

Reading Sample

In Chapter 4, learn how to represent your FI organizational units in SAP and how they connect to other structures in Controlling (CO), including CO area, profit center, and more. You will learn the required interdependencies between all these units for integration between FI and CO.



"Enterprise Structure"



Contents



Index



The Author

Narayanan Veeriah

Configuring Financial Accounting in SAP

850 Pages, 2015, \$79.95/€79.95

ISBN 978-1-4932-1042-8



www.sap-press.com/3665

Defining your enterprise structure in the SAP system is the first and most critical setup in an implementation. You can localize the SAP-supplied sample organizational units for the required countries, define your own organizational units, and make assignments among them for automatic data transfer.

4 Enterprise Structure

You need to portray your organization's structure as an *enterprise structure* in the SAP system. You do so by defining the required organizational units (or elements) and specifying interdependencies by assigning them to each other. Look at your current structure, visualize what you will need in the future, and try defining only the units that would be absolutely required—nothing more, nothing less. This is important because it can be extremely difficult to correct a structure that is already operational.

SAP ERP comes delivered with a number of standard organizational units to reflect the requirements of an enterprise in such areas as accounting and logistics. Study these sample units and determine which ones you can use as-is (by copying), which ones you need to extend to suit your needs, and which new units you need to define. Then, start mapping your required structure into these organizational units and arrive at the enterprise structure reflecting your business. Because this is the most critical step in the entire implementation, be sure to lock the Customizing access after the definition or assignment to prevent any unauthorized changes.

An enterprise structure consists of organizational units pertaining to FI, SD, MM, CO, and so on because values flow across all these applications. But, for the purposes of this book, we'll mostly stick to FI enterprise structure, with minimal references to CO.

In this chapter, you will learn about the following:

- ▶ Localizing the SAP-supplied sample organizational units to suit the countries in which you are operating
- ▶ Defining the various FI organizational units
- ▶ Assigning various organizational units to one another to define the interdependencies and relationships between them

Let's get started.

4.1 Organizational Units in Financial Accounting

Before discussing organizational units, we first need to clarify the concept of a client. An obligatory organizational unit, a client (field name: MANDT) is a commercially, organizationally, and technically self-contained unit within the SAP system, with its own master records and tables. You can have more than one client defined in the SAP system. The standard SAP system comes delivered with clients 000 and 001.

Because the client sits at the top of the SAP system hierarchy, any specification you make or data you enter at this level is valid for all company codes and for all other organizational structures within that client. This ensures that the data is consistent: you need to make specifications or enter data only once. You need to enter a *client key* (three-digit identifier) when you log on to the SAP system. The data entry, processing, and analysis are all saved for each client.

Used for external reporting purposes, the organizational units of FI are designed to fulfill your business requirements and meet the legal or statutory regulations of external parties. You assign these organizational units to each other in order to build the framework for processing business transactions by transferring data automatically between the individual components. Table 4.1 shows the obligatory and optional organizational units in FI.

Obligatory	Optional
<ul style="list-style-type: none"> ▶ Client ▶ Company code ▶ Credit control area 	<ul style="list-style-type: none"> ▶ Company ▶ Business area ▶ Functional area ▶ Financial management area ▶ Profit center ▶ Segment

Table 4.1 FI Organizational Units

Before you start defining the required organizational units, you need to meet the country-specific requirements by completing the localization of sample organizational units supplied by SAP.

4.2 Localize Sample Organizational Units

The SAP-supplied sample organizational units are country-independent. These units, such as company code and plant, are numbered as "0001" in the standard SAP system. Before you copy these units to define your own organization structure, you need to localize them in client 001, using the country installation program and selecting the appropriate country template. The country installation program makes changes in the chart of accounts, account determination, financial statement version, tax procedures, payment methods, and others to the standard organizational units and creates sample organization units for a particular country. If you want to localize for more than one country, you can simply repeat the country installation using other country templates.

Country Template and Country Version

Supplied with each of the standard country versions, the country template is a Customizing tool that contains a series of Customizing settings to reflect the legal requirements (i.e., taxes, charts of accounts, charts of depreciation, etc.) and typical business practices of a particular country.

The standard SAP system includes a country template for each of the 40 country versions. Each country version consists of generic system functions, country-specific functions, and a country template. The country versions do not constitute separate application components; rather, the country-specific functions are contained in the various application components.

Let's take a look at completing the Customizing of country installation for our case study Mercury.

Case Study: Mercury

The SAP ERP 6.0 implementation project for the fictitious company BellSmith (BS) is code-named *Mercury*. Though BS operates worldwide, the case study is restricted to its business operations in the United States (US), Great Britain (GB), and Singapore (SG). We therefore must carry out country localization before defining the organizational units.

Although the implementation encompasses many application areas (FI, SD, MM, PP, etc.), we'll restrict our discussions to FI implementation only; however, we'll briefly touch upon CO to make things clearer.

1. Follow the menu path SAP CUSTOMIZING IMPLEMENTATION GUIDE • ENTERPRISE STRUCTURE • LOCALIZE SAMPLE ORGANIZATIONAL UNITS, or use Transaction O035.
2. Click the COUNTRY VERSION button and select the desired COUNTRY TO INSTALL on the screen for Customizing country version. Select "US" from the dropdown list. Note that SAP uses a two-character ISO code to represent a country (field name LAND 1; table T005) in the system, even though the field length is actually three characters.
3. Before you click the EXECUTE button, don't forget to select the TEST RUN checkbox (shown in Figure 4.1); once you are satisfied with the results of the test run, you can deselect that box and make the final run (also known as the production run).

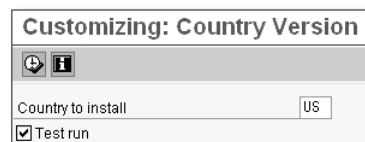


Figure 4.1 Customizing Country Version

4. This brings you to the screen showing the results log for the Customizing country version. Some of the important changes proposed at this stage include the following:

► Company code

The SAP system changes most of the default settings of the global company code 0001 to a new sample company code, corresponding to the country you have selected. The system also attaches the relevant document entry screen variant, field status variant, tax codes for non-taxable transactions, currency, and so on, to the newly created company code.

Tips and Tricks

Do *not* directly customize any localized sample company code. Instead, copy and create a new company code and work with that.

► Controlling area

The country installation program assigns controlling area 0001 to countries working with the generic chart of accounts (INT); for others (working with their own chart of accounts), their own controlling areas are assigned. For example, in the case of Germany, two controlling areas are provided: DE01 for the Joint Standard Accounting System and DE02 for the Industry Standard Accounting System.

Tips and Tricks

Unlike with other organizational units (such as company code), you do not normally need to copy the sample controlling area, but you can work directly with the area that is localized. You need to copy a controlling area only if you need more than one. For example, if you have two companies in the United States and want them to use separate controlling areas, you can use a copy of the localized area for one company and the original for the other.

► Credit control area

The only change the country installation program makes is changing the currency of the default credit control area (0001) to the currency of the localized country.

► Financial management area

The country installation program changes the default language, currency, and the fiscal-year variant.

► Storage location or purchasing organization

Only the description is changed.

► **Plant**

The changes include calendar, address, and currency.

► **Shipping point**

The changes made to the sample shipping point 0001 include calendar, country, and currency.

► **Sales organization**

The changes made to the default sales organization 0001 are calendar and currency.

► **Transportation planning point**

The country installation program changes the calendar to match the localized country.

You'll notice that the organizational units have not yet been localized, but a list of changes is shown, indicating what would be converted or not converted later during the production run. Text marked in red (shown at the bottom of Figure 4.2) indicates an error, and that particular element is not localized. Your SAP Basis system administrator can help in restoring the original settings from the default client 001 before you can run the country localization program again.

Customizing: Country Version, Results Log	
44. Table: T093C Company codes in Asset Accounting	
Key field	Field contents
BUKRS	0001
Co. code for Asset Mgmt missing, depreciation chart cannot be converted;;	

Figure 4.2 Customizing Country Version: Results Log

Once you're satisfied with the results of test run, go back and deselect the check box in TEST RUN and click EXECUTE again. You can see the country conversion details on the results-log screen shown in Figure 4.2.

Repeat steps for all other countries for which you want to localize the sample units. For our case study, we will repeat the steps for Great Britain and Singapore.

Country Version: US

The country-specific functions for the United States relate mostly to financials and human resources, including the following:

- Asset accounting
- Bank accounting, including check management and lockbox procedures
- Localized version of Payroll (PY) component, Payroll United States (PY-US)
- Sales and use tax
- Withholding tax (including reporting)

Warning!

The country installation program is very powerful and can overwrite a lot of important data if it's not used correctly. Take care to run it only in clients that are exact copies of the delivery client. If you have already changed any Customizing settings in the delivery client or in the copied client, do *not* run the program. Even if you run it, note that it does not function correctly!

Never run the program in your production client because it will overwrite the settings for all the organizational units named 0001.

With the country installation completed, let's define the necessary FI organizational units to complete the enterprise structure relating to our case study. We'll start with the process of how to define a company.

4.3 Define Company

A *company* is the organizational unit in SAP for which you can draw individual financial statements, according to the legal requirements of the country where it is incorporated. You can designate legally dependent branches as companies and join them together as legal units by consolidation. We recommend using the SAP-supplied default company, G00000, if you need only one company.

Arranged just below the client, a company includes one or more company codes. If a company consists of more than one company code, all company codes need to be assigned with the same operative chart of accounts and fiscal year variant even though they can have different local currencies for the day-to-day transactions.

Case Study: Mercury

BellSmith (BS), a leading corporation headquartered in the United States, is in the business of manufacturing and distribution of consumer products and transportation systems. The consumer products business for BS is handled by a company called BS Consumer Products (BSCP), established in Sacramento, CA. Starting with the manufacturing and distribution of sanitary ware and sanitary fixtures in 1960, BSCP diversified into consumer appliances (in the 1980s) and consumer lighting systems (in the 1990s).

Not content with the related diversification in consumer products business, BS acquired the East-West Transportation Services (EWTS; later renamed BSTS) in 1992, to cash in on the boom in the transport sector. BSTS manufactures elevators, escalators, and several brands of diesel engines from the EWTS stable.

The Mercury project team has decided to represent the above structure in the SAP system as detailed in Figure 4.3. The two companies, BSCP and BSTS (both in the United States), are denoted as BS1000 and BS2000, respectively.

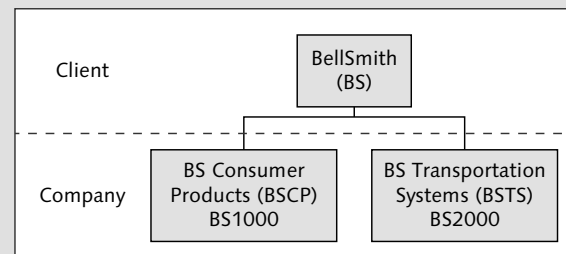


Figure 4.3 Case Study—Mercury: Company

Let's follow the steps listed next in order to define the companies required:

1. Use Transaction OX15 or go to the IMG path ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE COMPANY.
2. On the resulting overview screen, click the NEW ENTRIES button and maintain the values for the fields. All these values relating to a company are stored in table T880. Let's look at some of the important fields shown in Figure 4.4:
 - ▶ COMPANY (RCOMP): SAP uses a six-character company ID to denote the company. As outlined in the case study, this is BS1000 for BS Consumer Products (BSCP).
 - ▶ COMPANY NAME: You can enter a name up to 30 characters long. In this example, we'll use "BS Consumer Products."
 - ▶ NAME 2: You may, if required, maintain an alias name.

New Entries: Details of Added Entries	
Company	BS1000
Company name	BS Consumer Products
Name of company 2	BSCP
Detailed information	
Street	9021 Kiefer Blvd
PO Box	867
Postal code	95814
City	Sacramento, California
Country	US
Language Key	EN
Currency	USD

Figure 4.4 Case Study—Mercury: Company BS1000

- ▶ MAINTAIN THE ADDRESS INFORMATION, INCLUDING STREET, PO BOX, AND CITY.
- ▶ POSTAL CODE: It is a best practice to maintain this field—it helps speed mail delivery.
- ▶ COUNTRY: This is the only required field. Select a two-character country code from the dropdown list. In this example, we'll use US, since the company is incorporated there.
- ▶ LANGUAGE KEY: This key helps the system select the appropriate language for display. Internally, this is stored as a one-character data of type LANG, even though you see a two-character key indicating a language. English is the business language for BS1000, so select EN from the dropdown list.
- ▶ CURRENCY: This is the local currency of the company. All the transactions for the company are updated in this currency only. This is also known as the company code currency or country currency. With the ledger concept in place in New G/L, all the local ledgers are maintained using this currency. Select USD as the local currency for BS1000. Note that the local currency must be translated into the group currency if it is not the same as the group currency.

Currency in SAP ERP

The currencies are defined per the international ISO standard. Each currency is represented by a three-character ISO code (USD, INR, etc.) and stored in table TCURC as data type CUKY (currency key). The currency fields (data type CURR) are stored as data type DEC (counter or amount field with comma and sign). The decimal places for each of the

currency keys are defined in table `TCURX`. The currency fields always refer to currency key fields; as a result, the decimal places are not taken into account until processing for display or printing.

Suppose, for example, that you have defined the currency GBP (British pounds) with two decimal places. Now, when you post an amount of GBP 100, this amount is actually stored as GBP 10000 in the currency field in the database. Only during transaction processing does the system (using the currency key GBP) interpret the value as GBP 100.00.

So, if you change decimal places of a currency that is in use in different periods, then the system converts all the amounts according to the new decimal places, and the data integrity is lost. To change the number of decimal places for a currency already in use, you must convert all the tables in the system containing currency fields. However, never attempt to change decimal places of a currency or delete an existing currency in a production system because you may risk making the amounts (already posted in documents) incorrect or invalid.

3. Repeat the steps to create the other company, BSTS (BS2000), and click **SAVE**.
4. When completed, save the details. The company BSCP (BS1000) has now been created as shown in Figure 4.5.



Change View "Internal trading partners": Overview		
Company	Company name	Name of company 2
BS1000	BS Consumer Products	BSCP
BS2000	BS Transport Systems	BSTS

Figure 4.5 Case Study—Mercury: Company

Now that we've defined the companies for BS, we'll define the company codes.

4.4 Define Company Code

In SAP, a *company code* is the smallest organizational unit of external accounting for which you can create a complete and self-contained set of accounts for transaction posting, besides the statutory financial statements (i.e., the balance sheet [B/S] and profit and loss [P&L] statement). You should create a company code according to tax law, commercial law, and other financial accounting criteria representing a legally independent company. You can also use a company code to represent a legally dependent operating unit abroad (commercial place of work) if

there are external reporting requirements, including segment reporting, for that unit in the local currency of that country. All the FI-related business transactions and evaluations are represented at the company-code level.

Because company codes are the central organizational units of external accounting in the system, you must define at least one company code (per client) to implement the FI component in SAP ERP Financials for your organization. If you want to manage the accounting for several independent companies simultaneously, you can set up several company codes in the same client. Use a four-character alphanumeric key to denote your company code. All the company code data is stored in table `T001` in the SAP system.

Tips and Tricks

Company code 0001 is already defined in clients 000 and 001 for the country DE (Germany). All country-specific information (parameters) that is typical for this country (including payment methods, tax calculation procedures, and chart of accounts) is preset for this company code.

If, for example, you want to create a company code for the United States to meet its legal requirements, you must first run the country installation program in client 001 so that all the country-specific parameters are set to US (we have already done this, as explained in Section 4.2). It's best to use the preset company code 0001 if you require only one company code. By doing this, you can minimize the number of tables set up in the system.

When you implement other components of SAP along with FI, you need to create assignments between the company codes and other organizational units to ensure data transfer between them. For example, one or more company codes need to be assigned to a company, credit control area, controlling area, and so on. A business area can be assigned to one or more company codes; one or more plants can be assigned to a company code through a purchasing organization, and so on.

Case Study: Mercury

The company BS1000 is made up of three independent legal units (illustrated in Figure 4.6), each with its own company code: BS Sanitary Fixtures (BS11), BS Lighting Systems (BS12), and BS Appliances (BS13). While company codes BS11 and BS12 are in the United States, the company code involved in the appliances business (BS13) is in Singapore.

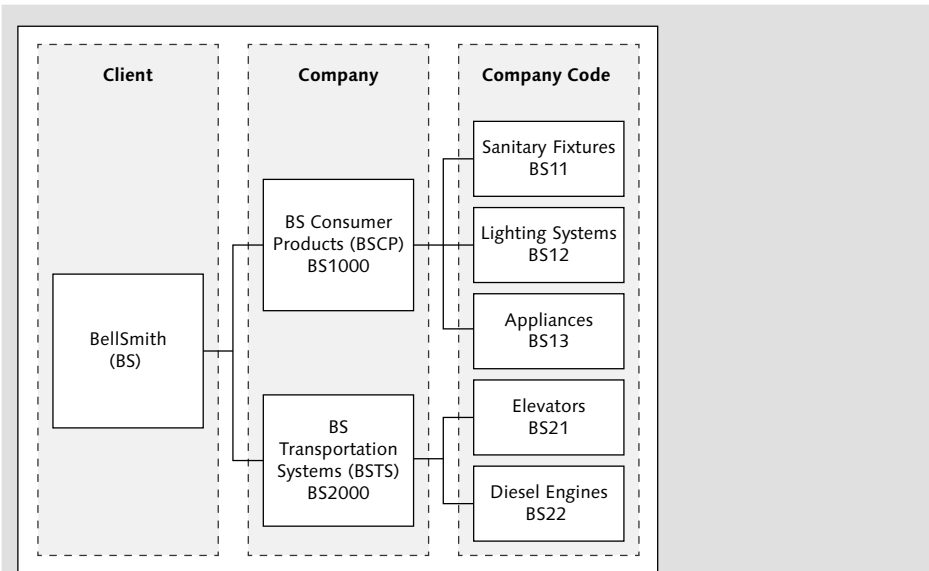


Figure 4.6 Arrangement of Company Codes

The second company, BS2000, consists of two company codes. Company code BS21 is in the United States and is involved in the manufacturing of elevators and escalators (both industrial and domestic); company code BS22 (incorporated in Bradford, United Kingdom) is in the business of manufacturing, selling, and servicing diesel engines for a variety of applications, including diesel generators, marine diesel engines, and earth-moving equipment.

These company codes use English as the business language. All the company codes of BS Group use CAUS as the operating chart of accounts. The company codes in the United Kingdom and Singapore use a local (country) chart of accounts to meet the respective country requirements: CAGB for the United Kingdom and CASG for Singapore. In the case of US-based company codes, both the operating and country chart of accounts are the same. All these company codes use their respective country currencies as the local currency.

We recommend creating a new company code from an existing company code because this is less time consuming and allows you to copy existing company code-specific parameters, which can then be changed to suit your specific needs. However, in this section, we will discuss creating a new company code using both options:

- ▶ Creating without copying from an existing company code
- ▶ Copying from an existing company code

4.4.1 Create Company Code without Copying from an Existing Company Code

In project Mercury, we have two company codes operating in two different countries: BS13 in Singapore and BS22 in the United Kingdom. Because each has a different local currency, country chart of accounts, and so forth, we'll create these company codes by defining them from scratch. When you create a company code without copying from an existing one, you need to define all the settings (company code key, company code name, address, country key, country currency, language key, etc.) yourself. Follow these steps:

1. Go to IMG • ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • EDIT COMPANY CODE DATA. On the pop-up screen, double-click EDIT COMPANY CODE DATA, or use Transaction OX02. This brings you to the CHANGE COMPANY CODE—OVERVIEW screen.
2. Click the NEW ENTRIES button, and on the resulting screen, maintain the details for the new company code, as shown in Figure 4.7.

New Entries: Details of Added Entries	
Company Code	BS13
Company Name	BS Appliances
Additional data	
City	Singapore
Country	SG
Currency	SGD
Language	EN

Figure 4.7 Case Study—Mercury: Company Code BS13

- ▶ **COMPANY CODE:** Enter a four-character, alphanumeric identifier for the company code. In this example, we've used BS13.
- ▶ **COMPANY NAME:** Enter the name of the company code (here, BS Appliances).
- ▶ **CITY:** Enter the city where the company code is situated (Singapore for BS13).
- ▶ **COUNTRY:** Select the country key (SG) from the dropdown list.
- ▶ **CURRENCY:** Enter the currency key from the dropdown list, corresponding to the local currency of the country (SGD).
- ▶ **LANGUAGE:** Select the language key (EN) from the dropdown list.

- ▶ When completed, save the details. You are prompted with a pop-up screen to maintain the address details as follows (expand the sections by clicking the MORE FIELDS button at the bottom-right of each section):
 - TITLE: Select the appropriate title (i.e., Company for BS13) from the drop-down list.
 - NAME: You may enter up to four lines (of 40 characters each). In this example, enter BELLSMITH—CONSUMER PRODUCTS (BSCP)—BS APPLIANCES.
 - SEARCH TERM 1 or 2: These two fields (SEARCH TERM 1 and SEARCH TERM 2) are the short description(s) used for search helps. All entries in these fields are automatically converted into capital letters. Both fields can be used independently of each other.
 - STREET ADDRESS: You'll notice that you are required to enter the country again. If you want, you may maintain the county, state, or province in the REGION field.
 - TIME ZONE: The system can determine the relevant time zone based on the COUNTRY and REGION fields.
 - JURISDICT.CODE (TAXJURCODE): This represents the tax jurisdiction, and is only used in some countries, such as the United States.
 - TRANSPORTATION CODE (TRANSPZONE): This can be the regional zone of a goods recipient (in SD) or goods supplier (in MM).

Tips and Tricks

When you maintain an entry in the TRANSPORTATION CODE field, the system can, for example, automatically propose a suitable route by using the transportation zone of the goods recipient in combination with other information about the delivery, such as the country of origin and destination, shipping conditions, and transportation group. This is useful in a large country like the United States.

- PO BOX: The system prefixes the text "PO Box" in recipients' languages to this number while printing the correspondence.
- POSTAL CODE: This is different from the normal postal code linked to a street address. You use this field for a country where a different postal code applies to mail that is sent to the PO Box, rather than to the street address of a particular business partner.

- TELEPHONE: Enter the telephone number without the country code and extension, but with a dialing code. The system prefixes this number with the country dialing code.
- Maintain the TELEPHONE, MOBILE TELEPHONE, FAX, E-MAIL etc., by clicking the OTHER COMMUNICATION... button and selecting the required entry on pop-up screen (shown in Figure 4.8). You can maintain more than one entry for each of these fields.
- STANDARD COMM. METHOD (DEFLT_COMM): After you have defined all possible communication methods, use this field to set the default communication method.

3. Click the COPY button, which takes you to the new entries details screen.

You have now successfully created the company code BS13 in the system. At any time, you can click the ADDRESS button to edit the address information.

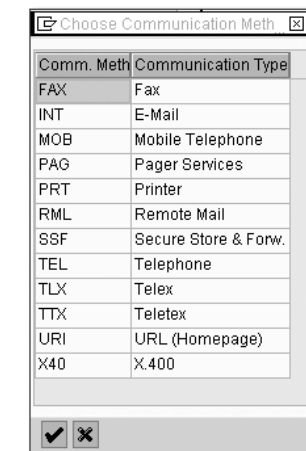


Figure 4.8 Choose Communication Method Pop-Up Screen

Repeat the prior steps to define the other company code (BS22). Select the country key GB and currency key GBP, and maintain the relevant information such as company code name (BS Diesel Engines), city (Bradford), and so on.

Note

We've created the new company codes with only the basic details. There are several other settings (company code global parameters), which we will maintain later. For the

moment, let's continue with the creation of the remaining company codes (BS11, BS12, and BS21) using the second option of creating a new company code by copying from an existing one.

4.4.2 Create Company Code by Copying an Existing Company Code

You should use this option only when you have a suitable company code already defined in the system. Because we have already localized the company code 0001 for the United States, we can use this to create one of the US-based company codes (i.e., BS11). Then, we create the other company codes for the United States (BS12 and BS21) by copying from BS11.

The Customizing steps include the following:

1. Go to the IMG path ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • EDIT, COPY, DELETE, CHECK COMPANY CODE. On the CHOOSE ACTIVITY pop-up screen, double-click COPY, DELETE, and CHECK COMPANY CODE, which takes you to the next required screen. You may also use Transaction EC 01 to reach this screen directly.
2. Click the COPY ORG. OBJECT button, or press **F6**. The system brings up the COPY pop-up screen after reading all the associated tables (this may take some time). Enter the source company code in the FROM COMPANY CODE field (0001), and maintain the target company code in the TO COMPANY CODE field (BS11), as shown in Figure 4.9.

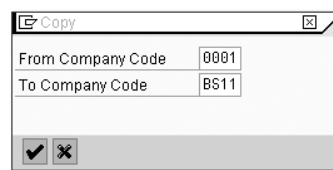


Figure 4.9 Copy Pop-Up Screen

Tips and Tricks

Both SOURCE and TARGET COMPANY fields are required entries. You shouldn't define the target company code earlier in the system if you plan to use this route of copying an existing company code.

3. Click CONTINUE or press **Enter**, and the system delivers a pop-up screen with information on copying the existing G/L accounts from the source company code. Click YES to copy all the G/L accounts from the source company code to the company code data of the target company code (BS11). If necessary, you may change the G/L master records later, using collective processing. We will explain this further when we discuss G/L master creation in Chapter 8, Section 8.1.2.

Structure of G/L Master Record in SAP

The data in a G/L master record is created in two areas, chart of accounts data and company code data, as follows:

- ▶ Common to all company codes, the chart of accounts data is typically made up of a chart of accounts name, G/L account number, account name, balance sheet or profit-and-loss indicator, account group, fields status group, and so on.
- ▶ The company code data includes the information on company code, tax code, currency, open item management, sort key, etc., and is specific to a company code.

4. You are also presented with another pop-up screen asking if you want to allocate a different local currency to the target company code. Since we want the same currency of the source (USD) to be allocated to the target, click the No button and continue. You're also provided with the details of what is not copied, and if the system encounters any inconsistencies or other problems during copying.

Tips and Tricks

Click the YES button if you don't want the source company code's local currency to be copied to the target. In this case, you need to input the desired CURRENCY in the pop-up screen.

5. When copying is completed, you can see the results under the COMPLETED ACTIVITIES tab on the screen shown in Figure 4.10.

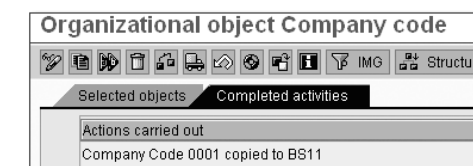


Figure 4.10 Case Study—Mercury: Company Code BS11 Created by Copying from 0001

6. Click the CHECK button, and the system checks for completeness (including foreign key dependency) and logs all the details in an error log. You may display the details or continue. You may also access the log through the menu path EXTRAS • TECHNICAL LOGS • RESULTS: COPY.

Because we copied an existing company code to create BS11, this new company code still retains the name of the source company code. You can change it by taking the following steps:

1. Use Transaction OX02 (or use the BACK button; on the resulting pop-up screen, double-click EDIT COMPANY CODE DATA) to reach the company code overview screen.
2. Select and double-click the row containing the company code BS11. Change the name of the company code to BS Sanitary Fixtures.

This completes the creation of the new company code BS11. We have created company codes BS11, BS13, and BS22 (shown in Figure 4.11) but won't yet create the remaining US company codes, BS12 and BS21. When we complete all the company code global parameters for BS11, we'll use this as the source company to create them.

Company Code	Company Name
BS11	BS Sanitary Fixtures
BS13	BS Appliances
BS22	BS Diesel Engines

Figure 4.11 Case Study—Mercury: Company Codes BS11, BS13, and BS22 Defined

4.4.3 Assign Company Code to Company

You need to assign all the company codes that you want to include in the group accounting to a company. As you already saw in Figure 4.6, we know that the company codes BS11, BS12, and BS13 need to be assigned to the company BS1000, and the company codes BS21 and BS22 assigned to BS2000.

Before you can assign the company codes to a company, you need to make some additional settings for the company codes because we have not yet maintained any of the company code global parameters. Unless this is done, you will not see any of these company codes (BS11, BS13, or BS22) in the dropdown value list for

assignment to the company. Use Transaction OB Y6, and input K4 as the FISCAL YEAR VARIANT and CAUS as the CHART OF ACCTS. With these settings, we are now ready to assign the company codes to the company, as follows:

1. Use Transaction OX16, or go to the IMG path ENTERPRISE STRUCTURE • ASSIGNMENT • FINANCIAL ACCOUNTING • ASSIGN COMPANY CODE TO COMPANY.
2. On the resulting overview screen, enter the company against the company code and save. Note that at this point, we can assign only BS11 and BS13 to BS1000, and BS22 to BS2000 (see Figure 4.12), because we haven't yet created the other two company codes. We'll get to this once they're also defined in the system.

CoCd	City	Company
BS11	Sacramento, California	BS1000
BS13	Singapore	BS1000
BS22	Bradford	BS2000

Figure 4.12 Case Study—Mercury: Company Code–Company Assignment

Now that the company codes are defined and assigned to the companies, our next task is to define the credit control areas for BS.

4.5 Define Credit Control Area

Used both in SAP FI-A/R (Accounts Receivable) and SD functional areas, the *credit control area* provides a method of granting and monitoring credit for a customer. As shown in Figure 4.13, a client can contain one or more credit control areas—which in turn can be attached to one or more company codes—but no company code can be allocated to more than one credit control area. SAP comes delivered with the sample credit control area 0001. You use a four-character alphanumeric code to denote a credit control area.

The credit limits are normally specified in customer master records. If you have a customer with multiple company codes, with the company codes assigned to different credit control areas, you need to provide separate credit limits in each of these areas for the same customer. The credit limits and credit exposure are managed both in the credit control area and at the customer level.

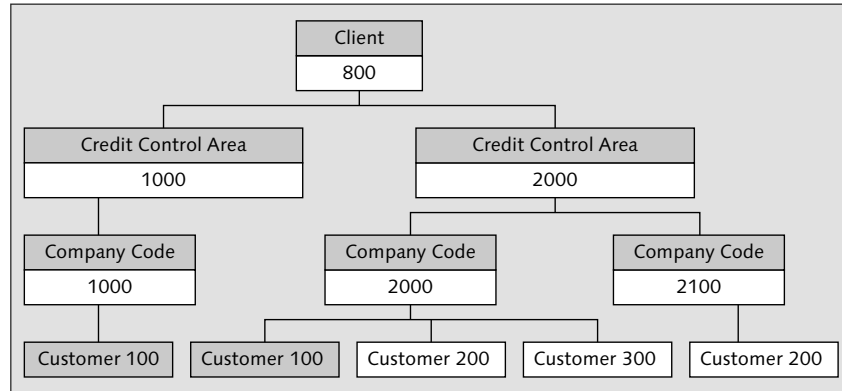


Figure 4.13 Client, Credit Control Area, Company Code, and Customer

When you have a 1:1 relationship between a credit control area and a company code, the currency of the credit control area is usually the same as that of the company code. However, when you assign more than one company code to the same credit control area, the currency of the credit control area may be the local currency of any of the participating company codes or a different currency. When the company code currency and credit control area's currency are different, the receivables are converted into the credit control area's currency.

Tips and Tricks

There is no permanent linkage between a credit control area and company code(s). The credit control area entered in the company code table acts only as the default credit control area, which is used by the system to identify the credit control area when there is no other way of determining this. You can enter the credit control area when you make transaction postings, or it can be derived when entering an order, from business area and sales area segments of a payer's master record, or through a *user exit*.

SAP allows you to have three types of credit management, which we'll discuss in the following subsections.

4.5.1 Centralized Credit Management

Here, a single credit control area caters to all the participating company codes. Accordingly, the customer is provided with a single credit limit even though it is serviced by more than one company code. So it's always possible that the assigned company codes have different local currencies than that of the credit

control area. The system converts all such receivables (that are not in the currency of the credit control area) into the credit control area's currency for easy credit management.

Example

The credit control area 5000 is responsible for company codes 1000 and 2000, and the customer ABC Ltd. is to be provided with a credit limit of \$50,000. The local currency of company code 1000 is USD, and the currency for company code 2000 is EUR. The currency of the credit control area is USD. Because the local currency of company code 2000 is different from that of the credit control area, the SAP system converts the receivables for this customer in this company code into US dollars when checking the credit limit. Note that there is no individual limit per company code.

4.5.2 Decentralized Credit Management

In a decentralized environment (as shown in Figure 4.14), each company code (or group of company codes) has its own credit control area, which in turn has a defined currency (which can be different from the company code currency). A customer can have separate limits in each of the credit control areas. You may decide on a (overall) *central credit limit* (\$70,000), which cannot exceed the sum of individual credit limits of all the credit control areas. When you maintain the central limit, you also maintain the *individual (maximum) credit limit* (\$50,000) for the customer, and that is the largest individual limit allowed.

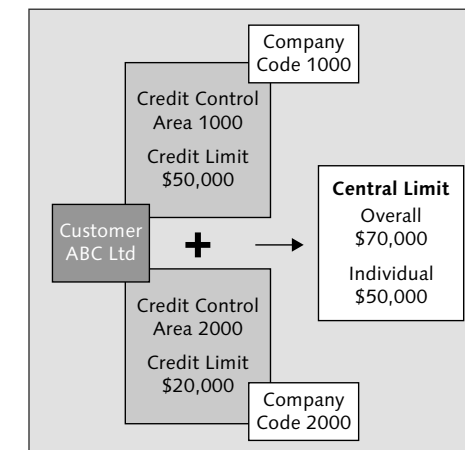


Figure 4.14 Decentralized Credit Management

4.5.3 Mixed Credit Management

There may be instances when you need to tread a middle path for credit administration and management: one that is neither strictly centralized nor decentralized. We'll discuss credit management further in Chapter 10, Section 10.3.

Case Study: Mercury

BellSmith has decided to have three credit control areas, as detailed in Figure 4.15. The credit control areas BS10 and BS13 relate to the company BS1000. The company codes BS11 and BS12 are assigned to the credit control area BS10, and the company code BS13 to credit control area BS13. While the credit control area currency of BS10 is USD, the credit control area currency for BS13 is SGD.

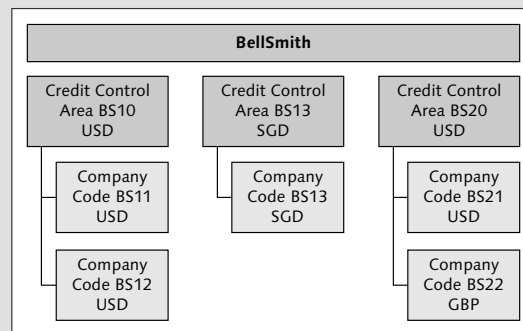


Figure 4.15 Case Study—Mercury: Credit Control Areas

Credit control area BS20 encompasses company codes BS21 and BS22, and its currency is USD. BellSmith expects that all the receivables of company code BS22 (with the local currency as GBP) will be converted into USD.

BellSmith's implementation team has decided that some of the credit control data is to be automatically populated while creating the master records for new customers. As the system can automatically create the credit master record when at least any one of the fields—risk category, credit representative group, and credit limit—is maintained in the relevant credit control area, BellSmith has decided to maintain the initial credit limit for all the customers coming under the respective credit control areas as follows:

- ▶ BS10: \$15,000
- ▶ BS13: SGD 25,000
- ▶ BS20: \$10,000

BellSmith also wants a credit evaluation that, when implemented, will increase open-order value from delivery-relevant schedule lines in sales orders, reduce open-order value from delivery-relevant schedule lines or increase open delivery value, reduce open delivery value or increase open-billing document value in billing documents, and reduce open-billing document value or increase open items in financial accounting documents.

Let's define the credit control areas for Mercury by using the following Customizing steps:

1. Use Transaction OB45 or go to IMG • ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE CREDIT CONTROL AREA.
2. On the resulting screen, click the NEW ENTRIES button. On the next screen, maintain the following fields:
 - ▶ CRED. CONTR. AREA (KKBER): Enter a four-digit identifier for the credit control area. In this scenario, we'll use BS10.
 - ▶ CURRENCY (CURR): This is the currency of the credit control area. As you recall, this may be the company code currency or a different currency. For BS10, this is USD (the same as the company code currency of BS11 and BS12).
 - ▶ UPDATE: The system uses this indicator to decide when the values of open sales orders, deliveries, and the billing documents are updated. The available credit limit is determined based on this update as follows: available credit limit equals the credit limit minus the sum of value of open orders, open deliveries, open billing documents not yet billed, and A/R balance of the account. Enter 000012 as the UPDATE because BellSmith wants a very stringent credit evaluation for all its group companies.

Credit Update Group

SAP provides you with four *credit update groups* (blank, 000012, 000015, and 000018), with 000012 being the most stringent (see Figure 4.16). The least stringent of the controls is exercised when you leave the update group indicator blank. When it is blank, the SAP system ignores SD documents when determining the credit availability, and the credit limit equals the accounts receivable (A/R) balance. Even when you specify an update group for default processing of the sales orders, the system determines the next possible group when it is not possible to process further using the default update group.

Update	Short Descript.
	No update from SD documents
000012	Open order value on time axis, delivery and bill.doct value
000015	Open delivery and billing document value
000018	Open delivery value for sales order, open billing doct value

Figure 4.16 Standard Credit Update Groups

Note that the open-order value is updated only for schedule lines that are relevant for delivery. For example, suppose that an item in the sales order is not delivery relevant, and the default update group is specified as 000012. This update group is required to increase open-delivery value and reduce open-order value from delivery-relevant schedule lines of the order. Because one of the items is not delivery relevant, the system skips update 000012 but uses 000018, which increases the open-delivery value of the order item by using the confirmed quantity of delivery-related schedule lines up to the order value.

- ▶ **FY VARIANT (PERIV):** The *fiscal year variant* (FYV) helps to determine the posting period from the posting date and fiscal year entered in any accounting document. Because the credit control area BS10 covers only the company codes BS11 and BS12, both of which have the same FYV, you do not need to enter anything here. We'll discuss FYV further later.

Tips and Tricks

An entry in this FY VARIANT (PERIV) field is necessary when a credit control area covers more than one company code, each of which have a different FYV.

- ▶ **RISK CATEGORY:** When you enter a risk category here, it is copied to the credit master record that is automatically created when a customer is created in a company code. Note that a credit master record is automatically created when you maintain the values for risk category, credit limit, or credit representative group when setting up a credit control area. No credit limit is provided without a credit master created in the system.
- ▶ **CREDIT LIMIT:** The limit you enter here is the default credit limit for all new customers when a credit master record is created for the first time. BS has decided that this will be \$15,000 for BS10, \$10,000 for BS20, and 25,000 SGD for BS13. Enter 15000, since we are creating the credit control area BS10. Note that this is the maximum individual limit for this particular credit control area and *not* the combined limit of all areas.
- ▶ **REP. GRP:** Known as the *credit management representative group*, this denotes the group of employees who are in charge of credit management for a group of customers. We will discuss this further in the credit-management section of Chapter 10, Section 10.3. Leave this field blank for now.

- ▶ **ALL CO.CODES:** By selecting this checkbox, you indicate to the system that postings from any company code can be made to this credit control area. For our example, do not select the checkbox, which allows only company codes BS11 and BS12 to post to credit control area BS10.

3. Save the details. You have successfully created credit control area BS10 in the system (see Figure 4.17). However, you have not named it yet.

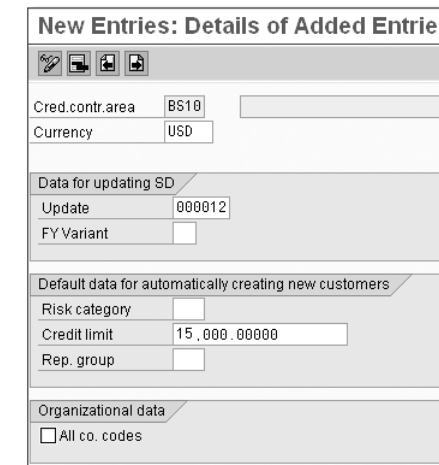


Figure 4.17 Case Study—Mercury: Credit Control Area BS10

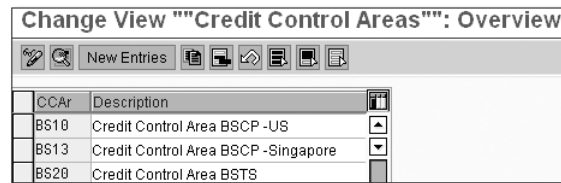
4. Click the BACK button; on the resulting screen, enter the description for BS10 (CREDIT CONTROL AREA BSCP-US), and save.
5. You do not need to repeat all the steps above to define the other two credit control areas (BS13 and BS20). On the overview screen, select credit control area BS10 and click the COPY As... button.
6. On the credit control area details screen, change the required details as shown in Table 4.2, and save.

Fields Changed in BS10	BS13	BS20
▶ CRED. CONTR. AREA	▶ BS13	▶ BS20
▶ CURRENCY	▶ SGD	▶ USD
▶ CREDIT LIMIT	▶ 25,000	▶ 10,000

Table 4.2 Values for Credit Control Areas BS13 and BS20

7. Click the BACK button and enter the description for BS13 (CREDIT CONTROL AREA BSCP—SINGAPORE) and BS20 (CREDIT CONTROL AREA BSTS), and save.

You are now able to see all three credit control areas on the overview screen, as shown in Figure 4.18.



CCAr	Description
BS10	Credit Control Area BSCP-US
BS13	Credit Control Area BSCP-Singapore
BS20	Credit Control Area BSTS

Figure 4.18 Case Study—Mercury: Credit Control Areas

Now that we've looked at the definition of credit control areas, let's move on to assigning the company code(s) to them.

4.5.4 Assign Company Code to Credit Control Area

As you can see from Figure 4.15, shown earlier, we need to have three groups of assignments:

- ▶ Company codes BS11 and BS12 are to be assigned to the credit control area BS10.
- ▶ Company code BS13 is to be assigned to credit control area BS13 (1:1 relationship).
- ▶ Company codes BS21 and BS22 are to be assigned the credit control area BS20.

You can take the following steps to assign the company code(s) to credit control area(s):

1. Use Transaction OB38 or follow the IMG menu path ENTERPRISE STRUCTURE • ASSIGNMENT • FINANCIAL ACCOUNTING • ASSIGN COMPANY CODE TO CREDIT CONTROL AREA.
2. Enter the credit control area against each of the company codes on the resulting screen.

Tips and Tricks

If you don't want the system to overwrite the credit control area defaulted during document posting—based on the company code-credit control area assignment—you should not select the OVERWRITE CC AREA checkbox.

3. Save (see Figure 4.19). Note that we have not made the assignment for all the company codes of BS: we have not yet defined company codes BS12 and BS21. We need to come back and define them once they are also defined in the system. Alternatively, you can have them attached while inputting the company code global parameters.



Co	Company Name	City	CCAr	Overwrite CC area
BS11	BS Sanitary Fixtures	Scaramento, California	BS10	<input type="checkbox"/>
BS13	BS Appliances	Singapore	BS10	<input type="checkbox"/>
BS22	BS Diesel Engines	Bradford	BS20	<input type="checkbox"/>

Figure 4.19 Case Study—Mercury: Company Code-Credit Control Area Assignment

We'll define the remaining organizational units relevant for our case study implementation in the next section.

4.6 Define Business Area

While this step is not mandatory, you can define a *business area* in the SAP ERP system. A business area is an accounting organizational unit that represents a separate area of operations (or responsibilities) in your business organization. The idea of defining business areas is to create B/S and P&L statements below the level of a company code. Business areas also help with segment reporting because you can define them based on products, product lines, or geographical areas.

You denote a business area with a four-character alphanumeric key. You can define the same business area across company codes (within the same client) even if the company codes operate with different charts of accounts: you just need to use the same key to denote the business area in all the company codes.

Independent of any other FI enterprise structure, business areas are used to differentiate transactions that originate from different points, product lines, or

locations in the business. You enter or assign a business area only during transaction processing, enabling consolidation of G/L transaction values per business area. However, you can assign all B/S items—such as fixed assets, receivables, payables, and material stock, as well as the entire P&L statement—directly to business areas. You can only indirectly assign banks, equity, and taxes to business areas manually. In cases of cross-company code transactions, the SAP system creates only one document when you post to more than one business area spread across several company codes.

Tips and Tricks

The purpose of business areas is to report on similar activities across company codes. There is no benefit in attempting a 1:1 definition between a company code and a business area. If anything, it will only cause frequent reconciliation problems.

Though business areas are not linked to any other FI organizational units, you can still link them to other organizational elements in the system. You may link business area to plant or valuation areas and divisions because single plants usually produce products for one business area. You can link the business areas to *sales areas* to ensure that revenue postings are made to correct business areas when your sales organizations sell a single grouping of products. When you enable the BUSINESS AREA BALANCE SHEET indicator in the company code, then the business area becomes a required field for transactions in FI-AA.

Note that the financial statements for business areas are mostly unbalanced because you cannot always match the debit and credit entries of a transaction to the same business area (or cost center). These statements are therefore appropriate for internal reporting.

Why Business Areas?

Consider that your company is involved in vehicle manufacturing and servicing. You can represent this business in two ways in SAP:

- ▶ You can create two different company codes, one for vehicle manufacturing and other for servicing.
- ▶ You can create one company code but two business areas (vehicle manufacturing and vehicle servicing).

Though the first option is simple, there are several advantages of going in for the second option:

- ▶ You can use these business areas if other company codes require the same areas.
- ▶ The configuration is much simpler because you are not required to perform the entire company code configuration of creating a chart of accounts, fiscal year variants, posting period variants, etc. You just need to attach the business areas to the company codes.
- ▶ You can easily draw B/S and P&L statements for each of the business areas.

It is important to note that business-area functionality can be duplicated using profit center accounting. However, in contrast to business areas, the profit centers are areas of internal responsibility for achieving profits or productivity targets. While the main objective of business areas is internal reporting, the profit centers' job is to analyze areas of responsibility in order to delegate authority and responsibility to decentralized units for effective management and control. The decision to use or not to use business areas should be made early in the design phase of your implementation project. Many new implementations favor profit centers over business areas, but ultimately the decision should be based on what fits in the overall system design of a particular implementation. Factors including the need to report business lines across company codes, the need for full balance sheets at the divisional or business line level, and the costs and benefits are the deciding factors.

Case Study: Mercury

BellSmith expects that, after the SAP implementation, the business will be able to produce business area financial statements for internal reporting purposes. Accordingly, it requires the project team to set up the following business areas. It has also been specified to name these areas meaningfully so that the business area key itself should indicate what it relates to. Accordingly, the project team has used only letters as business area identifiers, as follows:

- ▶ ELEC: Embedded Electronics (company codes BS12, 13, 20, and 21)
- ▶ FIXT: Fittings and Fixtures (company codes of BSCP)
- ▶ INDU: Industrial Applications (company codes of BSTS)
- ▶ DOME: Domestic Applications (company codes of BSTS)
- ▶ SERV: After-sales Service (call the company codes of BS)

The company/company code/business area arrangement for BS is depicted in Figure 4.20.

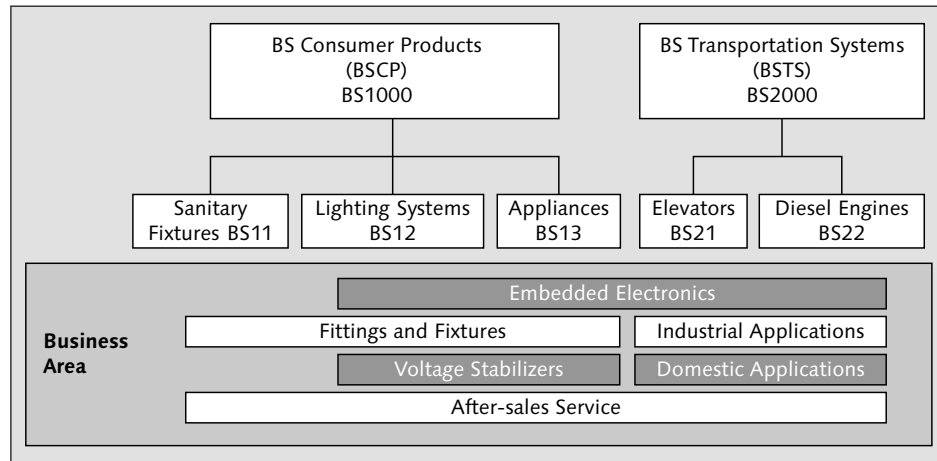


Figure 4.20 Case Study—Mercury: Company/Company Code/Business Area

To set up the business areas for project Mercury, take the following steps:

1. Use Transaction OX 03 or follow the IMG menu path ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE BUSINESS AREA.
2. On the resulting screen, click the NEW ENTRIES button.
3. On the next screen, enter the business area identifier(s) in the BUSINESS AREA (GSBER) field, and enter a suitable description(s) of 30 characters or less in the DESCRIPTION field. Note that BUSINESS AREA is a required entry, and all these values are stored in table TGSB.
4. When completed, save the entries, and your screen should look like Figure 4.21.

Business Area	Description
ELEC	Embedded Electronics
FIXT	Fittings & Fixtures
INDU	Industrial Applications-BSTS
DOME	Domestic Applications – BSTS
SERV	After-sales Service

Figure 4.21 Case Study—Mercury: Business Areas for BS Group

Tips and Tricks

In FI-AA (Asset Accounting), assets are assigned to a single business area in their respective master records. You don't need to make a manual account assignment for a business area because all the postings (acquisitions, depreciations, retirements, etc.) to an asset balance sheet account are automatically posted to that business area, and that area is passed down to all the line items connected with that asset. If you need to transfer an existing asset to a new business area, you can do that by creating a new asset master record with the new business area.

Now that we have completed the definition of business areas that are required for project Mercury, let's move on to segments.

4.7 Define Segments

A *segment* is another account assignment object that you can use to describe your financial position and performance by line of business or by geographical area. You can create balanced books for each segment and use them for segment reporting requirements of IFRS and US GAAP (see more details in Chapter 2, Section 2.2.2). You can populate the segment information either manually or automatically.

Segments in International Accounting Standards (IAS)

According to IAS, a *business segment* is a component of an entity that provides a single product or service or a group of related products and services and that is subject to risks and returns that are different from those of other business segments.

A *geographical segment* is a component of an entity that provides products and services within a particular economic environment and is subject to risks and returns that are different from those of components operating in other economic environments. The geographical segments may be based on the location of either the entity's assets or its customers.

An entity must look to its organizational structure and internal reporting system to identify reportable segments. In particular, IAS-14 presumes that segmentation in internal financial reports prepared for the board of directors and chief executive officer should normally determine the segments for external financial reporting purposes. Further disaggregation is appropriate only if internal segments are not along product, service, or geographical lines.

The entity's reportable segments are its business and geographical segments where a majority of revenue is earned from sales to external customers. Segments deemed too

small for separate reporting may be combined with each other if they are related, but they may not be combined with other significant segments for which information is reported internally.

You need to complete the following activities to make use of the segments:

► **Define segments**

See the steps listed shortly.

► **Derive the segments**

You can assign a SEGMENT field in the profit center master data to derive a segment automatically. If you do not want to use profit center master data, you can define custom derivation rules using BAdI FAL_DERIVE_SEGMENT and still derive the segments automatically. You can also manually update the segment information at the time of the financial posting.

► **Maintain the Field Status group in the FI accounts**

You find the segment field under the group ADDITIONAL ACCOUNTS ASSIGNMENTS. Maintain the field status for the corresponding posting key.

► **Maintain scenarios**

You define segmentation scenarios in the corresponding ledgers.

Case Study: Mercury

For segment reporting, BellSmith wants to define several business segments, including the following:

- 10TILESAL: Tiles
- 11SANWARE: Sanitary ware
- 13CFLSYST: Compact fluorescent (CFL) systems
- 14LEDLIGT: LED lighting systems
- 21INDELEV: Industrial elevators
- 22HOMELEV: Home elevators
- 24ESCALTR: Escalators
- 25DIESGEN: General-purpose diesel engines

Use the following steps to complete the definition of segments for Mercury:

1. Follow the menu path SAP CUSTOMIZING IMPLEMENTATION GUIDE • ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE SEGMENT.

2. On the CHANGE VIEW “SEGMENTS FOR SEGMENT REPORTING”: OVERVIEW screen, use the NEW ENTRIES button to create the segments.
3. On the next screen, enter the segment identifier (10-character alphanumeric) in the SEGMENT field, enter a name or explanation in the DESCRIPTION field (see Figure 4.22), and save.

Segments for Segment Reporting	
Segment	Description
10TILESAL	Tiles
11SANWARE	Sanitaryware
12SANACCE	Sanitary accessories
13CFLSYST	Compact Fluorescent Systems (CFL)
14LEDLIGT	LED lighting systems
15LIGHTOT	Other lighting accessories
16KITCHEN	Kitchen appliances
17TVVIDEO	Televisions & Video systems
18FRICOOOL	Refrigerators & Coolers
19WASHERS	Washers, Dryers & Combos
20AUDIOSY	Audio systems
21INDELEV	Industrial elevators
22HOMELEV	Home elevators
23SKYTRAN	Sky trains
24ESCALTR	Escalators
25DIESGEN	General purpose diesel engines
26DIESMAR	Diesel engines for marine use
27DIESEMO	Diesel engines for earth movers

Figure 4.22 Case Study—Mercury: Business Segments for Segment Reporting

Let's continue our discussion on creating the remaining FI organizational units.

4.8 Define Financial Management Area

Denoted by a four-character identifier, a *financial management area* (FM area) in SAP ERP Financials is an accounting organizational unit used in funds management to structure your business organization from the perspective of Cash Budget Management and Funds Management. You need to maintain separate functional characteristics for each of the FM areas for both cash budget management and funds management. To take full advantage of integration, link the FM areas to other organization applications within SAP. As with most of the organizational units, the standard SAP system is delivered with the FM area 0001.

You only define the FM area in this step, and you maintain the other FM area parameters—such as the fiscal year variant—later when configuring the same for the relevant applications.

Case Study: Mercury

BS requires two FM areas, one for each of the companies. The FM areas have to be named as follows:

- ▶ BS10: Financial Management Area for BSCP (for company codes BS11 and BS12)
- ▶ BS20: Financial Management Area for BSTS (for company code BS22)

BS does not want to track the purchase orders and parked documents as commitments in cash budget management but does want to track them just as payment flows. BS has initially indicated that every business transaction posted in accounting is to be updated immediately and directly to cash budget management so that, for example, when a payment is posted with clearing, the payment appears immediately in cash budget management, in the expenditure/revenue item in the invoice; the commitment for the invoice is reduced to zero. However, realizing that such a requirement may result in huge processing load for the system, BS eventually agreed to clear such line items using batch processing.

1. Use the menu path SAP CUSTOMIZING IMPLEMENTATION GUIDE • ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE FM AREA.
2. On the overview screen for creating the FM areas, click NEW ENTRIES.
3. On the resulting screen, enter the four-character identifier in FM AREA, enter the description for FM AREA TEXT, and select the currency in FM AREA CURRENCY. For the FM area BS10, let the values be BS10, FM Area for BSCP, and USD (see Figure 4.23).

FM Area	FM area text	FM area currency
BS10	FM Area for BSCP	USD
BS20	FM Area for BSTS	USD

Figure 4.23 Case Study—Mercury: FM Areas

4. Save the entries.

The FM areas BS10 and BS20 have now been created in the system. Let's specify some of the control parameters for the FM areas:

1. Use Transaction OF01.

2. On the FM AREAS overview screen, select the required FM AREA (say, BS10) and click DETAILS.
3. On the DETAILS screen, maintain the values as indicated (see Figure 4.24):
 - ▶ NO PURC. ORDERS: Select this checkbox because BS wants to track the purchase orders, in cash budget management, as payment flows only.

Tips and Tricks

Purchase orders are normally recorded as commitments in cash budget management under a value type. So, when you post the follow-on documents for a purchase order, the open purchase order is adapted using the commitment interface. However, when you want to record the purchase orders only as payment flows, you can do that by selecting the NO PURC. ORDERS checkbox while configuring the FM area. This selection also improves the system performance because there will be fewer table entries.

- ▶ NO PARKED DOCS: The parked documents can also be treated as commitments in cash budget management. This can be done if the parked document subsequently becomes a "real" accounting document: the original entry for the parked document is zeroed out, and the actual document is posted. Because BS has clearly indicated that the parked documents are not to be treated as commitments, you need to select this checkbox to track them as payment flows only, as with purchase orders.
- ▶ FMA LEDGER ONLY: When you select this checkbox, the data is recorded in the FM AREA CURRENCY field only, even if the company code currencies are different. This is required for the FM areas of both BS10 and BS20 because there is at least one company code with a different local currency.

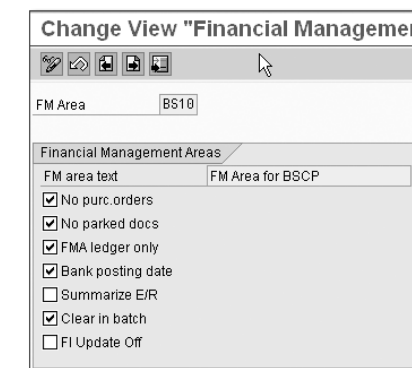


Figure 4.24 Case Study—Mercury: Settings of FM Area BS10

Tips and Tricks

In general, the data in cash budget management is recorded in the local currencies of all the company codes and FM areas involved, which is achieved technically by means of a duplication of the line items and totals.

- ▶ **BANK POSTING DATE:** The transaction date in cash budget management and the value date in G/L posting may be different. While this may give a correct view of the payments, it also means that you cannot match the totals of the transaction data in cash budget management with the account balances in accounting. However, you can overcome the problem by selecting this checkbox to record the financial transactions with posting key 80/90 in cash budget management as of the posting date. Select this for both the FM areas of BS.
- ▶ **SUMMARIZE E/R:** When this indicator is selected, the system summarizes all commitment items with Transaction 30. Though this may help in reducing the number of line items (on invoices with a lot of expenditure or expense line items) at the database level, you may miss certain information about G/L accounts, CO objects, etc. Do not select this for the FM areas of BS.
- ▶ **CLEAR IN BATCH:** BS wants to activate this indicator to enable batch processing of clearing items, even though this means there is no online link to the processes involved between cash budget management and accounting. As a result, the payment is then shown in a clearing commitment item (from the reconciliation account for the subledger account), and the invoice commitment remains in place. Note that you need to run program RFFMRP18 periodically to process the linked events. The advantage is that this will ease the processing load on the system.
- ▶ **FI UPDATE OFF**
Normally, you do not select this checkbox because it helps recording the transaction data from documents posted in FI. In our case, we deselect the checkbox for both the FM areas of BS.

Tips and Tricks

You may need to set this flag temporarily if you want to reconstruct the cash budget management transaction data from FI in full. Normally during such a period, no further FI documents may be posted in the system while this reconstruction is in progress. However, if the quantity of data to be reconstructed is very large, and the time available

is not sufficient, activate cash budget management; select this switch; and reconstruct the data from the old, closed periods (using the program RFFMRP52). Note that you are still able to post during the process. Once the full reconstruction is complete, deselect this checkbox immediately, thereby reactivating the transaction data update from FI.

Assign Company Code to FM Area

The system derives the FM area from the company code to which it is assigned, so you can assign more than one company code to a single FM area. The FM area's currency can be different from that of any of assigned company codes. Note that you are not able to change the currency of an FM area if you have already posted any actual data from SAP components to that FM area. For creating budgets, you may group company codes with different currencies, operational charts of accounts, and fiscal years in a single FM area.

We need to assign the FM area(s) of BS to the company codes relevant to cash budget management or investment management. Let's do this for the company codes BS11, BS13, and BS22 now, and repeat the same for the other company codes once they are also defined in the system. Note that you can also make this assignment while you maintain the company code global parameters using Transaction OBY6.

1. Use Transaction OF18 or go to IMG menu path ENTERPRISE STRUCTURE • ASSIGNMENT • FINANCIAL ACCOUNTING • ASSIGN COMPANY CODE TO FINANCIAL MANAGEMENT AREA.
2. Enter the FM area against each of the company codes on the resulting overview screen. Save when completed (see Figure 4.25).

Assigning Company Codes to FM Areas			
CoCode	Name	FM Area	FMA text
BS11	BS Sanitary Fixtures	BS10	FM Area for BSCP
BS13	BS Appliances	BS10	FM Area for BSCP
BS22	BS Diesel Engines	BS20	FM Area for BSTS

Figure 4.25 Case Study—Mercury: Company Code(s)–FM Area Assignment

Tips and Tricks

During the assignment of company codes to the FM area, if you use Transaction OF18, you may find that you are not able to assign a company code to an FM area when the

company code currency and FM area currency are different. However, you can avoid this if you make the FM area assignment for a company code using Transaction OBY6 when you maintain the company code global parameters.

We are now left with only two more FI organizational units to define: the functional area and the profit center. We will discuss the functional area next and then cover the profit centers after dealing with the controlling area definition.

4.9 Define Functional Area

Functional areas in an organization are used to meet the *cost of sales accounting* requirements because they enable you to classify the expenses by functions such as administration, sales, marketing, and production. You can segregate and classify different types of costs within one expense account. For example, you could determine what amount of labor is spent directly on production, compared to sales and marketing, research and development, and so on. You can define a financial statement version by assigning functional areas to the P&L items to create financial statements in accordance with cost-of-sales accounting. You can also use the functional areas in Funds Management to represent the global targets and goals and, in particular, the expenses of your organization.

Case Study: Mercury

BS requires the following functional areas to be defined in the SAP system:

- ▶ BS01: General Administration
- ▶ BS02: Sales & Marketing
- ▶ BS03: Manufacturing & Production
- ▶ BS04: Research & Development
- ▶ BS05: Services & Servicing

You can configure the functional areas as follows:

1. Use Transaction OKBD or the IMG menu path ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE FUNCTIONAL AREA.
2. On the resulting screen, use the NEW ENTRIES button, enter the functional area identifier (up to 16 characters) in the FUNCTIONAL AREA field (FKBER in table TFKB), and enter a description in the NAME field. Save when completed.

Here is another way to create functional areas in the system:

1. Use Transaction FM_FUNCTION.
2. On the resulting screen (see Figure 4.26), enter the functional area identifier, and press the CREATE FUNCTIONAL AREA button. Enter the name or description in FUNCTIONAL AREA TEXT, and enter all other details, such as VALID FROM, VALID TO, and EXPIRATION DATE. The EXPIRATION DATE can be less than or equal to the VALID TO date. You can also use the AUTHORIZATION GROUP to limit access. If you want to create the new functional area by copying an existing one, use the CREATE WITH TEMPLATE button.

The screenshot shows the 'Create Functional Area' dialog box in SAP. It has a title bar 'Create Functional Area' and a 'Validate' button. The 'Functional Area' field contains 'BS01'. Below it is the 'Description of Function Area' section with 'Functional area text' set to 'General Administration'. The 'Validity Period' section shows 'Valid from' as '13.10.2010', 'Valid to' as '13.10.9999', and 'Expiration Date' as '13.10.9999'. The 'Authorization Group' section is empty.

Figure 4.26 Create Functional Area Using Transaction FM_FUNCTION

3. Use the VALIDATE button to validate the data entered on the screen. Use the FM DERIVATION TOOL button if you want to define how this functional area needs to be derived during transaction processing.
4. Save when completed, and repeat the steps until you create all the functional areas in the system (see Figure 4.27).

Functional areas	
Functional Area	Name
BS01	General Administration
BS02	Sales & Marketing
BS03	Manufacturing & Production
BS04	Research & Development
BS05	Services & Servicing

Figure 4.27 Case Study—Mercury: Functional Areas

Before creating profit centers, we need to have the controlling area(s) in place in the system. So, let's take a look at the creation of a controlling area.

4.10 Define Controlling Area

The *controlling area* is the central organizational structure in the Controlling component of SAP ERP Financials (which we'll refer to as CO). It is used to subdivide your business organization from the cost-accounting viewpoint. Like a company code, it is a self-contained cost accounting entity useful for internal reporting. You can have one or more controlling areas in a single client. You assign one or more controlling areas to an *operating concern*.

Assigned to one or more company codes, the CO area ensures that internal business transactions, such as primary costs, are transferred from external accounting (FI) and classified according to managerial accounting (CO) perspectives. The primary costs (*direct costs*) are assigned to cost objects (*projects*, for example), and the secondary costs (*overheads*) are assigned to *cost centers* or *overhead cost orders*, which are then allocated using internal allocation techniques according to their source. Similarly, postings in FI-AA are also passed on to CO. All the revenue postings in FI would result in postings in CO-PA and EC-PCA.

SD, MM, and PP have many integration points in CO. Goods issue (GI) to a controlling object or goods receipt (GR) from a production order are examples of such integration. Through this process, all the consumption activities, cost of goods issued, overhead charges, material costs, etc., are passed on to production objects, such as production orders or sales orders. The work in process (WIP) and the variances at period end are settled to CO-PA, CO-PCA, and FI. All the revenues are directly posted when you generate billing documents in SD, as long as the sales order is a cost object item.

Case Study: Mercury

To manage cost accounting, BS has indicated that they want two controlling areas: BS10 and BS20. All the company codes assigned under the company BS1000 are assigned to BS10, and the company codes of BS2000 are assigned to BS20. Both the controlling areas have USD as the controlling area currency.

It's best to use the country-localized controlling area because this helps to retain the preliminary settings together with the number ranges already defined in the SAP system. Unlike company codes, for which you copy the county-localized company codes and create the new ones, you can directly use the localized controlling area if you need only one controlling area (you can rename one, as we have with BS10). If you need more than one controlling area, you can create a

copy of the localized controlling area and then use both. You can create a new controlling area from scratch as well.

4.10.1 Create New Controlling Area

We'll now learn how to create a new controlling area (BS10) without copying from an existing one:

1. Use the IMG menu path ENTERPRISE STRUCTURE • DEFINITION • CONTROLLING • MAINTAIN CONTROLLING AREA.
2. On the resulting pop-up screen, double-click MAINTAIN CONTROLLING AREA.
3. On the overview screen, click the NEW ENTRIES button. You can also use Transaction OX06 to reach this screen.
4. On the resulting screen shown in Figure 4.28, maintain the details as described:
 - ▶ CONTROLLING AREA (KOKRS): Enter the four-character controlling area identifier. In this instance, we'll use BS10.
 - ▶ NAME (BZEI): Enter the name or description (up to 25 characters) of the controlling area. This is a required field.
 - ▶ PERSON RESPONSIBLE: Enter the name of the person responsible for creating or maintaining the controlling area.

The screenshot shows the 'Change View Basic data: Details' screen for Controlling Area BS10. The interface includes a toolbar with 'New Entries' and other icons. The main area is divided into several sections:

- Controlling Area:** Controlling Area: BS10, Name: CO Area for BS1000, Person Responsible: ASNVEND.
- Assignment Control:** CoCd->CO Area: Cross-company-code cost accounting.
- Currency Setting:** Currency Type: 30, Currency: USD, Group currency: American Dollar, Diff. CCode Currency: Active: .
- Other Settings:** Chart of Accts: CAUS, Fiscal Year Variant: K4, Chart of accounts - United States, Calendar year, 4 spec. periods.

Figure 4.28 Case Study—Mercury: Controlling Area BS10

- ▶ **COCD->CO AREA:** Use this field to define the relationship between the controlling area and company code(s). Since the controlling area BS10 is used by the company codes BS11, BS12, and BS13, select **CROSS-COMPANY-CODE COST ACCOUNTING**. The other option available from the dropdown list is **COMPANY CODE = CONTROLLING AREA**.
- ▶ **CURRENCY TYPE:** The currency type can be any one of the six options (company code currency, controlling area currency, group currency, hard currency, index-based currency, and global company currency).

Currency Types

The currency type in SAP ERP is a key that describes a currency in terms of its role within the system. The following are the currency types used in SAP:

- ▶ **Company code currency (type 10):** The national currency of a country in which you maintain the accounts or ledgers in FI for a company code. This is also called *local currency* or *transaction currency*.
 - ▶ **Controlling area currency (type 20):** You can make any currency the controlling area currency.
 - ▶ **Group currency (type 30):** You use group currency—defined at the client level (in table T000)—for consolidated financial statements. It also enables cross-company postings in CO for company codes using different company code currencies.
 - ▶ **Hard currency (type 40):** Used for subsidiaries in countries with a lot of inflation, hard currency (the country-specific second currency) allows you to value transactions in an inflationary economic environment.
 - ▶ **Index-based currency (type 50):** Used for statutory reporting purposes for subsidiaries in some countries experiencing very high inflation.
 - ▶ **Global company currency (type 60):** This is the currency defined for the company (or the consolidated company).
- ▶ **CURRENCY:** You can enter any currency in this field when you select 20 in the **CURRENCY TYPE**. If the currency type is 30, you need to enter the group currency (in our case, it is USD). With currency types 40, 50, and 60, make an entry in this field only before assigning company codes to the controlling area; otherwise, the system defaults the respective currency (hard currency, index-based currency, or global company currency) automatically.

Tips and Tricks

You use the company code currency (type 10) as the controlling area currency when all the company codes use the same local currency. You can define a different controlling area currency even in this situation—then the system automatically selects the **DIFF. CCODE CURRENCY** checkbox, as well. When you define the currency type as 20 (controlling area currency), you can input any currency in the **CURRENCY** field. If the company codes assigned to the controlling area use different local currencies (as in our case study), you may select the group currency (type 30) as the controlling area currency. To use either 40 or 50 as the currency type, you need to ensure that either all of the company codes assigned to the controlling area are in the same country, or if the company codes are in different countries, then these countries use the same hard/index-based currency. If you select currency type 60, the company codes must belong to the same company or the companies must use the same currency. If there is a 1:1 relationship between the company code and controlling area, you can't define a currency type other than 10.

- ▶ **DIFF. CCODE CURRENCY**
Used automatically by the system in conjunction with the value entered in the **CURRENCY TYPE** field.
- ▶ **CURR./VAL.PROF**
Use this field to assign the respective valuation profiles, but only when you plan to have multiple valuations stored in the system.
- ▶ **ACTIVE**
Used to indicate whether a controlling area allows *transfer prices* for company codes or profit centers. To have this activated, you need to customize the settings for **ACTIVATE TRANSFER PRICES**.
- ▶ **CHART OF ACCTS**
Enter the chart of accounts used by the controlling area, required only for cross-company code cost accounting. When the assignment is 1:1, the system defaults to the chart of accounts assigned to the company code.

Tips and Tricks

Ensure that all the company codes assigned to the same controlling area (in case of cross-company code cost accounting) use the same operative chart of accounts, even though they can have different country chart of accounts.

► FISCAL YEAR VARIANT

Enter K4 for BS10. (We'll discuss this in detail in Chapter 5, Section 5.2, but we intend to use this variant provided by SAP, which contains 12 posting periods from January to December, with four special periods.)

Tips and Tricks

The number of special periods may be different in the assigned company codes than in the controlling area, but the number of posting periods should be the same. Also ensure that the period limits (start and end) of posting periods are identical in all the company codes.

5. Save, and create the other credit control area (BS20).

Now that we have created the controlling areas, we need to assign the company codes to them.

4.10.2 Assign Controlling Area to Company Code

One controlling area can be assigned one or more company codes. There are two types of assignments possible (all the assignment information is stored in table TKA02).

1:1 (Company Code = Controlling Area)

In a 1:1 relationship, the financial and cost accounting views are identical. We recommend using this kind of assignment to represent consolidated analysis of settled transactions across company codes in CO-PA, where you can assign more than one controlling area to an operating concern, and intercompany processes when the producing and the delivering plant are the same.

1:n (Cross-Company Code Controlling)

In the cross-company code controlling assignment, you assign more than one company code to the same controlling area. All the CO data is collected in one controlling area, and internal allocation is used to allocate costs or revenues across the participating company codes. You use this kind of assignment for a

global organization with several independent subsidiaries using a global managerial accounting.

Tips and Tricks

We recommend a 1:n assignment to display cross-company code CO postings (such as assessments, capitalization of internal activity in FI-AA, activity allocation, etc.) in the reconciliation ledger. We also recommend using this assignment for multilevel product cost management across company codes, to process cross-company code transactions (like production in an associate plant) in a single CO area, to represent group costing, and to make use of CO-PCA and transfer prices.

In the case of a 1:n assignment, note the following:

- Automatic creation of tax invoices is not possible because the SAP system posts the reconciliation postings only without taxes across the company codes.
- A detailed authorization concept needs to be in place to prevent cross-company code postings in CO.
- The period-end closing needs to be executed at the same time in CO for all the company codes to avoid laborious and lengthy individual period-end closures.
- Only one operating concern can be used with the single CO area.
- The fiscal year variants of the company codes should match those of the CO area.

Let's assign the controlling area(s) to the company codes for project Mercury:

1. Use Transaction OX19 or menu path SAP CUSTOMIZING IMPLEMENTATION GUIDE • ENTERPRISE STRUCTURE • ASSIGNMENT • CONTROLLING • ASSIGN COMPANY CODE TO CONTROLLING AREA.
2. On the resulting overview screen, select the controlling area (BS10) and double-click ASSIGNMENT OF COMPANY CODE(S) on the CONTROLLING AREA dialog box on the left.
3. On the next screen, click the NEW ENTRIES button.
4. Select the company codes (BS11 and BS13) to be assigned from the COCD dropdown list on the subsequent screen. Press to validate. Save when completed, and you see the screen shown in Figure 4.29.

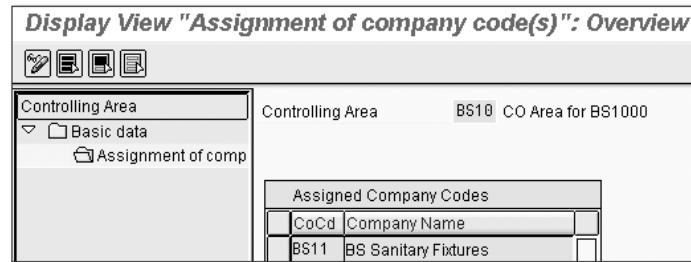


Figure 4.29 Case Study—Mercury: Controlling Area-Company Code Assignment

- Repeat the steps for assigning company code BS22 to the other controlling area, BS20.

You must define a controlling area before you define the profit centers in the system. With the controlling area already defined, we'll define the profit center, the last one in our list of FI organizational elements to be customized for project Mercury. Note that the profit centers have been included under FI enterprise structure only with the introduction of New G/L; earlier, this was part of the CO organizational units. However, you can still define the profit centers as a part of Profit Center Accounting (EC-PCA) in CO.

4.11 Define Profit Centers

As responsibility areas for revenues and expenses, the *profit centers* reflect a management-oriented structure of your company for internal control. You can analyze the operating results using either the *cost of sales approach* or the *period accounting approach*. Besides revenues and expenses, you can use the profit centers as responsibility areas for assets and liabilities. By analyzing the fixed capital, you can use your profit centers as *investment centers*. You need to have a *standard hierarchy* to depict all the profit centers coming under a controlling area. The profit centers can be modeled based on functional divisions, geographical divisions, product lines, or similar factors.

Made up of profit centers, Profit Center Accounting (EC-PCA) is primarily used for performance reporting of responsibility areas to generate P&L statements under period accounting. Representing transaction data from other components from the view of a profit center, all the postings in EC-PCA are of statistical nature

as original or additional postings; the profit center itself is not an account assignment object in CO. The integration in the SAP system makes it possible to post profit-relevant data to EC-PCA automatically as soon as the transaction is posted.

You can create profit centers in the system either by creating them from scratch or by copying the cost centers and making changes later.

Case Study: Mercury

BS wants the profit centers to exactly reflect its internal management. Accordingly, the implementation team has been asked to model the profit centers as detailed under the following:

- ▶ Profit centers under CO area BS10:
 - AUDIO: Audio systems
 - BATHS: Baths and bathtubs
 - CAMCO: Camcorders and cameras
 - CFLIG: CFLs
 - DTHRE: DTH receivers
 - KITCH: Kitchen appliances
 - OSANI: Other sanitary ware
 - SANAC: Sanitary accessories
 - SERCP: Servicing
 - TELEV: Televisions
 - TILES: Tiles
 - VOLTA: Voltage stabilizers
- ▶ Profit centers under CO area BS20:
 - EMDIES: Earth-mover diesel
 - ELEVAT: Elevators
 - ESCALA: Escalators
 - MADIES: Marine diesel
 - SERVTS: Servicing

Before creating new profit centers in SAP ERP, you need to complete certain preliminary customizing activities, including defining the standard hierarchy and *profit center groups*. Let's see how to complete these tasks:

- Use Transaction OKE5 to define the standard hierarchy (see Figure 4.30). You may also use the IMG menu path SAP CUSTOMIZING IMPLEMENTATION GUIDE •

PROFIT CENTER ACCOUNTING • BASIC SETTINGS • CONTROLLING AREA SETTINGS • MAINTAIN CONTROLLING AREA SETTINGS.

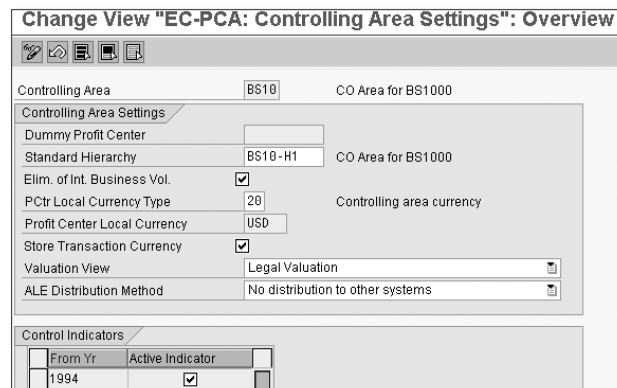


Figure 4.30 Case Study—Mercury: Standard Hierarchy for CO Area BS10

2. Enter the name of the STANDARD HIERARCHY of the profit center master data (BS10-H1, for CO area BS10). The system creates the standard hierarchy automatically when you save. You can then maintain the details for the standard hierarchy under MASTER DATA • STANDARD HIERARCHY in Customizing.

- ▶ To ensure completeness of data in EC-PCA, the *dummy profit center* receives all the postings in your system to objects that are not assigned to a profit center. You can create the dummy profit center by following the IMG menu path SAP CUSTOMIZING IMPLEMENTATION GUIDE • CONTROLLING • PROFIT CENTER ACCOUNTING • MASTER DATA • PROFIT CENTER • CREATE DUMMY PROFIT CENTER or Transaction KE59.
- ▶ The checkbox ELIM. OF INT. BUSINESS VOL. lets you eliminate internal business volume in your controlling area.
- ▶ In the PCSTR LOCAL CURRENCY TYPE field, you can set the type of special profit center local currency you want to use. This is used, for example, for standard reports that display values in this currency. You can choose from the group currency (30), controlling area currency (20), and *special profit center currency* that you can define (90). If you choose the group currency or controlling area currency as the profit center report currency, the field PROFIT CENTER LOCAL CURRENCY must remain blank. The system determines the currency automatically as data is posted. If you choose the special profit center currency, enter that currency here.

- ▶ The STORE TRANSACTION CURRENCY checkbox lets you decide whether the system should also update the transaction data to Profit Center Accounting in the transaction currency.

Tips and Tricks

The update of the transaction data to Profit Center Accounting in the transaction currency is possible only if you select LEGAL VALUATION VIEW. Deactivating the STORE TRANSACTION CURRENCY checkbox reduces your data volume, but you are not able to analyze your data in the transaction currency.

- ▶ You also need to maintain the profit center group. This is a required entry when you create a new profit center. Use the IMG menu path CONTROLLING • PROFIT CENTER ACCOUNTING • MASTER DATA • PROFIT CENTER • DEFINE PROFIT CENTER GROUPS. You may also use Transaction KCH1. It is a best practice to decide and define the profit center and profit center group hierarchy here (see Figure 4.31); that comes in handy later when you define the master data for each of the profit centers.

With standard hierarchy and profit center groups defined, let's continue defining the profit centers for Mercury:

1. Use Transaction KE51 or go to the IMG menu path ENTERPRISE STRUCTURE • DEFINITION • FINANCIAL ACCOUNTING • DEFINE PROFIT CENTER. On the resulting pop-up screen, double-click EC-PCA: CREATE PROFIT CENTER.

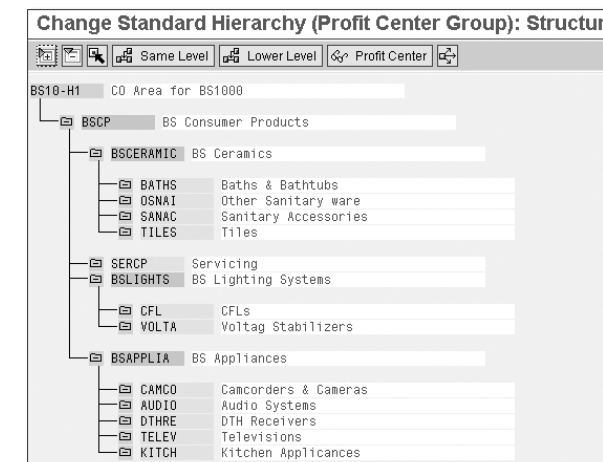


Figure 4.31 Case Study—Mercury: Profit Center Groups

2. On the subsequent screen, maintain the following:
 - ▶ PROFIT CENTER (PRCTR): Enter a 10-character identifier for the new profit center. Let this be BATHS. Remember: this is a mandatory field.
 - ▶ PROFIT CENTER (in COPY FROM block): If you want to copy from an existing profit center, select one from the dropdown list.
 - ▶ CO AREA (KOKRS): The system shows the CO area that you set at the start of this transaction.
3. Click the MASTER DATA button.
4. On the BASIC DATA tab on the resulting screen, you see that the SAP system has already filled in the PROFIT CENTER key and defined the STATUS as INACTIVE-CREATE. Select the required PROFIT CTR GROUP from the dropdown list (BSCERAMIC for BATHS), and maintain the rest of the information, including the SEGMENT.
5. Click the ACTIVATE icon to activate the profit center (see Figure 4.32).
6. On the COMPANY CODES tab, you can see the profit center and company code(s) assignment (see the (ASSIGNED) checkbox in Figure 4.33).
7. Save and repeat these steps to create the remaining profit centers for the controlling area BS10 and BS20.

The screenshot shows the SAP 'Define Profit Center' screen for the profit center BATHS. It is divided into three main sections: General Data, Descriptions, and Basic Data.

- General Data:** Profit Center: BATHS, Controlling Area: BS10, CO Area for BS1000, Validity period: 01.01.2010 to 31.12.9999.
- Descriptions:** Profit Center: BATHS, Status: Active, Analysis Period: 01.01.2010 to 31.12.9999, Name: BATHS, Long Text: Baths & Bathtubs.
- Basic Data:** User Responsible: [empty], Person Respons.: Elliot, Department: [empty], Profit Ctr Group: BSCERAMIC (BS Ceramics), Segment: 11SANWARE.

Figure 4.32 Case Study—Mercury: Define Profit Center (BATHS)

The screenshot shows the 'Create Profit Center' screen with the 'Company codes' tab selected. It displays a table for 'Company code assignment for profit center'.

CoCd	Company Name	(assigned)
BS11	BS Sanitary Fixtures	<input checked="" type="checkbox"/>
BS13	BS Appliances	<input checked="" type="checkbox"/>

Figure 4.33 Case Study—Mercury: Profit Center-Company Code Assignment

4.12 Summary

In this chapter, you've learned that the first critical step in an implementation is to correctly depict your organization as an enterprise structure in SAP ERP. You should understand that you need to portray the organization structure of your business by defining the individual organizational units (elements) and making the necessary assignments between them to enable automatic data transfer and other integration functionalities. When defining the organizational elements, you found out that the client sits at the top of the SAP system hierarchy. Any specifications that you make or data that you enter at this level are valid for all company codes and for all other organizational structures within that client, ensuring that the data is consistent. You learned that because SAP-supplied sample organizational units are country-independent, you need to localize them, using the Country Installation Program and the appropriate country template to make changes in the chart of accounts, account determination, financial statement version, tax procedures, payment methods, cost elements, chart of depreciation, and other factors to meet the specific requirements of a particular country.

You also learned about the mandatory and optional organizational units in FI: company, company code, credit control area, business area, segment, functional area, financial management area, and profit center.

Finally, you were shown that a controlling area is the central organizational structure in SAP Controlling, which is used to sub-divide your business organization from a cost accounting viewpoint. Like a company code, it is a self-contained cost

accounting entity for internal reporting purposes. You can have one or more controlling areas in a single client. You assign one or more controlling areas to an operating concern. Assigned to one or more company codes, the controlling area ensures that the internal business transactions like the primary costs are transferred from external accounting (FI) and classified according to managerial accounting (CO) perspectives.

With the organizational units defined and the enterprise structure modeled in the SAP system, it's time for us to define the financial accounting global settings. Let's discuss a part of these settings in Chapter 5.

Contents

Acknowledgments	21
Preface	23
1 Financial Accounting in SAP Financials	29
1.1 SAP ERP 6.0	29
1.1.1 Enhancement Package 7 for SAP ERP 6.0	31
1.1.2 SAP Fiori	33
1.2 SAP ERP Financials	34
1.2.1 Key Functionality	34
1.2.2 Business Benefits	36
1.3 Financial Accounting	37
1.3.1 What's New	38
1.3.2 Components	40
1.4 Summary	43
2 New General Ledger	45
2.1 New G/L Architecture	46
2.1.1 Totals Table	47
2.1.2 Ledger-Specific Line Item Tables	48
2.1.3 Table for Storing Valuations for Year-End Closing in Selected Parallel Ledgers (BSEG_ADD)	48
2.2 New Features in New G/L	49
2.2.1 Ledger Concept	50
2.2.2 Functionality	52
2.3 Summary	62
3 Customizing SAP	65
3.1 The Implementation Guide	66
3.1.1 IMG Settings	66
3.1.2 IMG Variants	68
3.1.3 Logical Components of IMG	69
3.2 Creating a Customizing Project	71
3.3 Alternate Method to Customizing through IMG	76
3.4 Summary	77

4	Enterprise Structure	79
4.1	Organizational Units in Financial Accounting	80
4.2	Localize Sample Organizational Units	81
4.3	Define Company	85
4.4	Define Company Code	88
4.4.1	Create Company Code without Copying from an Existing Company Code	91
4.4.2	Create Company Code by Copying an Existing Company Code	94
4.4.3	Assign Company Code to Company	96
4.5	Define Credit Control Area	97
4.5.1	Centralized Credit Management	98
4.5.2	Decentralized Credit Management	99
4.5.3	Mixed Credit Management	100
4.5.4	Assign Company Code to Credit Control Area	104
4.6	Define Business Area	105
4.7	Define Segments	109
4.8	Define Financial Management Area	111
4.9	Define Functional Area	116
4.10	Define Controlling Area	118
4.10.1	Create New Controlling Area	119
4.10.2	Assign Controlling Area to Company Code	122
4.11	Define Profit Centers	124
4.12	Summary	129

5 Financial Accounting Global Settings (New): Company Code Global Parameters 131

5.1	Activate New General Ledger Accounting	131
5.2	Fiscal Year and Posting Periods	133
5.2.1	Maintain Fiscal Year Variant (Maintain Shortened Fiscal Year)	138
5.2.2	Define Variants for Open Posting Periods	143
5.2.3	Open and Close Posting Periods	145
5.3	Settings for Standard Fields	148
5.3.1	Maintain Transaction Types for Consolidation	148
5.3.2	Activate Cost of Sales Accounting for Preparation	151
5.3.3	Enter Functional Area	152
5.4	Settings for Customer Fields	153
5.4.1	Edit Coding Block	153
5.4.2	Include Fields in a Totals Table	156

5.4.3	Define Master Data Check	157
5.4.4	Include Customer Fields in Enjoy Transactions	159
5.4.5	Define Subscreens for Coding Blocks	160
5.5	Field Status	161
5.5.1	Define Field Status Variants	164
5.5.2	Assign Company Code to Field Status Variants	165
5.6	Ledgers for G/L Accounting	166
5.6.1	Define Ledgers for G/L Accounting	167
5.6.2	Define Currencies of Leading Ledger	168
5.6.3	Define and Activate Non-Leading Ledgers	171
5.6.4	Define Ledger Group	172
5.6.5	Display Scenarios for G/L Accounting	174
5.6.6	Activate Cost of Sales Accounting	177
5.7	Parallel Accounting	178
5.7.1	Define Accounting Principles	178
5.7.2	Assign Accounting Principle to Ledger Groups	179
5.7.3	Assign Valuation Areas and Accounting Principles	180
5.8	Real-Time Integration of CO with FI	182
5.8.1	Define Variants for Real-Time Integration	183
5.8.2	Assign Variants for Real-Time Integration to Company Codes	185
5.9	Chart of Accounts	185
5.9.1	Revise Chart of Accounts	188
5.9.2	Assign Company Code to Chart of Accounts	189
5.10	Enter Company Code Global Parameters	190
5.11	Summary	197

6 Financial Accounting Global Settings (New): Documents 199

6.1	Document Components	200
6.2	Document Types	204
6.2.1	Define Document Types for Entry View	205
6.2.2	Define Document Types for Entry View in a Ledger	209
6.2.3	Define Document Types for General Ledger View	209
6.3	Document Numbering	210
6.3.1	Types of Number Assignment	210
6.3.2	Number Range Validity	211
6.3.3	Changing/Deleting Number Ranges	212
6.3.4	Number Range for Reversal Documents	213
6.3.5	Number Range for Special Documents	213
6.3.6	Document Storage	213
6.3.7	Define Document Number Ranges for Entry View	214

- 6.4 Screen Variants for Document Entry 217
- 6.5 Document Change Rules 217
 - 6.5.1 Document Change Rules, Document Header 218
 - 6.5.2 Document Change Rules, Line Item 218
- 6.6 Posting Keys 219
- 6.7 Tolerance Groups 221
 - 6.7.1 Define Tolerance Groups for Employees 222
 - 6.7.2 Assign Users to Tolerance Groups 226
- 6.8 Define Texts for Line Items 227
- 6.9 Default Values 228
 - 6.9.1 Define Default Values 229
 - 6.9.2 Enable Fiscal Year Default 230
 - 6.9.3 Default Value Date 230
 - 6.9.4 Change Message Control for Document Processing 231
- 6.10 Document Parking 232
 - 6.10.1 Change Posting Date for Parking Documents 232
 - 6.10.2 Develop Enhancements for Parking Documents 233
- 6.11 Validation and Substitution in Accounting Documents 234
 - 6.11.1 Validation in Accounting Documents 234
 - 6.11.2 Substitution in Accounting Documents 236
- 6.12 Account Document Archiving 238
 - 6.12.1 Archiving, Account Type Life 238
 - 6.12.2 Archiving, Document Life 240
- 6.13 Summary 241

**7 Financial Accounting Global Settings (New):
Tax, Inflation Accounting, and Correspondence 243**

- 7.1 Tax on Sales and Purchases 244
 - 7.1.1 Basic Settings 245
 - 7.1.2 Calculation 261
 - 7.1.3 Posting 267
- 7.2 Withholding Tax 269
 - 7.2.1 Activate Extended Withholding Tax 271
 - 7.2.2 Basic Settings 271
 - 7.2.3 Calculation 274
 - 7.2.4 Posting 287
 - 7.2.5 Certificate Numbering for Withholding Tax 289
 - 7.2.6 Report 292
 - 7.2.7 Withholding Tax Changeover 296
- 7.3 Inflation Accounting 300

- 7.3.1 Configuration Settings 301
- 7.3.2 Inflation Calculation 305
- 7.4 Correspondence 306
 - 7.4.1 Using Correspondence Types 306
 - 7.4.2 Assign Programs for Correspondence Types 307
 - 7.4.3 Define Sender Details for Correspondence Form 308
 - 7.4.4 Determine Call-Up Functions 309
 - 7.4.5 Develop Enhancements for Correspondence 309
- 7.5 Integration with SAP Shared Services Framework 310
 - 7.5.1 Manual Creation of Service Requests 311
 - 7.5.2 Automatic Creation of a Service Request at the
Message Level 312
 - 7.5.3 Determine Service Request Attributes from
Application Context 312
 - 7.5.4 Set Service Request Values 314
- 7.6 Summary 314

8 General Ledger Accounting (New) 317

- 8.1 G/L Account Master Data 318
 - 8.1.1 Preparations 319
 - 8.1.2 G/L Account Creation and Processing 325
 - 8.1.3 Cost Elements/Cost Element Groups 339
 - 8.1.4 Statistical Key Figures 341
- 8.2 Business Transactions 342
 - 8.2.1 Adjustment Posting and Reversal 342
 - 8.2.2 Bank Account Interest Calculation 344
 - 8.2.3 Prepare Cross-Company Code Transactions 358
 - 8.2.4 Document Splitting 361
 - 8.2.5 Manual Accrual 371
 - 8.2.6 Open Item Clearing 387
- 8.3 Periodic Processing 397
 - 8.3.1 Planning 397
 - 8.3.2 Closing Operations 404
- 8.4 Reorganization 409
 - 8.4.1 Prerequisites for a Reorganization 411
 - 8.4.2 Segment Reorganization 414
 - 8.4.3 Profit Center Reorganization 414
- 8.5 Preparation for Productive Start 415
 - 8.5.1 New Implementation 415
 - 8.5.2 Migration from Classic G/L to New G/L Accounting 416
- 8.6 Tools 423

8.7 DataSources in New G/L Accounting 425
 8.8 Reporting 426
 8.9 Summary 428

9 Accounts Payable (FI-A/P) 431

9.1 Vendor Master Data 432
 9.1.1 Function and Structure 433
 9.1.2 Preparatory Settings to Create Master Data 434
 9.1.3 Creation of Vendor Master Records 438
 9.2 Business Transactions 443
 9.2.1 Maintain Terms of Payment 443
 9.2.2 Define Cash Discount Base for Incoming Invoices 447
 9.2.3 Release for Payment 447
 9.3 Outgoing Payments 455
 9.3.1 Global Settings 456
 9.3.2 Manual Outgoing Payments 460
 9.3.3 Automatic Outgoing Payments 466
 9.3.4 Define Payment Forms 487
 9.4 Reporting 490
 9.5 Summary 491

10 Accounts Receivable (FI-A/R) 493

10.1 Customer Account Master Data 494
 10.1.1 Structure 494
 10.1.2 Prepare for Creating Customer Masters 495
 10.1.3 Creating Customer Master Records 501
 10.2 Business Transactions 506
 10.2.1 Maintain Terms of Payment 506
 10.2.2 Define Cash Discount Base for Outgoing Invoices 507
 10.2.3 Define Tax Accounts for Outgoing Invoices 507
 10.2.4 Incoming Payments 508
 10.2.5 Payments with Payment Cards 512
 10.2.6 Down Payment Received 515
 10.2.7 Debit- and Credit-Side Down Payment Chains 516
 10.3 Credit Management 523
 10.3.1 Assign Permitted Credit Control Areas to Company Code 524
 10.3.2 Define Preliminary Settings for Credit Management 524
 10.3.3 Define Groups 527
 10.3.4 Define Risk Categories 528
 10.3.5 Define Credit Representative Groups 528

10.3.6 Define Credit Representatives 529
 10.3.7 Define Intervals for Days in Arrears in Credit Management 530
 10.3.8 Credit Check: Static and Dynamic 531
 10.4 Interest Calculation 533
 10.4.1 Prepare Interest on Arrears Calculation 533
 10.4.2 Prepare Item Interest Calculation 535
 10.5 Dunning 536
 10.5.1 Define Dunning Keys 539
 10.5.2 Define Dunning Block Reasons 540
 10.5.3 Define Dunning Forms 541
 10.5.4 Define Dunning Procedures 542
 10.5.5 Define Dunning Areas 553
 10.5.6 Generate List for Dunning Configuration 554
 10.6 Document Reconciliation 555
 10.6.1 Parameters for Document Reconciliation 556
 10.6.2 Local Intercompany Document Reconciliation 556
 10.6.3 Cross-System Intercompany Document Reconciliation 557
 10.7 Closing Operations for A/R and A/P 561
 10.7.1 Balance Carryforward 561
 10.7.2 Balance Confirmation 562
 10.7.3 Transfer/Sort Receivables and Payables 566
 10.7.4 Value Adjustment 571
 10.8 Analytics for A/R 573
 10.8.1 Components of SAP A/R Rapid Mart 574
 10.8.2 Analysis Supported 575
 10.9 Reporting 578
 10.10 Summary 578

11 Contract Accounts Receivable and Payable (FI-CA) 581

11.1 Organizational Units 582
 11.1.1 Set Up Company Code for Contract Accounts Receivable and Payable 582
 11.1.2 Define Company Code Groups 584
 11.1.3 Assign Company Codes to Company Code Groups 584
 11.2 Basic Functions 585
 11.2.1 Activate Additional Checks for Master Data Changes to a Business Partner 585
 11.2.2 Contract Accounts 586
 11.2.3 Postings and Documents 590
 11.2.4 Open Item Management 595
 11.2.5 Check Management 596

- 11.3 Business Transactions 597
 - 11.3.1 Payments 597
 - 11.3.2 Interest Calculation 600
 - 11.3.3 Define Dunning Procedure 602
 - 11.3.4 Configure Returns Reasons 602
- 11.4 Integration 603
 - 11.4.1 Define Posting Specifications for General Ledger Transfer 603
 - 11.4.2 Sales and Distribution 604
 - 11.4.3 Cash Management 605
- 11.5 Information System 607
- 11.6 Summary 607

12 Bank Accounting (FI-BL) 609

- 12.1 Bank Master Data 609
 - 12.1.1 Bank Directory 609
 - 12.1.2 House Banks 611
 - 12.1.3 Define a Business Partner's Bank 617
 - 12.1.4 Define Lockboxes for House Banks 617
- 12.2 Bank Chains 619
 - 12.2.1 Define Scenario 620
 - 12.2.2 Activate Scenario 621
 - 12.2.3 Create General Bank Chain 621
 - 12.2.4 Define Partner-Specific Bank Chains 622
- 12.3 Business Transactions 622
 - 12.3.1 Manual Bank Statement 623
 - 12.3.2 Electronic Bank Statement 628
 - 12.3.3 Lockbox Processing 631
 - 12.3.4 Cash Journal 633
- 12.4 Summary 638

13 Asset Accounting (FI-AA) 641

- 13.1 Organization Structures 642
 - 13.1.1 Check Country-Specific Settings 642
 - 13.1.2 Chart of Depreciation 644
- 13.2 Structuring Fixed Assets in FI-AA 650
- 13.3 Asset Classes 652
 - 13.3.1 Generate Asset Classes from G/L Accounts (One-to-One) 653
 - 13.3.2 Manual Creation of Asset Classes 656

- 13.4 Valuation 662
 - 13.4.1 Define Depreciation Areas 662
 - 13.4.2 Specify Transfer of APC Values 666
 - 13.4.3 Specify Transfer of Depreciation Terms 667
 - 13.4.4 Set Up Areas for Parallel Valuation 668
 - 13.4.5 Define Depreciation Areas for Foreign Currencies 669
 - 13.4.6 Specify the Use of Parallel Currencies 670
 - 13.4.7 Determine Depreciation Areas in the Asset Class 670
 - 13.4.8 Specify Maximum Amount for Low-Value Assets and Asset Classes 671
 - 13.4.9 Specify Rounding of Net Book Value and/or Depreciation 673
 - 13.4.10 Specify Changeover Amount 674
 - 13.4.11 Specify Memo Value 674
- 13.5 Integrating FI-AA with the General Ledger (FI-G/L) 676
 - 13.5.1 Define How Depreciation Areas Post to G/L 676
 - 13.5.2 Assign G/L Accounts 677
 - 13.5.3 Specify Posting Keys for Asset Posting 678
 - 13.5.4 Assign Input Tax Indicator for Non-Taxable Acquisitions 679
 - 13.5.5 Change the Field Status Variant of the Asset G/L Accounts 679
 - 13.5.6 Specify Financial Statement Version for Asset Reports 680
 - 13.5.7 Specify Document Type for Posting Depreciation 681
 - 13.5.8 Specify Intervals and Posting Rules 682
 - 13.5.9 Activate Account Assignment Objects 683
 - 13.5.10 Specify Account Assignment Types for Account Assignment Objects 685
- 13.6 Depreciation 687
 - 13.6.1 Depreciation Keys 688
 - 13.6.2 Maintain Depreciation Key 691
 - 13.6.3 Ordinary Depreciation 695
 - 13.6.4 Special Depreciation 696
 - 13.6.5 Unplanned Depreciation 697
- 13.7 Special Valuation 697
 - 13.7.1 Reserves for Special Depreciation 697
 - 13.7.2 Interest 698
 - 13.7.3 Revaluation of Fixed Assets 699
- 13.8 Master Data: Screen Layout 702
 - 13.8.1 Define Screen Layout for Asset Master Data 702
 - 13.8.2 Define Screen Layout for Asset Depreciation Areas 704
 - 13.8.3 Specify Tab Layout for Asset Master Record 706

- 13.9 Transactions 706
 - 13.9.1 Define Transaction Types 707
 - 13.9.2 Define Account Assignment Category for Asset Purchase Orders 708
 - 13.9.3 Assign Accounts 709
 - 13.9.4 Allow Down Payment Transaction Types in Asset Classes 709
 - 13.9.5 Capitalization of Assets under Construction 709
- 13.10 Legacy Asset Data Transfer 711
 - 13.10.1 Set Company Code Status 712
 - 13.10.2 Specify the Sequence of Depreciation Areas 713
 - 13.10.3 Time of Transfer and Data Transfer Parameters 713
 - 13.10.4 Asset Data Transfer Methods 717
 - 13.10.5 Special Considerations 719
- 13.11 Preparing for Production Startup 723
 - 13.11.1 Maintain Authorizations 723
 - 13.11.2 Assign Workflow Tasks 724
 - 13.11.3 Check Consistency 725
 - 13.11.4 Overview for Experts 726
 - 13.11.5 Production Startup 727
- 13.12 Processing for Leased Assets 729
 - 13.12.1 Acquisition of Leased Assets 730
 - 13.12.2 Lease Payments 731
 - 13.12.3 Retirement of Leased Assets 731
- 13.13 Processing for Closing 732
 - 13.13.1 Depreciation Posting 732
 - 13.13.2 Physical Inventory 735
 - 13.13.3 Fiscal Year Change 736
 - 13.13.4 Simulation 737
 - 13.13.5 Year-End Closing 737
- 13.14 Customer Enhancements in FI-AA 738
- 13.15 Information System 739
 - 13.15.1 Define Sort Versions for Asset Reports 740
 - 13.15.2 Define Simulation Variants for Depreciation Reports 741
 - 13.15.3 Asset History Sheet 742
- 13.16 Summary 744

14 Consolidation Preparation (New) 747

- 14.1 General Specifications 748
 - 14.1.1 Assign Scenarios and Customer Fields to Ledgers 748
 - 14.1.2 G/L and FS Charts of Accounts 749

- 14.1.3 Transaction Types 755
- 14.2 Company Consolidation 757
 - 14.2.1 Master Data Assignments 757
 - 14.2.2 Maintain Document Types for Transaction Processing 759
- 14.3 Summary 760

15 Lease Accounting (FI-LA) 761

- 15.1 Lease Accounting Engine (FI-LAE) 762
- 15.2 Basic Settings 764
 - 15.2.1 Assign Accounting Principles to Company Code 764
 - 15.2.2 Create Company Code Grouping Key 765
 - 15.2.3 Assign Company Code to Grouping Key 765
 - 15.2.4 Assign Interest Calculation Method to Company Code 766
 - 15.2.5 Specify Dates for Postings 767
- 15.3 Value Determination 768
 - 15.3.1 Settings for Value Transfer 768
 - 15.3.2 Value Determination Using Determination Method 772
 - 15.3.3 Value Determination Using Substitution 773
- 15.4 Complete Mandatory Settings in Customizing 774
- 15.5 Reports 775
- 15.6 Summary 776

16 Travel Management (FI-TV) 777

- 16.1 Travel Management Process Flow 778
- 16.2 Set Up Travel Management 780
- 16.3 Set Up Trip Number Ranges 782
- 16.4 Travel Request 784
 - 16.4.1 Define Other Travel Services 785
 - 16.4.2 Define Travel Mediums and Estimated Costs to Be Approved 786
- 16.5 Travel Planning 788
 - 16.5.1 Master Data 788
 - 16.5.2 Rates and Discounts 793
 - 16.5.3 Trip Rules and Profiles 796
 - 16.5.4 Travel Policy 800
 - 16.5.5 Process Control 803
- 16.6 Travel Expenses 805
 - 16.6.1 Master Data 806
 - 16.6.2 Trip Reimbursement Amounts 811

- 16.6.3 Wage Types for Interfaces 813
- 16.6.4 Transfer to Accounting 814
- 16.7 Employee Self-Service (ESS) 816
- 16.8 Manager Self-Service (MSS) 817
- 16.9 Mobile Travel Expenses (MTR) 819
- 16.10 Integration of Travel Planning and Travel Expenses 820
 - 16.10.1 Activate Request/Plan/Expense Report in Travel
Manager and for Web Dynpro 820
 - 16.10.2 Activate Integration: Travel Planning—Travel Expenses 820
- 16.11 Integration of Travel Management and Payroll 821
- 16.12 Workflow Scenarios in FI-TV 822
- 16.13 Reports 824
- 16.14 Summary 825

17 SAP Upgrade and Migration 827

- 17.1 SAP Upgrade 827
 - 17.1.1 Technical and Functional Upgrade 828
 - 17.1.2 SAP Enhancement Packages, SAP Support Packages,
and SAP Support Package Stacks 828
- 17.2 Upgrade Strategy 830
- 17.3 Role of SAP Solution Manager in an SAP Upgrade 831
- 17.4 Upgrade Tools 832
 - 17.4.1 Tools for Upgrades/Enhancement Package
Implementation 833
 - 17.4.2 Technical Upgrade/Implementation Tools 834
 - 17.4.3 Change Management Tools 835
 - 17.4.4 Testing Tools 836
- 17.5 Upgrade Process 838
 - 17.5.1 System Preparation 838
 - 17.5.2 SPDD Adjustments 838
 - 17.5.3 System Upgrade to SAP ERP 6.0 840
 - 17.5.4 SPAU Adjustments 840
 - 17.5.5 ABAP Remediation of Custom Developments 842
 - 17.5.6 Testing and Issue Resolution 843
 - 17.5.7 Cut-Over and Go-Live 843
 - 17.5.8 Post Go-Live Support 843
- 17.6 Best Practices 843
- 17.7 Pitfalls and Issues 844
- 17.8 Migration 845
- 17.9 Summary 847

18 SAP Fiori 849

- 18.1 Types of SAP Fiori Apps 849
- 18.2 Implementing SAP Fiori 850
- 18.3 SAP Fiori for Smartphone/Tablet 852
 - 18.3.1 Installation 853
 - 18.3.2 SAP Fiori Launchpad 853
- 18.4 SAP Fiori Apps 855
 - 18.4.1 Apps for Accounting 855
 - 18.4.2 Apps Catalog 857
- 18.5 SAP Screen Personas 861
 - 18.5.1 Flavors in SAP Screen Personas 862
 - 18.5.2 SAP Fiori and SAP Screen Personas 862
- 18.6 Summary 863

19 Maintenance Tools 865

- 19.1 Factory Calendar 865
 - 19.1.1 Define Factory Calendar per Currency 869
 - 19.1.2 Assign Factory Calendar to Plants 869
 - 19.1.3 Factory Calendar and Room Reservation Management 870
- 19.2 Schedule Manager 870
 - 19.2.1 The User Interface 871
 - 19.2.2 Individual Functions 874
- 19.3 Closing Cockpit 876
 - 19.3.1 Schedule Manager vs. Closing Cockpit 876
 - 19.3.2 Components 877
 - 19.3.3 Transactions 877
 - 19.3.4 Configuration: Process Flow 878
- 19.4 Conclusion 883

- The Author 885
- Index 887

Index

1099 Misc. reporting, 283
1099-G reporting, 283

A

A/R summary data, 525
ABAP Dictionary, 154, 489
ABAP List Viewer, 486
ABAP Support Package, 830
Access sequence, 245
Access type, 251
Account assignment, 110, 160, 203
Account assignment object, 683
Account assignment variant, 623, 627
Account currency, 318, 614
Account determination key, 656
Account group, 319, 434, 439, 495, 502, 750
Account holder, 589
Account ID, 612, 614
Account interest scale, 356
Account key, 246, 314
Account life, 239
Account modifier, 624
Account statement, 309
Account symbols, 356, 357, 358, 372, 383, 624
Account type, 146, 204, 207, 333
Accounting approach, 53, 178
Accounting clerk, 438, 499
Accounting clerk identifier, 499
Accounting document, 156, 197, 199
Accounting organization, 190, 198
Accounting period, 133
Accounting principles, 173, 178, 180, 372, 762, 764, 766
Accounts receivable, 37, 493
Accrual, 371
 method, 373, 379
 object, 372, 374
 object category, 372, 375
 process, 372
 run, 371, 377
 type, 372, 376
Accrual Engine, 371, 382
Accumulated depreciation, 716
Acquisition and production
 cost (APC), 647, 654
Acquisition tax, 244
Activate document splitting, 369
Activate New G/L accounting, 131
Activating external tax calculation, 258
Active split, 361
Activity allocation, 123
Additional assignment, 110
Additional characteristics, 368
Additional cost category, 521
Additional currency, 168, 171
Additional fields, 153, 156, 160
Additional tax, 244
Adjustment postings, 342
ALE, 424, 781, 782
ALE distribution, 192
Allocation, 159
 cycle, 406
 rules, 406
Alphanumeric number range, 210
Alternate dunning recipient, 501
Alternate payer, 501
Alternate wage type, 813
Alternative account number, 318
Alternative planning level, 606
AMADEUS, 788
Amount check, 661
Analytical apps, 849, 850
APC, 58
Application-specific upgrade, 835
 toolbox, 834, 835
Archive document, 238
Archiving items, 297
Area pages, 817
Assessments, 123, 406
Asset accounting company code, 648, 712
Asset accounting reconciliation account, 727
Asset accounting transaction type, 150
Asset acquisition, 149
Asset balance, 722
Asset chart, 660, 743

Asset class, 645, 651, 652, 657
 Asset data transfer, 711, 720
 Asset history sheet, 149, 706, 742
 Asset label, 743
 Asset master, 109
 Asset master record, 652
 Asset report, 740
 Asset retirement, 149
 Asset sub-number, 650
 Asset super-number, 650
 Asset transaction types, 755
 Asset transfer, 149
 Asset under construction (AuC), 641, 652, 655, 660
 collective management, 661
 Asset view, 723, 724
 Authorization, 723
 group, 147, 318
 object, 723
 profile, 723
 Automatic clearing, 387, 388, 392
 Automatic correspondence, 309
 Automatic creation of cost elements, 188
 Automatic data transfer, 718
 Automatic derivation, 153
 Automatic interest calculation, 345
 Automatic payment, 466, 584
 program, 493
 transaction, 470
 Automatic posting, 153
 Automatic write-off, 461, 463, 511
 Availability check queries, 793

B

BAdI, 66, 785
 BAI, 628, 631
 BAI2, 628, 631
 Balance carry-forward programs, 408
 Balance confirmation, 562, 563
 Balance continuity, 721
 Balance interest, 600
 calculation, 344, 347, 354, 397
 Balance notification, 562
 Balance request, 562
 Balance sheet item, 652

Balance sheet revaluation, 699
 Bank account interest calculation, 344
 Bank account number, 612, 614
 Bank accounting, 609
 Bank bill liability, 486
 Bank calendar, 350
 Bank chain, 613, 619
 Bank charge, 203, 456, 509
 Bank country, 613
 Bank data transfer
 country-specific, 610
 international, 610
 Bank directory, 70, 609
 Bank group, 479, 613
 Bank interest calculation, 344
 Bank key, 611, 613
 Bank master data, 609
 BAPI, 516, 718
 Bargain purchase option, 762
 Base method, 688, 690
 Baseline date, 444
 Basic Bank Account Number (BBAN), 615
 Basic function, 585
 Basic mode, 154
 Basis system administrator, 84
 Batch input, 326, 681, 713, 718, 752
 Batch job, 876
 BIBE, 788
 Bill of exchange, 471, 615
 payment request, 473
 Billing due list, 761
 Billing requirements items, 761
 Bill-to party, 496
 Block indicator, 455
 Blocking reason, 445
 Book depreciation, 647
 Book depreciation area, 643
 Business area, 105, 468
 balance sheet indicator, 106
 financial statement, 195
 Business blueprint, 832
 Business Information Warehouse, 581
 Business partner, 583, 585
 Business partner bank, 617
 Business Process Change
 Analyzer (BPCA), 837
 Business segment, 109

Business transaction, 357, 431, 443, 626
 variant, 364

C

Cache management, 853
 Calculation method, 688, 692
 Calculation procedure, 244, 246, 252
 Calculation rule, 314, 315, 687, 701
 Calendar fiscal year, 133, 139
 Calendar month, 140
 Calendar type, 346
 Capital lease, 762
 Carry-forward, 408
 Cash budget management, 111, 113, 114, 115
 Cash clearing account, 514
 Cash discount, 203, 468
 adjustment, 222, 225
 base, 507
 granted, 508
 period, 470
 received, 456
 taken, 456
 Cash flow, 426
 Cash journal, 633
 Cash management, 41
 Cash management account, 630
 Catch-up method, 682
 Central credit limit, 99
 Central processing scheduling, 877
 Centralized credit management, 98
 Change G/L accounts individually, 326
 Changeover amount, 674
 Changeover method, 693
 Characteristic value, 877
 Chart of accounts, 121, 185, 197, 644
 data, 95
 list, 186, 197
 Chart of accounts area, 318
 Chart of accounts list, 319
 Chart of depreciation, 642, 644
 Check deposit list, 617
 Check management, 596
 Check routine, 157
 Clarification account, 598
 Class rules, 798
 Classic G/L, 45, 46, 133, 846
 Classic G/L accounting, 747
 Classic payment medium, 487
 Classic withholding tax, 244, 269
 Clearing document, 387
 Clearing program, 393
 Clearing rules, 391
 Client, 80, 97, 129, 130
 key, 80
 Closing cockpit, 408, 876, 882
 Closing operation, 397, 404
 CO line item, 185
 CO plan versions, 403
 Coding block, 47, 153, 154, 160, 176
 Coding field, 153
 Collective bill account, 588
 Collective processing, 95
 Collective processing of G/L accounts, 326
 Commercial place of work, 88
 Commitment item, 318
 Commitments, 112, 113
 Communication methods, 93
 Company, 85
 Company code, 83, 85, 88, 201
 area, 161, 318
 currency, 87, 120, 121, 168, 171
 data, 95, 433, 494
 global parameters, 93, 96, 190, 198, 230
 group, 584
 grouping key, 764
 Company consolidation, 747, 757
 Comparative analysis, 297
 Competitor, 496
 Complex asset, 650
 Conditions, 247
 method, 244
 record, 245
 table, 245
 type, 246, 247, 314, 771
 Consolidated Financial Statement, 166, 747
 Consolidated reporting layer, 425
 Consolidation, 60, 85, 747
 preparation, 760
 staging ledger, 747
 transaction type, 149, 150, 747, 755
 Consumer, 494, 496
 Contract, 585

- Contract account, 584, 585, 586, 761
 - category*, 587
 - receivable and payable*, 581
- Contract partner, 585
- Contract processing, 853
- Contractual penalty, 521
- Control key, 612, 614
- Controlling (CO), 35
- Controlling area, 83, 118, 129
 - currency*, 118, 120
- Controls-based display, 67
- Conversion run, 298
- Conversion step, 298
- CO-PA, 118
- CO-PCA, 118
- Corporate chart of accounts, 186
- Correction number, 155
- Correspondence, 241, 300, 314, 315, 499
- Correspondence company code, 307
- Correspondence functionality, 306
- Correspondence type, 306, 315, 464, 638
- Cost accounting depreciation, 703
- Cost center, 118
- Cost Center Accounting, 402
- Cost element, 182
 - category*, 187, 188
 - create*, 339
- Cost elements groups, create, 339
- Cost of Sales Accounting, 116, 148, 151, 176, 194, 197
 - activation*, 151
 - for preparation*, 148, 152
- Cost of sales approach, 124
- Country, 82
 - chart of accounts*, 90, 186
 - currency*, 87
 - installation program*, 81, 89, 129
 - key*, 91, 611
 - template*, 81, 129
 - version*, 81
- Country-specific setting, 642
- Creating G/L accounts with reference, 325
- Credit checks, 523
- Credit control area, 80, 83, 97, 523
- Credit data list, 528
- Credit evaluation, 100, 523
- Credit horizon, 531
- Credit interest, 353
- Credit limit, 97
- Credit management, 523
- Credit management group, 524, 527
- Credit management representative group, 102
- Credit master list, 532
- Credit memo, 466
- Credit overview, 532
- Credit representative, 529, 532
 - group*, 528
- Credit review, 465
- Credit risk category, 528
- Credit update group, 101
- Credit-side down payment, 516, 522
- Critical path, 877
- CRM billing, 761
- CRM contracts, 771
- CRM system, 761, 762
- CRM TTE, 761
- Cross-application components, 70, 78
- Cross-company code, 268
 - number assignment*, 649
 - tax transactions*, 267
 - transaction*, 203, 358
- Cross-project settings, 68, 78
- Cumulation procedure, 811
- Currency, 83
 - class*, 630
 - group currency*, 87, 120
 - hard currency*, 120
 - key*, 88, 91, 201
 - local currency*, 85, 87, 90, 95, 120
 - transaction currency*, 127
 - translation*, 406
 - type*, 120, 168, 169
- Currency-based parameter, 556
- Current number, 212
- Custom Development Management Cockpit (CDMCM), 836, 842
- Customer, 494
 - account group*, 496, 605
 - credit group*, 524, 527
 - enhancement*, 47, 424
 - master*, 501
 - tolerance group*, 511
- Customer field, 47, 48, 153, 156, 159, 160, 166, 174, 175

- Customer include, 154
 - Customer tolerance, 221
 - Customer-defined characteristics, 366
 - Customers of a group, 496
 - Customizing, 65
 - conversion*, 298
 - prerequisite*, 411
 - project*, 65, 71, 78
 - settings*, 66, 68
 - tasks*, 66
 - Cutoff value, 688
- D**
-
- Daily overview window, 873, 874, 875
 - Data medium exchange, 614
 - Data medium exchange (DME) file, 293
 - Data transfer, 415
 - Data transfer process (DTP), 425
 - Data transfer rules, 194, 321, 322
 - Data transfer workbench, 326, 718
 - DataSources, 425
 - DataStore object (DSO), 425
 - Date of last interest run, 318
 - Day limits, 135
 - Days in arrears, 463
 - Days sales outstanding (DSO), 524, 526, 574
 - DDIC user, 841
 - Debit interest, 353
 - Debit memo, 471, 473
 - Debit/credit indicator, 202
 - Debit-side down payment, 516, 522
 - Decentralized credit management, 99
 - Declining balance method, 688, 692
 - Default account assignment, 361
 - Default value, 228, 242
 - date*, 230
 - Delete test data, 415
 - Delta Customizing, 831
 - Delta depreciation area, 58
 - Delta sizing, 834
 - Dependency, 877, 882
 - Dependent accounts, 54
 - Depreciation, 650
 - area*, 644, 646, 647, 662
 - dependent data*, 657
 - Depreciation (Cont.)
 - key*, 642, 691
 - parameters*, 737
 - posting*, 732
 - posting run*, 682
 - Derived accrual type, 377
 - Derived depreciation area, 662
 - Direct costs, 118
 - Direct input, 718
 - Direct table maintenance, 66, 76, 78
 - Discount base, 190, 196
 - Discount period, 471
 - Display options, 67
 - Dispute case, 583
 - Dispute Management, 582, 583
 - Disputed item, 465
 - Distributed landscape, 877
 - Distribution, 406
 - key*, 400
 - DME Engine, 489
 - Document, 199, 241, 427
 - change rule*, 217
 - conversion*, 298
 - credit group*, 531
 - date*, 200
 - display*, 204
 - entry date*, 202
 - entry function*, 192
 - entry screen variant*, 83, 190
 - entry view*, 48
 - header*, 161, 200
 - life*, 240
 - number*, 210
 - number range*, 210
 - numbering*, 210
 - overview*, 203
 - parking*, 232
 - principle*, 37, 199, 241
 - release*, 233
 - type*, 201, 204, 241, 364
 - Document reconciliation, 555
 - cross-system intercompany*, 557
 - local intercompany*, 556
 - Document splitting, 39, 54, 55, 62, 361, 417, 420
 - rule*, 364
 - Document type, 200, 453, 681, 759

Double-declining balance method, 741
 Down payment, 203, 469, 514, 709
 request, 469, 514
 Down payment chain, 516, 522
 Downtime minimized strategy, 830
 Drilldown report, 490, 578
 Dual control, 437, 449, 499
 Dual stack system, 834
 Dummy profit center, 126, 176
 Dunning, 41, 387, 536
 area, 553
 block reason, 540
 charge, 542, 549
 company code, 550
 form, 538, 541, 546
 key, 539
 level, 464, 536, 537, 546
 list, 537
 notice, 536, 538, 539, 548
 parameter, 537
 procedure, 494, 500, 538, 542
 program, 493, 536, 542
 proposal, 537, 538, 548
 run, 537
 text, 536, 538, 551
 Dynamic credit check, 523
 Dynamic credit limit check, 531

E

Early warning list, 532
 EC-CS, 58, 60, 62, 148, 747
 EC-PCA, 118, 124, 126
 EDI accompanying sheet, 471, 488
 Effective cash flow, 766
 Effective interest method, 766
 Effective interest rate, 766
 EHP 7, 32
 EHS, 30
 Electronic bank statement (EBS), 599,
 623, 628
 Electronic bill presentment and
 payment (EBPP), 581
 Employee Self-Service (ESS), 778, 816, 817
 homepage, 817
 portal, 817

Employee tolerance, 221, 461
 Employee tolerance group, 221
 End-user training, 831
 Engineering change management, 70
 Enhanced integration, 62
 Enhancement package (EHP), 30, 828, 830,
 833, 834, 835, 836, 837, 840
 Enhancement package installer, 834
 Enjoy transactions, 153, 159, 160
 Enterprise consolidation, 148
 Enterprise controlling, 58
 Enterprise structure, 70, 78, 79, 129
 Entry view, 52
 European Committee for Banking
 Standards, 615
 Evaluation type, 490
 Evaluation view, 490
 Exception list, 473
 Exchange rate difference, 191, 203, 387, 389,
 456, 473
 Exchange rate difference key, 322
 Expense type, 808
 Expert mode, 154
 Extended account determination, 383
 Extended Computer-Aided Test Tool, 837
 Extended FI-CA, 581, 587, 593
 Extended interest indicator, 347
 Extended withholding tax (EWT), 244, 269,
 297, 315
 External acquisition, 647
 External numbering, 212
 External payment collector, 597
 External reservation systems, 788, 791
 External tax, 259
 documents, 257
 returns, 258
 External transaction, 629
 External updating, 258, 260
 Extract, transform, and load (ETL), 573
 Extraordinary depreciation, 654

F

Fact sheets, 849, 850
 Factory calendar, 865, 878
 Fast close, 39, 61, 63

FI enterprise structure, 124
 FI Extractors, 60
 FI organizational elements, 124
 FI organizational units, 80
 FI Substitution Engine, 769
 FI-A/P, 40
 FI-A/R, 41, 97, 493
 FI-AA, 41, 62, 109, 118, 123
 FI-BL, 41
 FI-CA, 581
 Field status, 161, 162, 756
 group, 110, 161, 162, 197, 318, 679
 groups, 756
 variant, 756
 variant (FSV), 83, 164, 679
 FI-LA, 42
 FI-LAE, 761, 762
 FI-LC, 148
 Financial Accounting, 35, 37
 Financial accounting global settings, 131, 197
 Financial asset, 652
 Financial management area, 83, 111
 Financial Mathematics (FiMa), 761, 762, 766
 Financial statement, 88, 426
 version, 116, 652, 680, 748, 752
 Financial supply chain management, 31,
 34, 35
 First local currency, 168
 Fiscal year, 133, 176
 change, 736
 default, 230
 shortened, 133, 136
 variant (FYV), 85, 102, 123, 133, 138, 141,
 171, 173, 197, 209
 FI-SL, 42, 45, 50, 139
 FI-TV, 42, 777, 778
 Flat-rate adjustment, 571
 Flavor, 862
 Flavor Gallery, 862
 Flow category, 771
 Flow definition, 872, 875
 Foreign currency payment, 475
 Foreign currency translation, 266
 Foreign currency valuation, 180, 459
 Foreign key dependency, 96
 Form Painter, 487
 Franchisee, 496

Full upgrade, 828
 Function builder, 356, 489
 test utility, 258
 Functional applications, 71, 78
 Functional area, 116, 148, 151, 152, 177
 Functional characteristics, 111
 Functional upgrade, 828, 844
 Funds Management, 111, 116

G

G/L, 45
 account mass maintenance, 152
 account number, 161
 accounting, 174
 drilldown reports, 428
 information system, 426
 master record, 186
 reconciliation account, 522
 view, 52
 G/L account
 clearing tolerance, 221
 groups, 319, 435, 496
 master data, 318
 master records, 318
 Galileo, 788
 Gantt chart, 877
 General bank chain, 619, 620, 621
 General customer, 496
 General data, 433, 494
 General Ledger Migration Cockpit, 846
 General Ledger Migration Service, 846
 General search, 620
 Generally Accepted Accounting Principles
 (GAAP), 35, 39, 57, 109, 173
 Geographical segment, 109
 Geographical situation, 791
 Global company code, 83
 Global company currency, 120, 168
 Goods receipt, 708
 Goods recipient, 496
 Goodwill, 661
 GR/IR, 708
 GR/IR clearing account, 404
 Graduated interest rates, 350

Group asset, 650
 history sheet, 150
 number, 651
 Group chart of accounts, 186, 748, 749
 Group currency, 168, 649
 Group page, 817
 Group valuation, 649
 Guarantee, 469

H

Hard currency, 168
 Historical APC, 716
 History sheet group, 742
 House bank, 318, 480, 599, 611, 613
 HRS, 788

I

Implementation Guide, 832
 Implementation Guide (IMG), 65, 66, 77, 832
 default, 68
 Include customer fields, 153
 Include fields, 153
 Income tax, 269
 Incoming invoice, 507
 Incoming payment, 196, 454, 466, 617
 Independent distribution key, 400
 Index-based currency, 120, 168
 Indexed replacement value, 699
 Individual adjustment, 571
 Industry, 500
 Industry solution, 581
 Inflation, 700
 accounting, 300
 accounting solution, 194
 calculation, 305
 index, 301
 key, 303, 318
 method, 305
 InfoCube, 425
 InfoObject, 425
 InfoPackage, 425
 Information system, 426, 739
 Inheritance, 361
 In-house acquisition, 647
 Initial credit limit, 100
 In-memory computing, 32
 Input tax, 244
 Insurable value, 702, 716
 Intangible asset, 661
 Integrated master data, 157
 Integrated planning, 399
 Integration with CO, 59
 Integration with consolidation, 60
 Integration with FI-AA, 58
 Intercompany elimination, 748, 757
 Interest, 683, 698
 calculation frequency, 318, 349
 calculation indicator, 345, 533
 calculation method, 764, 766
 calculation numerator, 346, 350
 calculation period, 345
 calculation run, 344
 calculation type, 345, 347
 indicator, 318, 344, 348
 rates, 346
 received posting, 357
 run, 349
 scale, 347
 settlement, 351
 Interest-paid posting, 357
 Internal allocation, 122, 185
 Internal dunning notice, 547
 Internal trading partners, 757
 International Accounting Standards, 173, 764
 International Bank Account Number (IBAN), 609, 615
 International chart of accounts, 185
 International Financial Reporting Standards (IFRS), 35, 38, 57, 109
 Internet Pricing and Configurator, 761
 Interpretation algorithm, 626
 Inventory number, 703
 Inverse posting, 382
 Investment centers, 124
 Investment management, 115
 Investment support, 697, 718
 Invoice receipt, 708
 Invoice verification, 434
 ISO code, 82, 87, 615
 Item (arrear) interest calculation, 533

Item category, 363
 Item interest calculation indicator, 545
 iViews, 816

J

Java Support Project Manager (JSPM), 835
 Job log, 877
 Journal entry, 205
 Junk value, 674
 Jurisdiction code, 191, 256

K

Key performance indicators (KPIs), 36

L

Language key, 91
 Last number, 211
 Leading ledger, 166, 169, 197, 204
 Lean implementation, 641
 Lease Accounting Engine, 762
 Lease asset, 652, 729
 acquisition, 730
 retire, 731
 Lease classification routines, 769
 Lease payments, 731
 Leasing conditions, 730
 Ledger, 50, 417
 concept, 50
 deactivating leading ledger, 50
 group, 50, 167, 172
 leading ledger, 50
 ledger-specific line item tables, 48
 non-leading ledger, 50, 62
 parallel ledger, 59
 parallel ledger approach, 53
 parallel ledger concept, 53
 parallel ledger currency, 53
 representative ledger, 51
 special-purpose ledger (FI-AA), 45
 Legacy asset data transfer, 718, 719, 728
 Excel, 719
 Legal consolidation, 148, 747

Legal dunning form, 538, 547
 Letter of credit, 469
 Letter window, 308
 Line item, 200, 202
 display, 204, 318, 332, 426
 Line layout, 485
 Link rules, 162
 Local GAAP, 167, 764
 Local valuation, 391
 Localization, 81
 Lockbox, 631
 Lockbox clearing account, 618
 Logical database, 739, 775
 Logical destination, 259
 Low-value asset (LVA), 642, 643, 655, 661, 671

M

Main asset number, 650
 Maintenance language, 188
 Maintenance level, 702
 Management Accounting, 35
 Management consolidation, 747
 Manager Self-Service (MSS), 778, 817
 Mandatory activities view, 69
 Mandatory entry, 161
 Manual account assignment, 159
 Manual bank statement, 623
 Manual depreciation, 692
 Manual outgoing payment, 460, 466
 Manual payment, 431
 Manual planning, 399
 Masking, 146
 Master data, 427
 Master data check, 153
 Master data conversion, 298
 Master depreciation area, 643, 682
 Match code, 438, 501
 Material requirements planning (MRP), 32
 Materials Management, 432
 Maximum amount method, 689
 Maximum retention amount, 520
 Memo value, 674, 688
 Message classes, 231

Message control, 271
 for document processing, 231
 Migration, 827, 845
 Migration cockpit, 421
 Migration scenario, 416, 417
 Migration services, 416
 Minimum dunning charge, 549
 Minimum life, 238
 Mixed credit management, 100
 Mobile Travel Expenses (MTR), 778, 819
 Modification adjustment, 836, 839
 Modification assistant, 840
 Monitor, 874, 876, 877, 882
 Multi-level method, 689
 Multi-level worklist, 876
 Multiple shifts, 694
 Multi-stage payment method, 619

N

National Tax Code, 273
 Negative APC, 661
 Negative posting, 190, 191, 342, 382
 permitted, 383
 Net book value, 674, 716
 Net payment, 471
 Net procedure, 196, 698
 New G/L, 38, 39, 46, 49, 846
 activation, 197
 migrating, 416
 Nominal cash flow, 766
 Non-calendar fiscal year, 134
 Non-leading ledger, 167, 173, 205
 Non-taxable transactions, 268
 Noted item, 299
 Notes correction, 840
 Null tolerance group, 222, 394, 461, 462
 Number assignment, 210
 Number interval, 434
 Number range, 320, 434, 496, 590
 Number range interval, 657
 Numbering class, 289, 290
 Numbering group, 289, 290
 Numeric number range, 210

O

Object type, 454
 OData services, 852
 One-time account, 435, 496, 588
 One-time customer, 497, 503
 One-time master record, 504
 One-time vendor, 440, 503
 Online split, 39
 Open information warehouse (OIW), 70
 Open item, 387
 basis, 287
 clearing, 457
 management, 318, 332
 Opening/closing of posting period, 143, 144
 Operating chart of accounts, 90, 186, 197
 Operating concern, 118, 123, 130
 Operating lease, 762
 Operational chart of accounts, 85, 121, 189, 319, 749, 751
 Optimizing bank selection, 475
 Optional entry, 161
 Optional entry field, 161
 Ordinary depreciation, 661, 692, 694, 695
 Organization structure, 79, 642
 Organizational object, 453
 Organizational prerequisite, 411
 Organizational units, 79
 Original document, 199
 OS patch, 835
 OSS Note, 840, 845
 OTA, 496
 Other travel services, 785
 Outgoing invoice, 507
 Outgoing payment, 431, 454, 455, 466
 Output group, 293
 Output tax, 244
 Output tax clearing, 515
 Overhead, 118
 overhead cost orders, 118
 Overhead Cost Controlling, 397, 407

P

P&L account type, 320
 Parallel accounting, 48, 53, 54, 62, 178, 373, 417, 762
 Parallel currencies, 168
 Parallel currency depreciation, 647
 Parallel ledger, 167, 178, 417
 Parallel rules, 383
 Parallel valuation, 58, 169, 764
 Parked document, 62, 112, 232, 452
 Partial cash discount, 461, 511
 Partial clearing, 387
 Partial invoices, 516
 Partial payment, 226, 464, 632
 Partner profit center, 747
 Partner-based parameters, 556
 Partner-specific bank chain, 620, 622
 Passive document split, 361
 Patent, 661
 Payer, 496
 Paying bank, 481
 Paying company code, 468, 470, 471, 472, 474, 584
 Payment advice, 464, 470
 note, 464
 Payment block, 445, 446, 459, 521, 522
 reason, 454, 486, 511
 Payment card, 70, 493, 512
 Payment data, 466
 Payment deadline, 548
 Payment form, 467, 487
 Payment list, 467
 Payment lot, 597
 Payment media, 487
 Payment medium program, 467
 Payment medium workbench, 487, 489
 Payment method, 208, 431, 445, 466, 470, 474, 475, 477
 groups, 804
 supplement, 468, 470
 Payment notice, 309
 Payment optimization, 479, 484
 Payment processing, 607
 Payment program, 388, 467, 468, 479, 484, 486
 Payment proposal, 477, 485

Payment reference, 473
 Payment release, 447
 Payment reminder, 536
 Payment run, 478, 480
 display, 485
 Payment term, 348, 433, 443
 key, 443, 459
 Payment transfer medium, 470
 Payroll, 780
 Payroll Accounting, 780, 821
 Period, 133
 Period accounting approach, 124
 Period-end closing, 39, 872
 Periodic processing, 397, 724
 Permitted credit control area, 524
 Permitted payment difference, 461, 463, 511
 Persistent staging area (PSA), 425
 Personnel
 area, 782
 subareas, 783
 Physical inventory, 735
 Plan task, 402
 Plan version, 399, 403
 Planned depreciation, 687, 695, 732
 Planner profile, 402
 Planning, 397
 layout, 401
 level, 318
 Planning Manager, 786
 Plant, 84, 122
 Plant Maintenance (PM), 652
 Posting a reversal, 388
 Posting area, 625
 Posting control, 373
 accruals, 381
 Posting date, 201, 202
 Posting key, 161, 219, 242, 249, 357, 457, 509, 678
 Posting period, 133, 139, 143, 172, 201
 variant (PPV), 133, 143, 144, 146, 171
 Posting release, 448
 Posting rule, 625, 629, 682
 Posting type, 207
 Pricing procedure, 256
 Primary costs, 118, 397
 Print program, 307
 Procedure parameter, 524

Process component list, 833
 Process key, 249
 Processing document, 199
 Processing parameter, 190, 198
 Processing type, 251, 629
 Product availability matrix (PAM), 833
 Production order, 118
 Production run, 155
 Production startup, 727
 Profile items, 402
 Profit center, 124, 127, 318
 accounting, 107, 124
 consolidation, 747
 group, 125, 127
 hierarchy, 318
 master data, 318
 reorganization, 409, 414
 Profitability analysis, 397, 402
 Program
 SAPF010, 408
 SAPF047, 443, 505
 SAPFGVTR, 408
 Program correction, 830
 Project administration, 832
 Project documentation, 67
 Project IMG, 68, 69, 73, 77, 78
 Project View IMG, 69, 74, 77
 Prospective customer, 496
 Public holiday, 866, 868
 calendar, 865, 867
 rule, 865
 Purchase order, 113, 433, 708
 Purchase requisition, 708
 Purchasing organization, 83, 433, 439, 503
 data, 433

Q

Quantity check, 661
 Quick Sizer, 834

R

Real depreciation area, 662
 Real estate object, 703

Real-time integration of CO with FI-AA, 182
 Reason code, 464, 509
 Receipt management, 597
 Receipt wizard, 808
 Recipient type, 280
 Recipient-specific search, 620
 Reclassify, 404
 Reconciliation account, 114, 145, 161, 333,
 433, 501
 type, 728
 Reconciliation ledger, 182
 Reconciliation run, 182
 Recovery indicator, 318
 Recurring entry, 372
 document, 199, 299, 447
 Reference account group, 435
 Reference chart of depreciation, 646
 Reference distribution key, 400
 Reference interest rate, 352, 353, 536
 Reference system, 838
 Regular customer, 496
 Regular reversal, 342
 Release approval group, 450
 Release approval procedure, 452
 Release level path, 450
 Release updates, 69
 Remote function call (RFC), 33, 255
 Remote service session, 846
 Reorganization plan type, 412
 Repair number, 155
 Replacement value, 716
 Report, 739
 variant, 740
 Reporting, 431, 490
 Reporting file format, 294
 Representative ledger, 172, 173
 Request for quotation, 433
 Required entry, 161
 Reserve for special depreciation, 697
 Resetting clearing, 388
 Residual item, 203, 457, 463, 464
 Residual payment, 226
 Resource-minimized strategy, 830
 Results analysis, 182
 Retained earnings account, 319, 320
 Retention amount category, 521
 Reunification tax, 299

Reversal document, 213, 343
 Reversal entries, 342
 Reversal reason, 343
 Revision of chart of accounts, 319
 Risk category, 102, 528
 Rollup, 423
 Rounding off difference, 456
 Rule types, 322
 Rules-based split, 361

S

SABRE, 788
 Sales and use tax, 243, 255
 Sales area, 106, 502
 data, 494
 Sales offices, 788
 Sales order, 118
 Sales organization, 84, 106
 Sales tax, 243, 255
 Sample account, 194, 321
 Sample document, 199, 299
 Sample organizational units, 80, 81
 SAP A/R Rapid Mart, 574
 SAP Add-On Installation Tool (SAINT), 835
 SAP Basis, 838
 SAP Biller Direct, 581
 SAP business partner, 70
 SAP Business Suite, 30, 834
 SAP Business Warehouse (BW), 60, 425
 SAP BusinessObjects Business
 Intelligence, 747
 SAP Clone Finder and Dynamic Usage
 Detector, 836
 SAP Credit Management, 523
 SAP Customer Relationship
 Management (CRM), 32, 42
 SAP Downtime Minimization Service, 835
 SAP Enhancement Package, 828
 SAP Enhancement Package Installer, 834
 SAP ERP 6.0, 29, 46, 816
 SAP ERP Corporate Services, 30
 SAP ERP Financial Accounting, 62
 SAP ERP Financials, 31, 34, 36, 37
 SAP ERP Human Capital
 Management (HCM), 31
 SAP ERP Operations, 31
 SAP Financial Closing cockpit, 61, 63
 SAP Fiori, 32
 ABAP, 852
 apps, 855
 Client, 852
 launchpad, 33, 850, 851, 853
 SAP Gateway, 33, 851
 SAP General Ledger Migration Service, 133
 SAP GUI, 837, 844
 SAP HANA, 32, 849
 SAP Master Data Governance, 30
 SAP NetWeaver, 29, 70, 78, 816, 834
 SAP NetWeaver Business Client, 414
 SAP Project Systems (PS), 517
 SAP Quality Center, 837
 SAP Query, 845
 SAP R/3, 828
 SAP Reference IMG, 68, 70, 73, 77
 SAP Screen Personas, 849, 861
 SAP Shared Services Framework (SSF), 310
 SAP Solution Manager, 829, 831, 837, 842
 SAP Supplier Relationship
 Management (SRM), 32
 SAP Supply Chain Management (SCM), 32
 SAP Support Package, 830
 SAP Support Package Stack, 830
 SAP Test Accelerator and
 Optimizer (TAO), 837
 SAP Test Workbench, 837
 SAP upgrade, 827, 833
 SAPehpi, 834
 SAPJup, 834, 835
 SAPscript, 292, 474, 488, 541
 SAPUI5, 33
 SAPup, 835
 Scenario & Process Component List, 833
 Scenario Component List, 833
 Scenarios, 110, 157, 174, 620
 Schedule manager, 870, 874, 876
 Scheduler, 871, 875
 Scrap value, 674
 Screen layout, 702
 control, 702
 rule, 654, 656, 670, 702, 704
 Screen variant, 160
 Screen variants for document entry, 217

SD, 118
SDT GUI, 835
Search-ID, 501
Second local currency, 168
Second parallel currency, 649
Secondary costs, 118
Secondary index life, 238
Security deposit, 469
Segment, 109, 318
 dimension, 58
 field, 57
 reporting, 57, 58, 89, 105, 318
Selection variant, 307, 490
SEM-BCS, 747
Sender detail, 308
Sending company code, 470
Sensitive fields, 437, 499
Service request (SR), 311
 attributes, 312
 automatic, 312
 create, 311
 values, 314
Service-oriented architecture (SOA), 30
Set of rules, 383
Sets, 423
Settlement currency, 807
Settlement profile, 710
Settlement program, 144
Settlement rule, 710
Shadow System, 838
Shadow table, 586
Ship-from destination, 256
Shipping point, 84
Signature line, 308
Simple account determination, 383
Simple accrual type, 377
Simple asset, 650
Simple credit check, 531
Simulate, 203
Simulation version, 741
Smart Form, 292, 308, 541
Smoothing method, 682
Software Component Archive, 830
Software Update Manager (SUM), 834
Sold-to party, 494, 496
Solution Browser Tool, 833
Solution Documentation Assistant, 834
Sort key, 318
Sort version, 680, 740
Source company code, 94
Special asset class, 652
Special depreciation, 696
 reserve, 697
Special document, 199
Special G/L account, 161
Special G/L indicator, 471, 486
Special G/L transaction, 203, 387, 468
Special period, 122, 133, 137, 140, 143, 202
Special profit center currency, 126
Special tax depreciation, 688
Special valuation, 697, 698
Splitting method, 369
Splitting rules, 361, 369
Spool, 877
Spool request, 586
Staging information provider, 60
Standard chart of accounts, 186, 197
Standard display, 67
Standard distribution keys, 400
Standard evaluation, 490
Standard field, 47, 148, 153, 156, 197
Standard hierarchy, 124, 125, 176
Standard item interest calculation, 347
Standard text, 487, 552
Standard travel services, 785
Start variant, 627
Static credit limit check, 531
Statistical key figure (SKF), 59, 341, 424
Status maintenance, 67
Storage location, 83
Straight-line depreciation, 692, 741
Strategic Enterprise Management-Business
 Consolidation, 747
Structure for tax jurisdiction codes, 253
Sub-asset, 650
Subsidiary ledger, 41, 166, 197
Substitution, 177, 236, 242, 424, 773
Sub-workflow, 448
Summarization, 630
Sum-of-the-years-digits method, 688
Support package, 828, 830, 835, 837, 840
 manager, 830, 834, 835
 stack, 828, 829
Suppressed, 161

SWIFT, 609, 611
Switch framework technology, 829
Symbolic accounts, 814
System prerequisite, 411
System switch procedure, 835

T

Tab layout, 706
Table
 BSEG, 155
 FAGLFLEXT, 148, 156, 166, 401, 421, 425
 T000, 120
 T001, 89
 T880, 86
 TCURX, 88
 TFKB, 116
 TGSB, 108
 TKA02, 122
Target company code, 94
Task, 872, 874, 876, 879
Task list, 872, 874, 877, 879, 881
 overview window, 872
 template, 877, 880, 881
Tax, 241, 314
 account, 249, 267, 507
 at source, 269
 base, 195
 category, 318
 codes, 83, 261
 exemption, 271
 procedure, 244
 processing, 252
 rate, 245
 sales/purchases, 203
 type, 243, 245, 246, 314
Tax calculation, 261
 procedure, 244, 256
Tax Engine, 761
Tax jurisdiction, 92
 code, 254
Taxware, 255, 314
Technical upgrade, 828, 844
 tool, 834
Terms of payment, 443, 459, 500, 506
Text for line item, 227
Text key, 227
Third local currency, 168
Time base and exposure (TBE), 302
Time-based parameter, 556
Tolerance, 221, 242
 group, 221, 226, 318, 394, 461, 500, 511
 limit, 457
Totals table, 47, 401
Trading partner, 747
Transaction
 OFILA003_13, 769
 OFILA003_3, 772, 773
 OFILA006_1, 764
 OFILA007_1, 771
 OFILA008_1, 765
 OFILA008G_1, 765
 OFILA009F_1, 767
 OFILA009V_1, 770
 OFILA009V_2, 771
 OFILA009V_4, 771
 OFILAALOG_01, 774
 OFILAAOG_01, 774, 783, 784, 866
 OFILACOMPSET, 765
 OFILAIRCM_1, 767
 OFILASTRUC_LDB_ITEMS, 775
 87003617, 284
 ACACTREE01, 375
 ACEADET, 384
 ACSET, 685
 AFAM_093B, 691
 AFAM_093C, 691
 AFAMA, 691
 AFAMD, 689
 AFAMH, 689
 AFAMR, 688
 AFAMS, 690
 AJRW, 736
 ANK1, 657
 ANKA, 726
 ANSICHT, 724
 AO11, 649
 AO21, 705
 AO71, 681
 AO73, 707
 AO78, 697
 AO84, 701
 AO85, 709

Transaction (Cont.)

AO86, 709
 AO89, 710
 AO90, 677
 AO93, 695
 AO98, 699
 AO99, 698
 AOBK, 696
 AOLA, 706
 AOLK, 706
 ARAL, 739
 ARQ0, 739
 AS08, 658
 AS81, 719
 AS82, 719
 AS83, 719
 AS84, 719
 AS91, 718
 AS92, 719
 AS93, 719
 AS94, 719
 AUFW, 701
 AW01N, 739
 BA01, 610
 BAUP, 610
 CLOCO, 877
 CLOCO_MIG, 421
 CLOCOC, 877
 CLOCOS, 877
 CMOD, 158, 310
 CNV_CDMC, 842
 DMEE1, 294
 EC01, 94
 EC08, 646, 649
 EC10, 783
 EC11, 784
 EQ84, 594
 F.01, 427
 F.07, 408, 561
 F.08, 427
 F.10, 427
 F.16, 562
 F.31, 530, 531
 F.46, 491
 F48A, 297
 F8BC, 869
 FAGL_ACTIVATE_IT, 332
 FAGL_ACTIVATE_OP, 333

Transaction (Cont.)

FAGL_ACTIVATION, 132
 FAGL_GINS, 156
 FAGL_SCENARIO_ASS, 749
 FAGL_WZ_SPLIT_CONF, 361
 FAGLCOFITRACEADMIN, 185
 FAGLF101, 569
 FAGLGVTR, 408
 FAGLPLI, 402
 FBCJ, 637
 FBCJCO, 635
 FBCJC2, 637
 FBCJC3, 638
 FBICA3, 560
 FBICC, 558
 FBMP, 544
 FBN1, 214, 351
 FBZO, 485
 FBZ8, 485
 FBZP, 467, 468
 FCV3, 532
 FD01, 501, 862
 FD02, 632
 FD08, 499
 FD09, 499
 FD15, 501
 FD16, 501
 FD32, 532
 FF67, 627
 FI12, 613
 FIA1, 740
 FIBB, 621
 FIBC, 620
 FIBD, 621
 FILALDB000_02, 775
 FIMA, 762
 FINT, 535
 FK01, 440, 501
 FK08, 437, 499
 FK09, 437, 499
 FK15, 440, 501
 FK16, 440, 501
 FLB1, 618
 FLB2, 618
 FM_FUNCTION, 117
 FPN1, 590
 FPN2, 587
 FQ1036, 596

Transaction (Cont.)

FQ1037, 596
 FQC1210, 605
 FQI4, 600
 FQI6, 601
 FQKPO, 595, 596
 FQZE, 604
 FQZJ, 598
 FQZL, 599
 FQZT, 599
 FS00, 634, 753
 FSK2, 323
 FSM1, 324
 FSPO, 754
 FSS0, 614
 FTXP, 262
 GLGCS1, 158
 GLPV, 399
 GPSHAD_NEW, 586
 GSP_KD, 365
 KA01, 188, 340
 KA02, 188
 KANK, 711
 KCH1, 127
 O7V4, 485
 O7V5, 486
 O7Z6, 485
 OA08, 643
 OA13, 718
 OA79, 742
 OAAX, 651
 OAAZ, 743
 OAAZ, 710
 OABC, 666
 OABD, 667
 OABN, 695
 OABS, 696
 OABT, 670
 OABW, 700
 OABZ, 699
 OADB, 663
 OADB_WZ, 668
 OADC, 666
 OAK1, 726
 OAK2, 726
 OAK3, 726
 OAK4, 726
 OAMK, 727

Transaction (Cont.)

OAQA, 658, 744
 OAOB, 648
 OASI, 641
 OASV, 728
 OAV7, 739, 741
 OAV9, 742
 OAVI, 739, 740
 OAW3, 739
 OAWF, 724
 OAXJ, 701
 OAY2, 672
 OAYA, 707
 OAYB, 709
 OAYC, 715
 OAYE, 713
 OAYH, 669
 OAYJ, 674, 675
 OAYK, 672
 OAYM, 651
 OAYN, 680
 OAYO, 673
 OAYQ, 698
 OAYR, 682
 OAYZ, 670, 671, 704
 OB, 512
 OB_GLACC01, 327
 OB_GLACC11, 329
 OB_GLACC12, 330, 338
 OB_GLACC13, 334
 OB01, 528
 OB02, 529
 OB05, 437, 498
 OB09, 390
 OB10, 618
 OB12, 527
 OB13, 188, 750, 751
 OB15, 322
 OB17, 540
 OB18, 525, 540
 OB27, 455
 OB28, 234, 757
 OB29, 139
 OB37, 142
 OB38, 104
 OB39, 530
 OB40, 267, 507
 OB41, 219

Transaction (Cont.)

OB44, 500
 OB46, 347
 OB51, 529
 OB53, 321
 OB56, 228
 OB57, 226
 OB60, 466
 OB61, 554
 OB62, 189, 338
 OB63, 230
 OB66, 458, 510
 OB67, 324
 OB68, 231
 OB69, 265
 OB70, 447, 507
 OB74, 393
 OB77, 306
 OB78, 308
 OB79, 309
 OB81, 353
 OB82, 533
 OB83, 355
 OB85, 355, 356
 OBA0, 395
 OBA10, 406
 OBA3, 462
 OBA4, 222
 OBA5, 231
 OBA7, 205, 759
 OBAA, 348
 OBAC, 352
 OBAN, 695
 OBAR, 498
 OBAS, 436
 OBAX, 632
 OBAY, 631
 OBB8, 444, 446, 507
 OBB9, 446
 OBBA, 484
 OBBB, 485
 OBBC, 459
 OBBE, 464
 OBBG, 252
 OBBH, 237
 OBBO, 143
 OBC4, 679, 756
 OBC5, 166, 680

Transaction (Cont.)

OBC8, 266
 OBCK, 265
 OBCL, 268
 OBCN, 252
 OBCO, 254
 OBD1, 233
 OBD2, 497
 OBD3, 435
 OBD4, 320, 435, 496, 750
 OBETX, 258, 259
 OBGLACC11, 152
 OBH1, 216
 OBH2, 215
 OBHK, 509
 OBIA, 391
 OBIB, 392
 OBL42, 553
 OBP2, 401
 OBQ1, 249
 OBQ2, 250
 OBQ3, 247
 OBR1, 192
 OBR2, 192, 442, 505
 OBR7, 239
 OBR8, 241
 OBU1, 229
 OBV1, 536
 OBV2, 357
 OBVCU, 468
 OBVU, 468
 OBWA, 194, 448
 OBWB, 450
 OBWC, 451
 OBWD, 451
 OBWE, 452
 OBWJ, 449
 OBWP, 453
 OBWQ, 453
 OBWS, 289
 OBWW, 288
 OBX2, 407
 OBXB, 516
 OBXC, 486
 OBXH, 388, 457
 OBXI, 508
 OBXK, 509
 OBXP, 487

Transaction (Cont.)

OBXR, 515
 OBXZ, 396
 OBY2, 335
 OBY6, 97, 116, 144, 165, 191, 217, 230,
 265, 305, 337, 338
 OBY7, 337
 OBY8, 337
 OBYA, 359
 OBYP, 404
 OBYZ, 246
 OBZ4, 476
 OBZH, 512
 OC08, 149, 755
 OCCC, 752
 OF01, 115
 OF18, 115
 OKA6, 726
 OKB2, 188
 OKBD, 116
 OKE5, 125
 OKEQ, 403
 OKEV, 403
 OKO7, 710
 OME9, 708
 OOFK, 870
 OT43, 627
 OT52, 626
 OT83, 628
 OVAK, 531
 OVT0, 497
 OX02, 91, 96
 OX03, 108
 OX06, 119
 OX19, 123
 OXK1, 160
 OXK3, 154
 OY17, 612
 PE01, 821
 PE03, 803, 807
 PFCG, 723
 PR01, 786
 PR05, 809
 PR10, 784, 866
 PR11, 816
 PR12, 816
 PRCO, 807
 PRDE, 807

Transaction (Cont.)

PRT3, 815
 REMMHBACC, 481
 RFC, 255
 RMMAIN, 831
 S_AHR_61000601, 798
 S_AHR_61000623, 793
 S_AHR_61000645, 795
 S_AHR_61000654, 801
 S_AHR_61000660, 821
 S_AHR_61000669, 803
 S_AHR_61000691, 802
 S_AHR_61000728, 804
 S_AHR_61006688, 799
 S_AHR_61006691, 814
 S_AHR_61006702, 813
 S_AHR_61006705, 802
 S_AHR_61006706, 805
 S_AHR_61009843, 808
 S_AHR_61009923, 807
 S_AHR_61009946, 807
 S_AHR_61009998, 811
 S_AHR_61010078, 810
 S_AHR_61010087, 809
 S_AHR_61010858, 783
 S_ALR_87001305, 552
 S_ALR_87003179, 437
 S_ALR_87003264, 275
 S_ALR_87003266, 278
 S_ALR_87003269, 281
 S_ALR_87003283, 272
 S_ALR_87003284, 272
 S_ALR_87003287, 273
 S_ALR_87003339, 488
 S_ALR_87003346, 487
 S_ALR_87003378, 500
 S_ALR_87003423, 281
 S_ALR_87003618, 286
 S_ALR_87004668, 398
 S_ALR_87008943, 363
 S_ALR_87008944, 364
 S_ALR_87009044, 702
 S_ALR_87009070, 712
 S_ALR_87009072, 714
 S_ALR_87009167, 649
 S_ALR_87009177, 653
 S_ALR_87009195, 656
 S_ALR_87009209, 657

- Transaction (Cont.)
 - S_KK4_74002112*, 602
 - S_KK4_74002160*, 599
 - S_KK4_74002189*, 606
 - S_KK4_74002192*, 607
 - S_KK4_74002202*, 606
 - S_KK4_74002207*, 605
 - S_KK4_74002225*, 585
 - S_KK4_74002249*, 603
 - S_KK4_74002305*, 589
 - S_KK4_74002333*, 591
 - S_KK4_74002395*, 590
 - S_KK4_74002420*, 587
 - SA38, 307
 - SAINT, 835
 - SCA6_U, 866
 - SCAL, 866
 - SCAT, 837
 - SCMA, 871
 - SE11, 842
 - SE37, 356
 - SE71, 293, 474, 487, 536, 541
 - SECATT, 837
 - SMARATFORMS, 293
 - SO01, 532
 - SO10, 552
 - SPAU, 835, 836, 840, 842
 - SPAU_EN, 836
 - SPAU_ENH, 836, 842
 - SPDD, 835, 836, 838, 842
 - SST0, 76
 - SWF5, 829
 - SXDA, 326, 718
 - TRIP, 785, 786, 809, 820
 - VD06, 505
 - VKM1, 532
 - WTMG, 298
 - XD01, 502
 - XDN1, 496
 - XK01, 438, 502
 - XKN1, 496
- Transaction type, 148, 642, 676, 706, 709, 755
 - for consolidation*, 148
 - group*, 149, 706, 709
- Transactional apps, 604
- Transfer account, 604
- Transfer data, 425
- Transfer date, 714
- Transfer prices, 121
- Transformation layer, 425
- Translation date type, 170
- Translation posting, 458
- Translation rate, 473
- Transport layer, 155
- Transport request, 155
- Transportation planning point, 84
- Transportation zone, 92
- Travel advance, 778
- Travel expense, 781, 806, 814, 821
 - report*, 779, 820
 - result*, 779
- Travel Manager, 785, 786, 820
- Travel mediums, 787
- Travel plan (TP), 779
- Travel Planning, 781, 788, 803, 820
 - control groups*, 804
- Travel Planning Manager, 786
- Travel privileges, 808
- Travel profiles, 796, 800, 802
- Travel receipt, 808
- Travel request (TR), 778, 781, 784
- Travel service, 778
 - category*, 791
- Treasury Management, 36
- Tree control, 67
- Trial balance, 191
- Trip, 782
 - activity types*, 800
 - costs accounting*, 807
 - currency*, 807
 - provision variant*, 806, 808, 809
 - provisions*, 806
 - routes*, 797
 - rules*, 796, 802
 - type*, 809
- True reversal, 194, 343
- Trusted remote function call (tRFC), 850

U

- Underpayment, 456
- Unicode check, 845
- Unicode conversion, 835
- Unified interface, 62

- Unit of measurement (UOM), 70
- Unplanned depreciation, 687, 697
- Update object, 218
- Upgrade dependency analyzer, 833
- Upgrade GUI, 835
- Upgrade path, 833
- Upgrade project, 832
- Upgrade tool, 832
- Use tax, 243, 255
- Useful life, 693
- User authorization, 205
- User exit, 98, 158
- User interface (UI), 849
- User notes window, 871
- User-specific settings, 67

V

- Validation, 234, 242, 424, 755, 757
- Validation rule, 757
- Valuate, 405
 - area*, 178, 180, 181
 - difference*, 459
 - group*, 318
 - key*, 688
 - profile*, 169
 - run*, 389
 - type*, 172
 - view*, 169
- Value adjustment, 571
- Value date, 191, 195
 - rule*, 484
- Value determination, 768
- Value ID, 762, 768, 769, 770, 772, 774, 775
- Value table, 158, 159
- Value transfer, 768
- Value-added tax, 244
- Variances, 118
- Variant, 874
- Vendor account, 161
 - group*, 435
- Vendor evaluation, 438
- Vendor Information System, 491
- Vendor master data, 431
- Vendor master record, 432
- Vendor net procedure, 204
- Vendor tolerance, 221, 461, 463

- Verification category, 521
- Version, 176
- Version management, 840
- Vertex, 254, 255, 314, 761
- Void reason, 596

W

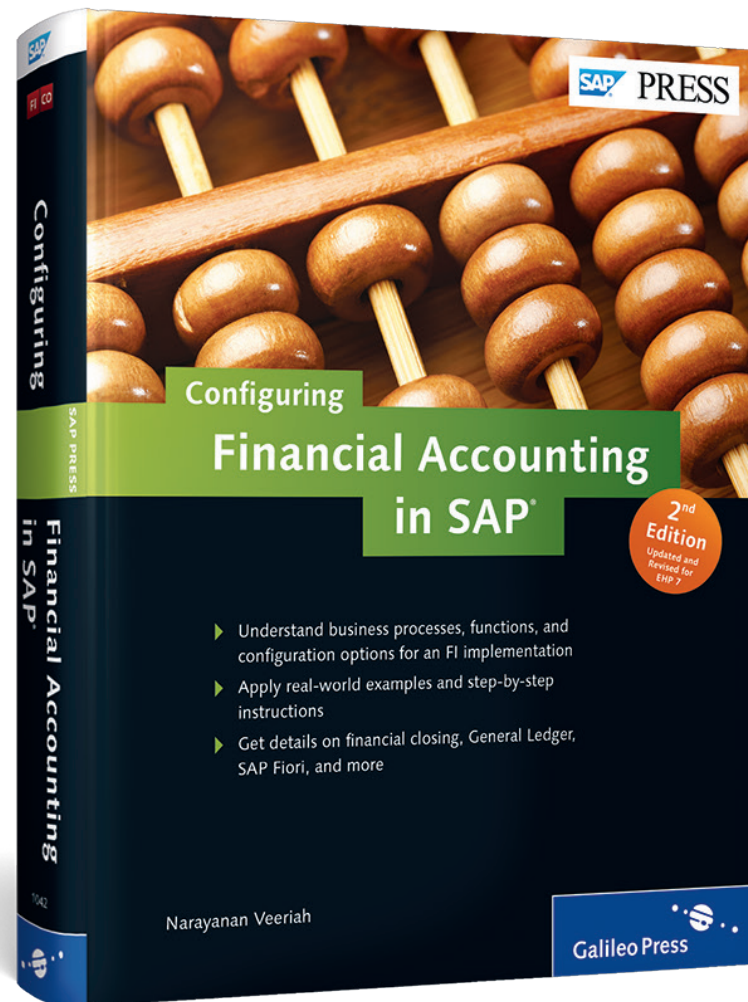
- Wage type, 807, 813
- Wholesale customer, 496
- Withholding tax, 190, 243, 269, 314
 - authorizations*, 298
 - calculating*, 286
 - certificate*, 289
 - changeover*, 270, 296, 315
 - code*, 270, 283, 315
 - country*, 272
 - forms*, 292
 - key*, 272
 - message control*, 273
 - minimum/maximum amount*, 287
 - paid over*, 288
 - recipient types*, 280
 - rounding rules*, 279
 - type*, 270, 275, 315
 - type for invoice posting*, 275
 - type for payment posting*, 278
- Work breakdown structure (WBS), 516
- Work in process (WIP), 118
- Workflow, 723, 875, 876
- Workflow variant, 190, 191, 194, 447
- Worksets, 816

Y

- Year displacement factor, 135
- Year shift, 135
- Year-dependent document number range, 195
- Year-dependent fiscal year, 142

Z

- Zero balance, 55, 361, 365, 366
 - indicator*, 361
 - setting*, 58



Narayanan Veeriah

Configuring Financial Accounting in SAP

850 Pages, 2015, \$79.95/€79.95

ISBN 978-1-4932-1042-8

 www.sap-press.com/3665



Narayanan Veeriah is a chartered financial analyst (CFA) and a PMI certified project management professional (PMP) with about 30 years of work experience in finance and information technology, including more than 15 years of SAP experience. An SAP FI/CO consultant, he is currently a senior leader for SAP in a multinational IT consulting company and is based in India.

We hope you have enjoyed this reading sample. You may recommend or pass it on to others, but only in its entirety, including all pages. This reading sample and all its parts are protected by copyright law. All usage and exploitation rights are reserved by the author and the publisher.

© 2015 by Galileo Press, Inc. This reading sample may be distributed free of charge. In no way must the file be altered, or individual pages be removed. The use for any commercial purpose other than promoting the book is strictly prohibited.