year**
Comparison periods: **1 to 16**
List output: **ALV Tree Control, for example**

If you want, you can **save your selection data as a report variant**. Save it as variant *VAR##* with meaning (description) *Variant for company code AA##.*

6-1-2   **Start *RFBILA00* again** with the same parameters, but now try to **(only) create financial statements for your segment** *SEG##.*

Solutions

Unit: Reporting

Topic: Displaying Various Financial Statements

6-1   **Exercises for Evaluating the New General Ledger**

6-1-1   **Call** the **balance sheet/profit and loss report *RFBILA00*** and display the **financial statements for your company code** *AA##* and **ledger** *0L*. …

SAP Easy Access menu: Accounting → Financial Accounting → General Ledger → Information System → General Ledger Reports (New) → Financial Statement/Cash Flow → General → Actual/Actual Comparisons → Financial Statements

… **Enter the following data** on the selection screen**:**
Chart of accounts: **INT**
Company code: **AA##**
Ledger: **0L** or **leave empty**
Financial statement version: **INT**
Reporting year: **Current year**
Reporting periods: **1 to 16**
Comparison year: **Previous year**
Comparison periods: **1 to 16**
List output: **ALV Tree Control, for example**

If you want, you can **save your selection data as a report variant**. Save it as variant *VAR##* with meaning (description) *Variant for company code AA##*.

Go from the financial statements back to the selection screen of the program and, from the menu, choose Goto → Variants → Save as Variant …

6-1-2   **Start *RFBILA00* again** with the same parameters, but now try to **(only) create financial statements for your segment** *SEG##*.

On the selection screen for RFBILA00, from the menu, choose Edit → Dynamic Selections.

Additional input options appear. Scroll down to the bottom of the screen area that appears. *Enter your segment SEG## in the Segment field.*

Start the report again.