



Financial Accounting

SAP S/4 HANA 2020

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About Trainer

- Vikram Fotani
- 15+ Years of experience as SAP Functional Consultant
- Experience in SAP FICO, SAP FSCM, SAP Central Finance, SAP RAR, SAP MM, SAP SD, SAP PP etc.
- Certified SAP S/4 HANA Professional
- Worked on 7 end to end implementation projects including 3 SAP S/4 HANA Implementations & 1 project on Central Finance
- Global Exposure – Travelled & Worked on APAC, US, Europe, Middle East as well as African projects
- Industries – Served Manufacturing, Construction, Chemicals, Retail, Telecommunications, Container Terminal Industries

Unit 1

SAP S/4 HANA FICO Basics

What is SAP?

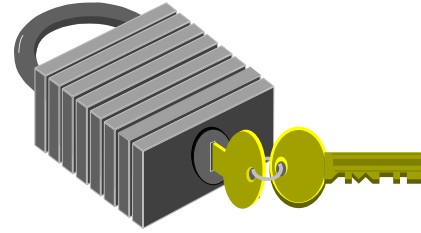
- SAP is an ERP
- Stands for Systems, Applications & Products in Data Processing
- Founded in 1972 in Walldorf, Germany by five IBM Engineers
- Business software package designed to integrate all areas of a business
- Designed for all types of businesses

ERP System

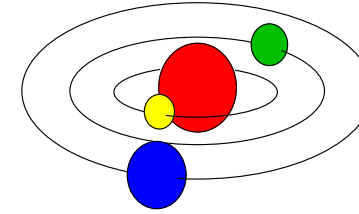




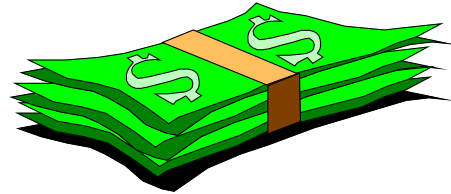
•Multi-Lingual



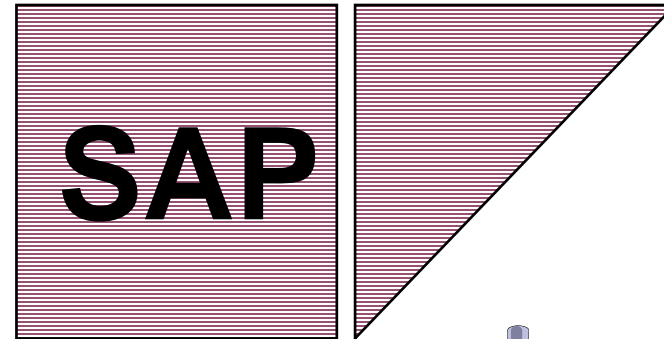
•Secure Information



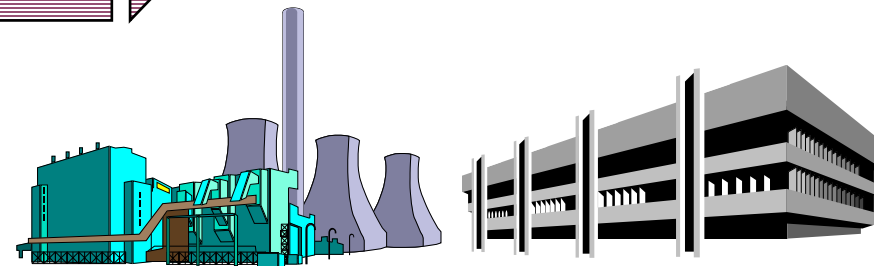
•Integrated



•Multi-Currency

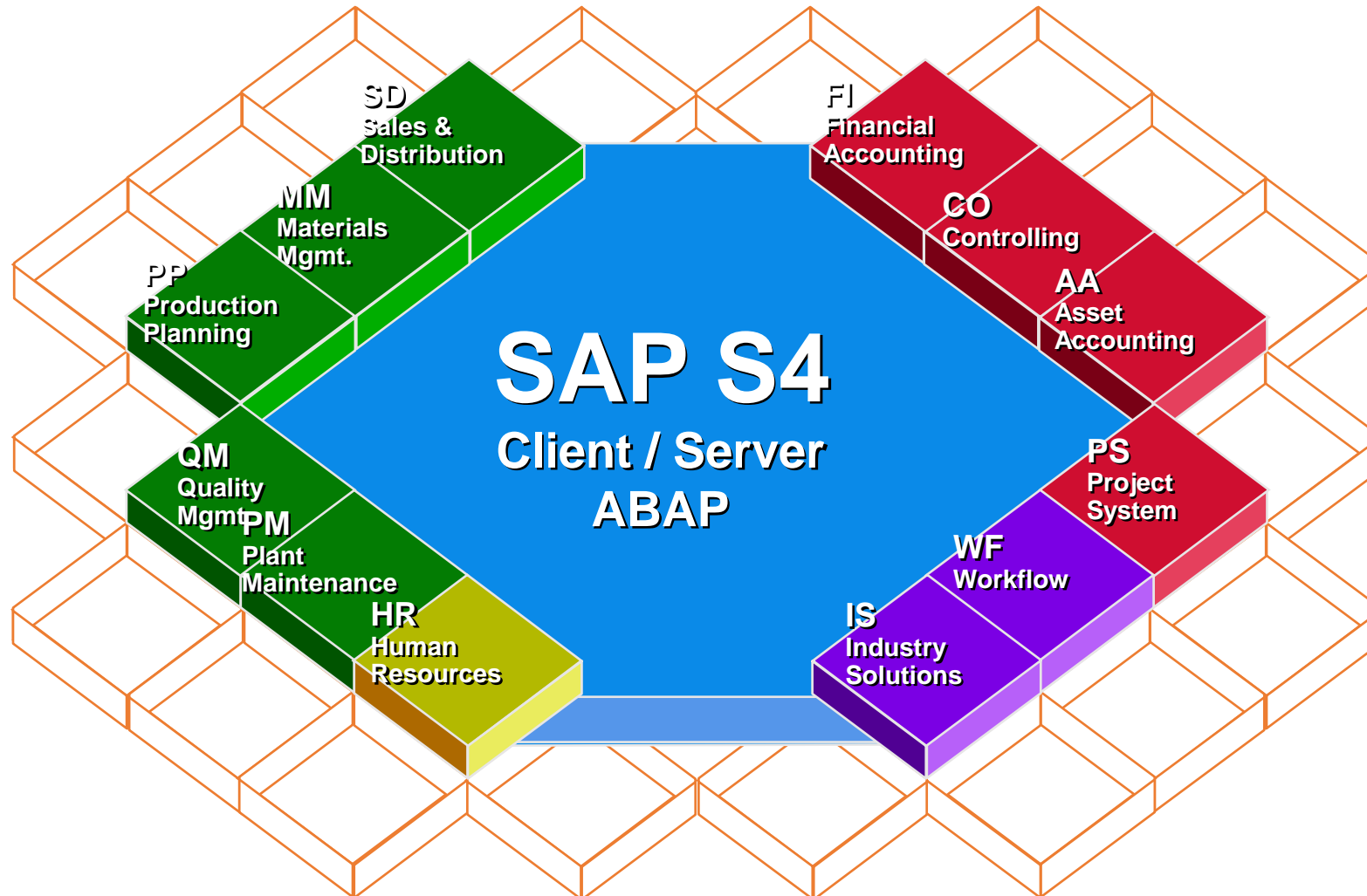


•Best Business Practices

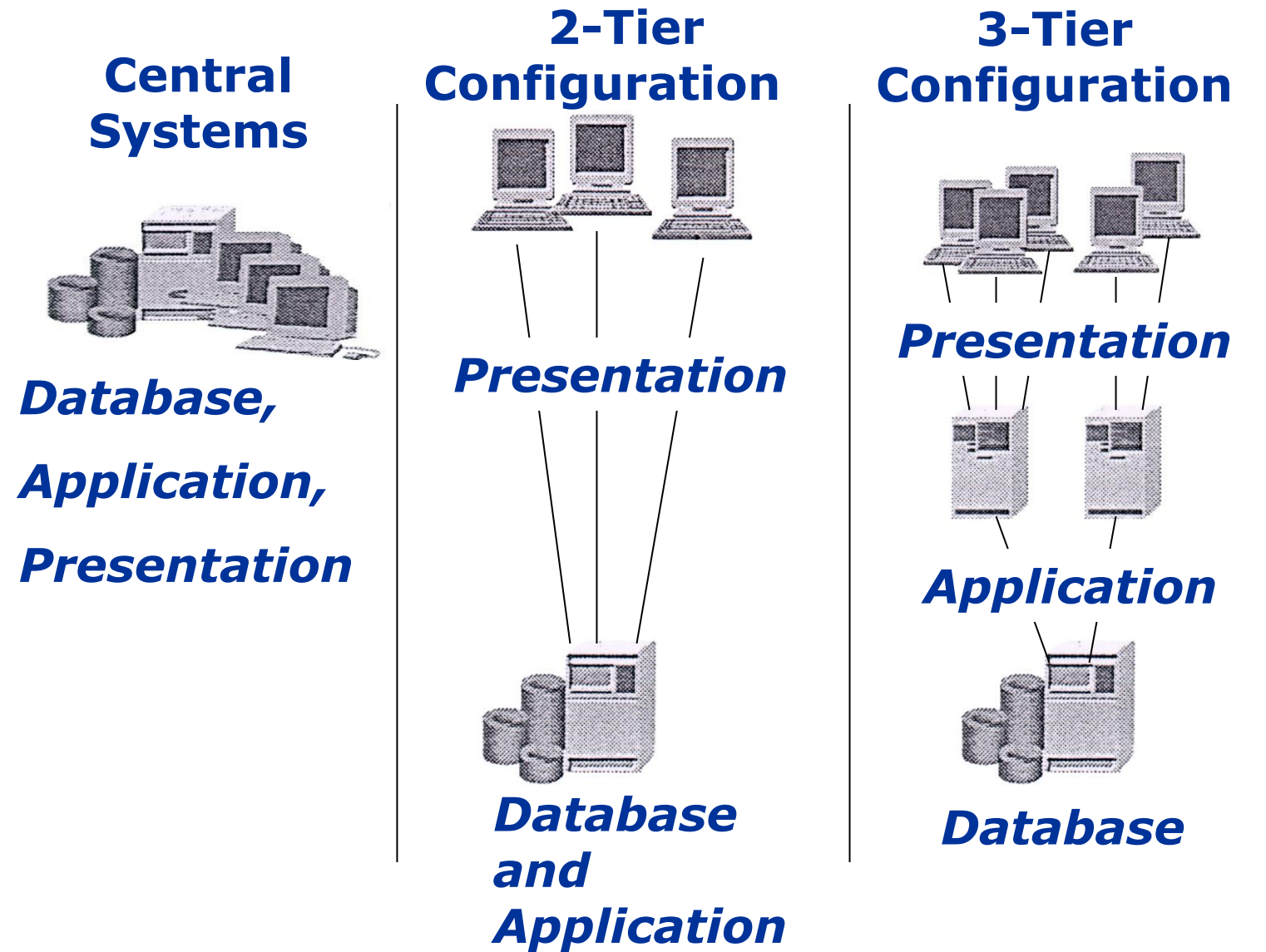


•Enterprise-Wide

MODULES



R/3 System



Financial Accounting (FI) Vs Controlling (CO)

- Financial Accounting (FI) and Controlling (CO) are two separate set of books
- SAP divides organization accounting into internal and external viewpoints
- Financial Accounting (FI) represents external accounting prospective. Financial statements required for external reporting purposes (e.g. Balance sheets and P&L statements) are created in FI.
- Controlling (CO) represents the internal accounting perspective.
- In SAP S/4 HANA, FI & CO are combined together to avoid reconciliation issues with the help of Universal Journal

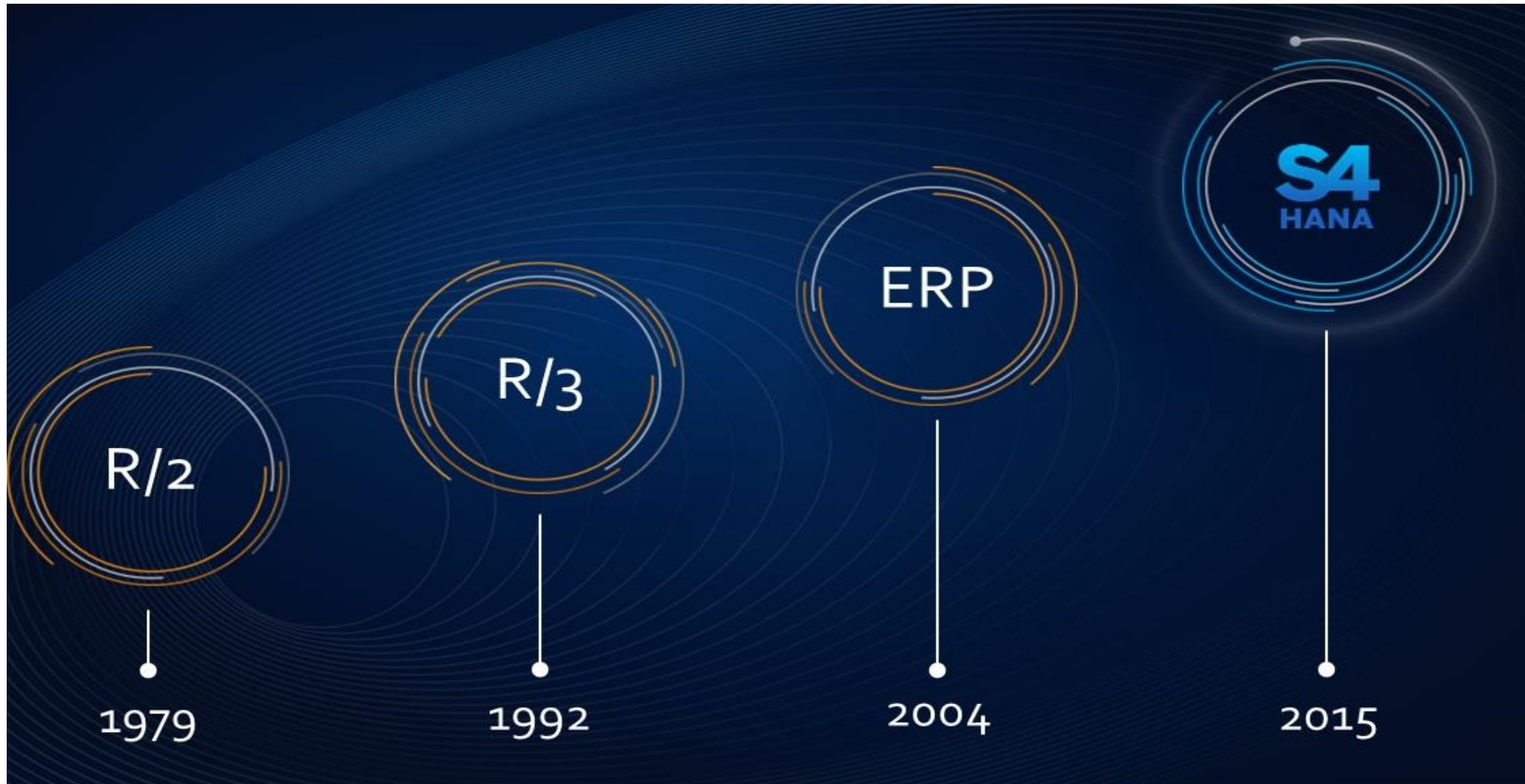
SAP FI Components

- General Ledger
- Accounts Payable
- Accounts Receivable
- Asset Accounting
- Cash & Bank Accounting

SAP CO Components

- Cost Element Accounting
- Cost Center Accounting
- Profit Center Accounting
- Product Cost Planning
- Cost Object Controlling
- Profitability Analysis
- Material Ledger

SAP S/4 HANA



SAP S/4 HANA

- SAP Business Suite for SAP HANA
- A new product and a next generation of business applications
- Fully built on the in-memory platform SAP HANA
- Provides an instant insight by using a single source of truth, real-time processes, dynamic planning and analysis
- Modern and Simplified User Experience optimized for all devices
- Reduces the data footprint of your company by removing the aggregates
- Choice of Deployments (On Premise, Cloud, Hybrid)

SAP HANA vs SAP S/4 HANA

- Launched in 2011, SAP HANA is an in-memory database technology that runs the SAP Landscape serving as the backend
- Launched in February 2015, SAP S/4 HANA is SAP's next-generation business suite designed only to run on SAP HANA
- We can use SAP HANA database for SAP ECC as well as non SAP applications
- But we cannot use SAP S/4 HANA with any other database except SAP HANA

SAP S/4 HANA Versions

- SAP S/4 HANA 1511 (100)
- SAP S/4 HANA 1610 (101)
- SAP S/4 HANA 1709 (102)
- SAP S/4 HANA 1809 (103)
- SAP S/4 HANA 1909 (104)
- SAP S/4 HANA 2020 (105)

SAP Easy Access

System: Status

Usage data

Client

User

Language

Number of Failed Pass

SAP data

Repository data

Transaction

Program (screen)

Program (GUI)

SAP System data

Installed Software

Installed Software Component Versions

Installed Product Versions

Component	Release	SP-Level	Support Package	Short Description of Component
SAP_BASIS	755	0000	-	SAP Basis Component
SAP_ABA	75F	0000	-	Cross-Application Component
SAP_GWFND	755	0000	-	SAP Gateway Foundation
SAP_UI	755	0001	SAPK-75501INSAPUI	User Interface Technology
ST-PI	740	0014	SAPK-74014INSTPI	SAP Solution Tools Plug-In
SAP_BW	755	0000	-	SAP Business Warehouse
UIBAS001	600	0000	-	UI for Basis Applications 6.0
MDG_FND	805	0000	-	MDG Foundation
S4FND	105	0000	-	Foundation
MDG_APPL	805	0000	-	MDG Applications
S4CEXT	105	0000	-	S4CEXT
S4CORE	105	0000	-	S4CORE
S4CRM	205	0000	-	S4CRM

Transport Mechanism

Development System

Type of users:
Developers,
Consultants,
Key Users

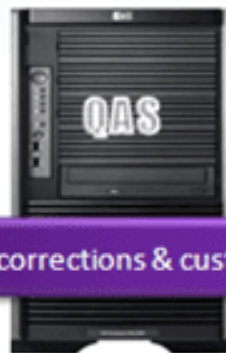
Type of work:
Customizing,
Development,
Unit Testing



Quality-Assurance System

Type of users:
Developers,
Consultants,
Key Users

Type of work:
Integration and
Quality testing



Production System

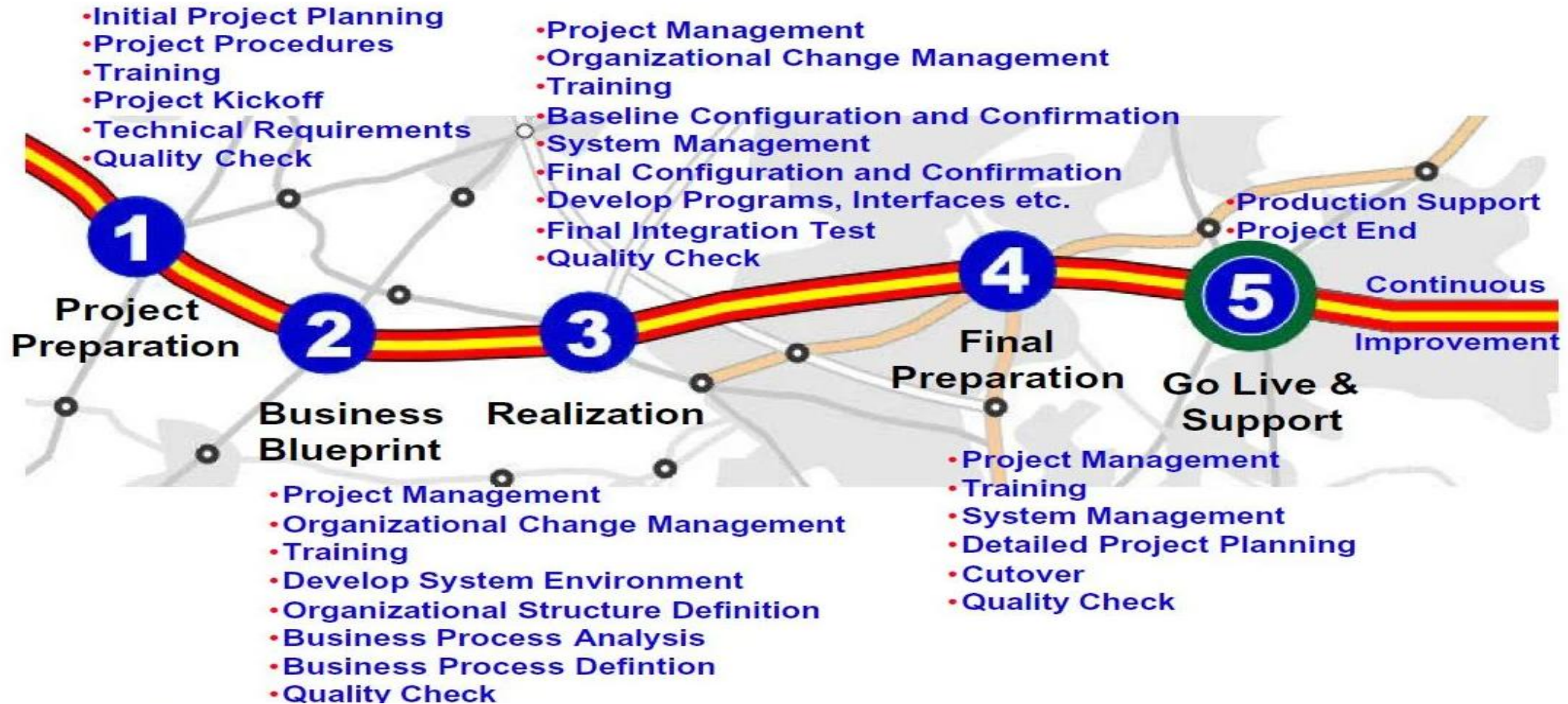
Type of users:
End users

Type of work:
Productive
execution of
transactions
with real
business data

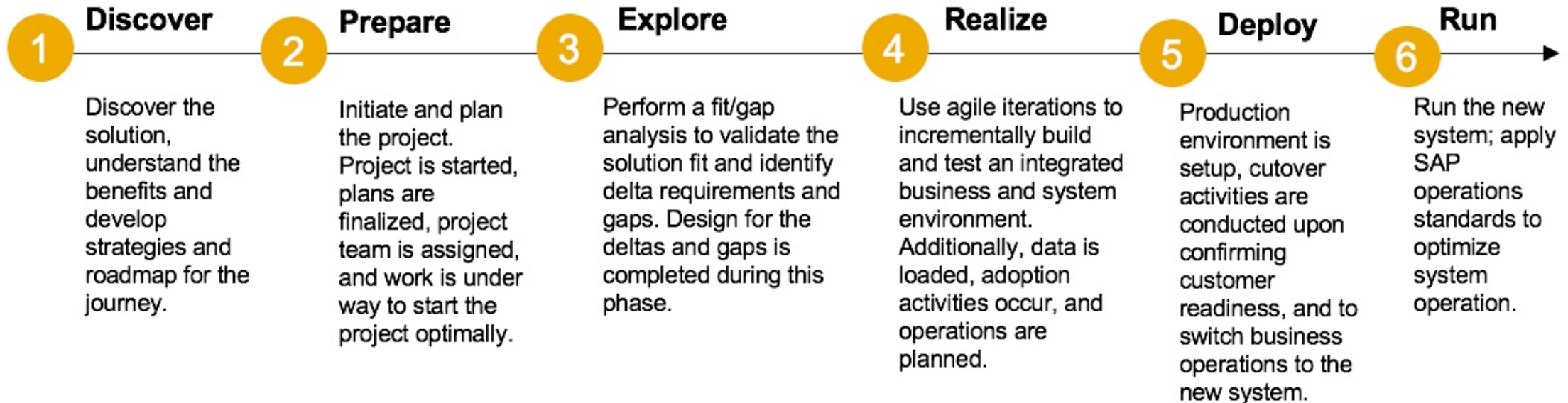


Developments, corrections & customizing settings

SAP ASAP Methodology






SAP Activate Methodology



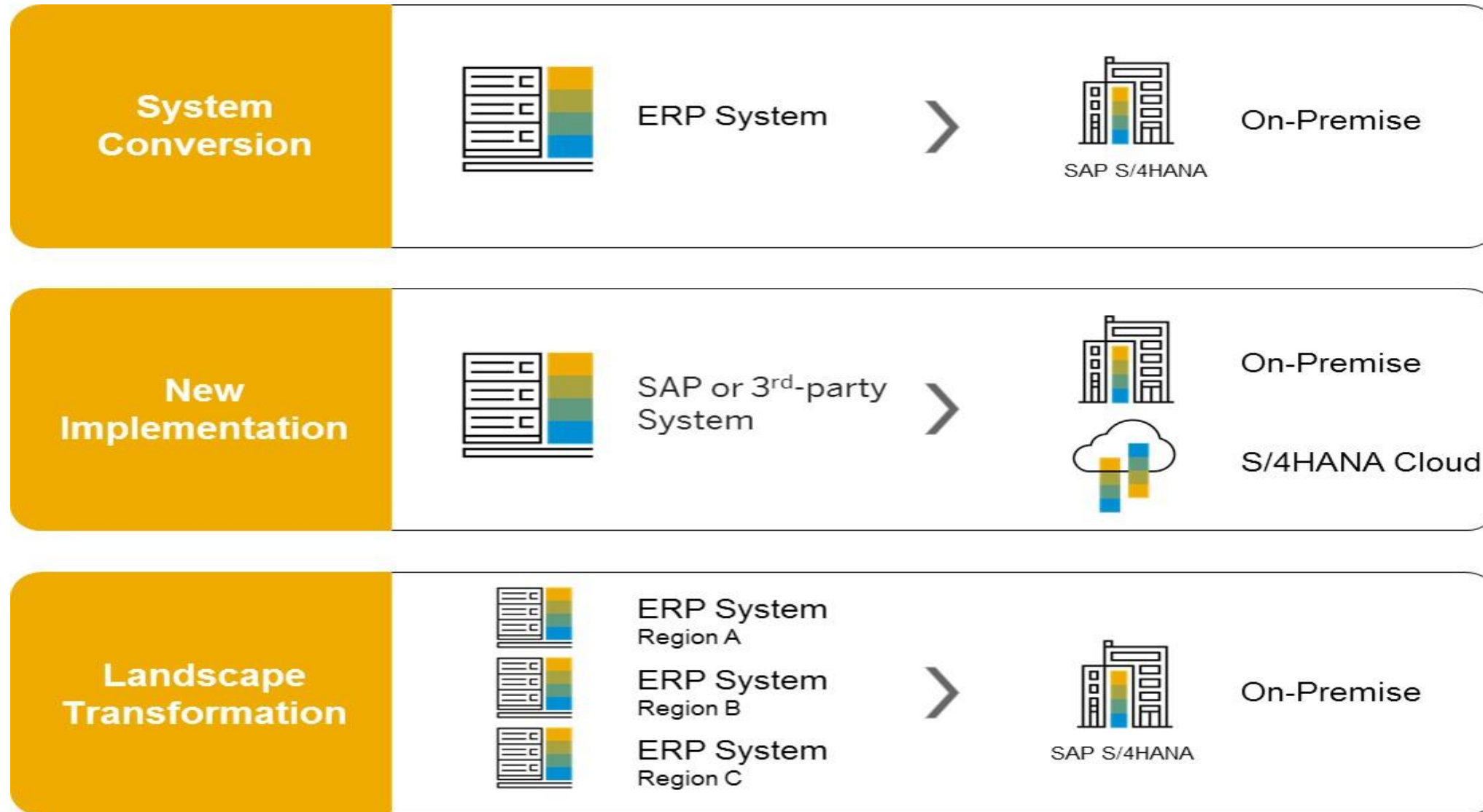
Ensure the delivery of value through the solution life cycle (“value delivery”)



SAP S/4 HANA Deployment Options

 <p>On Premise Complete coverage tailored for the enterprise</p>	 <p>Private Cloud (SAP HANA Enterprise Cloud) Complete coverage with accelerated deployment</p>	 <p>Public Cloud Focused coverage for accelerated innovation</p>
Full scope, all industry solutions	Full scope, all industry solutions	Standardized processes
Configure, extend, and modify	Configure and extend	Configure and extend within boundaries
Customer infrastructure or IaaS	SAP infrastructure	SAP infrastructure
Yearly innovation cycle	Yearly innovation cycle	Quarterly innovation cycle
Traditional perpetual licensing	Subscription or perpetual licensing	Subscription licensing

SAP S/4 HANA Adoption Options



SAP Fiori

- Technology is constantly evolving at rapid pace
- Most people are equipped with at least one mobile device
- Even small children know how to navigate through mobile
- This new evolution has become a new standard
- Customers are demanding the same ease in operating their Business Processes also
- SAP Fiori is SAP's new face for all SAP products to business users for
- all devices

SAP Fiori Design Principles



Designed for you, your needs, and how you work



Support how and where you work, at any time



Focused on what is important




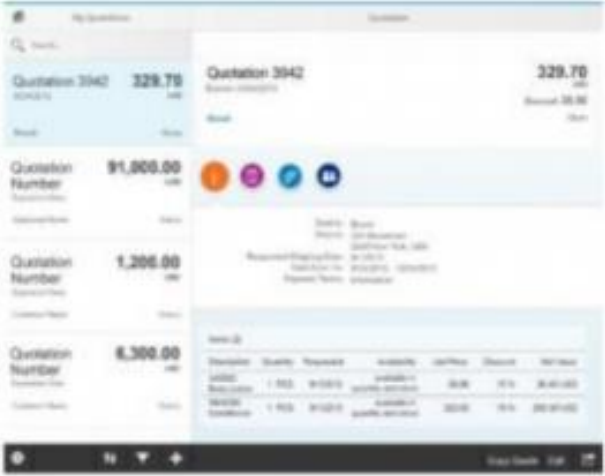








Provides one fluid, seamless experience



Makes an emotional connection

Types of Fiori Apps

Transactional 	Analytical 	Fact Sheet 
<p>Task-Based Access</p> <p>Access to tasks like change and create, or entire processes with guided navigation</p>  <p>Run on:  </p>	<p>Insights</p> <p>Visual overview of a dedicated topic for further KPI-related analyses</p>  <p>Run on: </p>	<p>Search and Explore</p> <p>View of essential information about an object and contextual navigation between related objects</p>  <p>Run on: </p>

SAP S/4 HANA Important Links

- [SAP S/4HANA - SAP Help Portal](#)
- [SAP Best Practices Explorer](#)
- [Roadmap Viewer - SAP Go Support](#)
- [SAP Fiori Apps Reference Library](#)
- [Product Assistance](#)
- [SAP S/4HANA Finance - Financial Accounting Learning Journey](#)

SAP Fiori

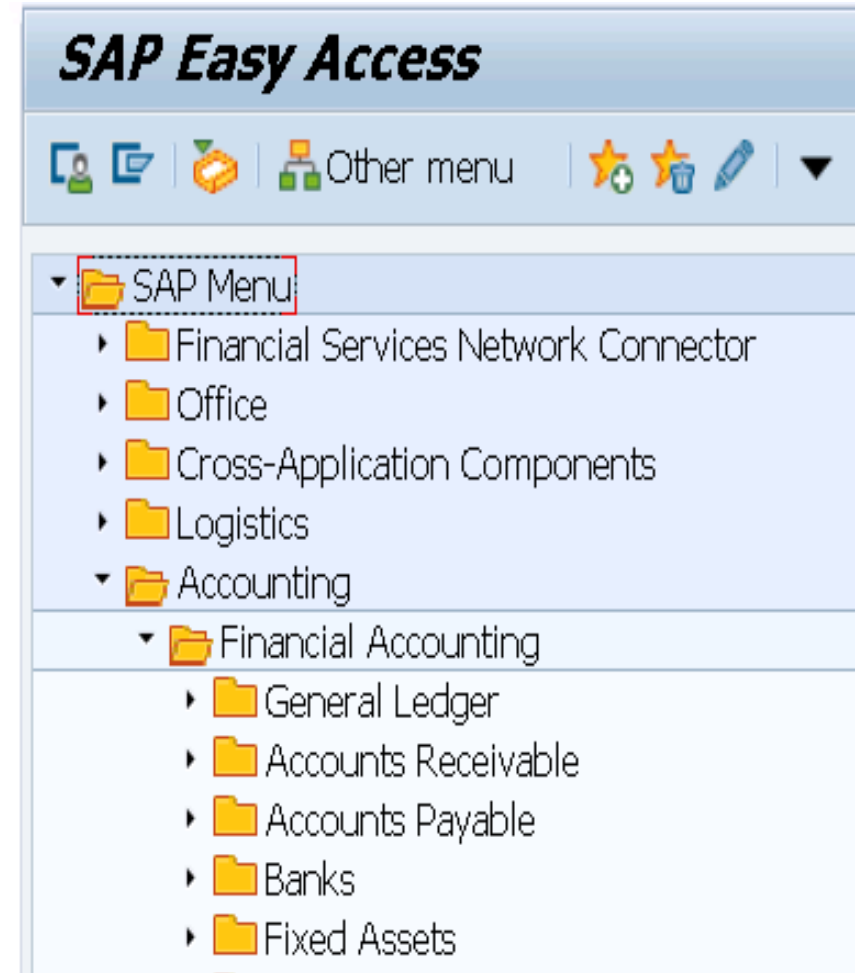
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SAP FICO

- SAP FICO is a core functional component in SAP S/4 HANA that allows an organization to manage all of its financial data.
- The purpose of SAP FICO is to help companies generate and manage financial statements for analysis and reporting and help with effective business planning and decision-making.
- SAP FICO consists of two modules, SAP Finance (FI) and SAP Controlling (CO), each of which is used for specific financial processes.
- SAP FI deals with overall financial reporting and accounting while SAP CO focuses more narrowly on planning and monitoring costs.
- SAP FI and SAP CO were originally released as separate modules but are now so tightly integrated that many people refer to them as simply one module.

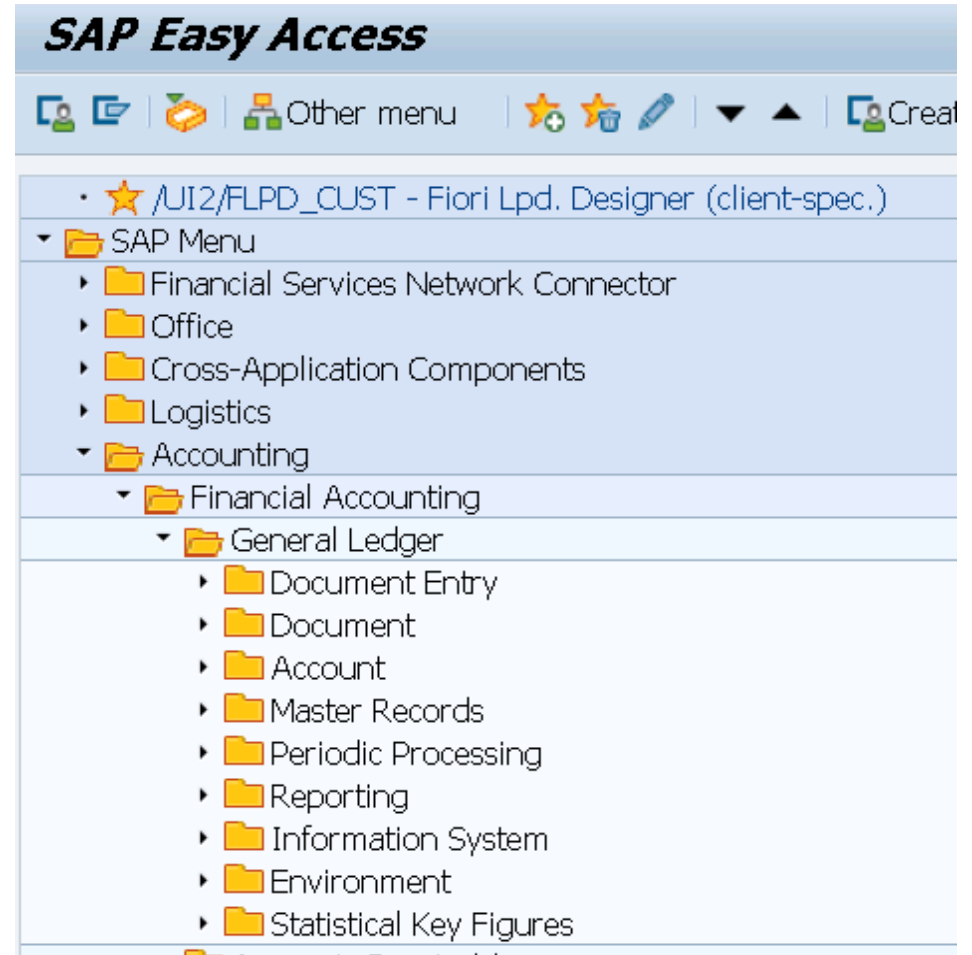
SAP FI Sub Modules

- General Ledger Accounting -All general ledger accounts that are used for reporting are managed through general ledger accounting.
- Accounts Receivables - Accounts receivables is a sub module that captures all transactions with customers and manages customer accounts
- Accounts Payables - Accounts payables is a sub module that captures all transactions with vendors and manages vendor accounts.
- Asset Accounting - Asset accounting manages all transactions related to assets for an entity.
- Bank Accounting - Bank accounting captures all transactions with the banks.



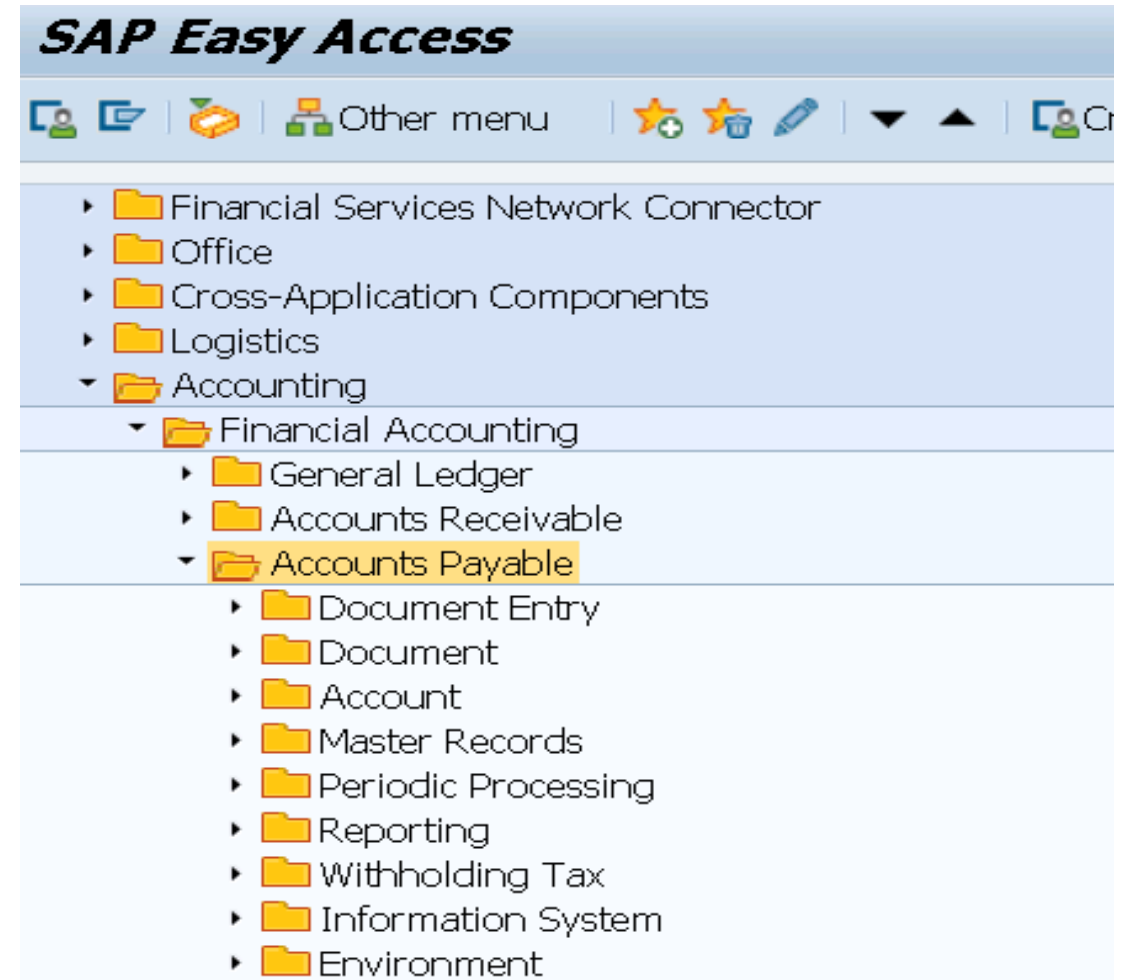
General Ledger Accounting

- In SAP a set of all general ledger accounts used by a company or a group of companies is called a chart of accounts.
- These are the accounts that will be used for the preparation of financial statements.
- Most of the transactions are recorded in sub modules and they are reconciled with the general ledgers in real time.
- Transactions that can be done in direct in general ledger Accounting include journal vouchers which are posted to adjust or correct transactions. Reversals can also be done from general ledger accounting.



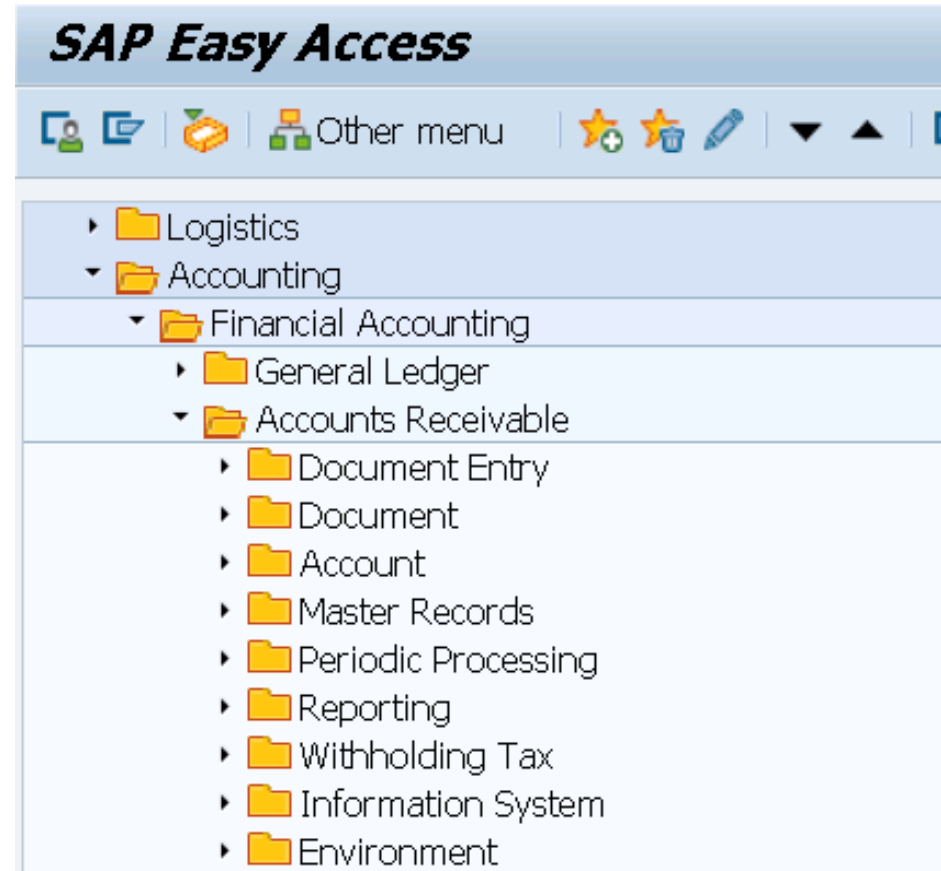
Accounts Payables

- Accounts payables is a sub module that captures all transactions with vendors and manages vendor accounts.
- Separate vendor accounts are maintained and when transactions are posted in vendor accounts, reconciliation accounts in general ledger are updated with the figures in real time.
- Transactions in accounts payables include invoice posting, credit memo posting, down payments, invoice payment, automatic payment program and executing vendor reports



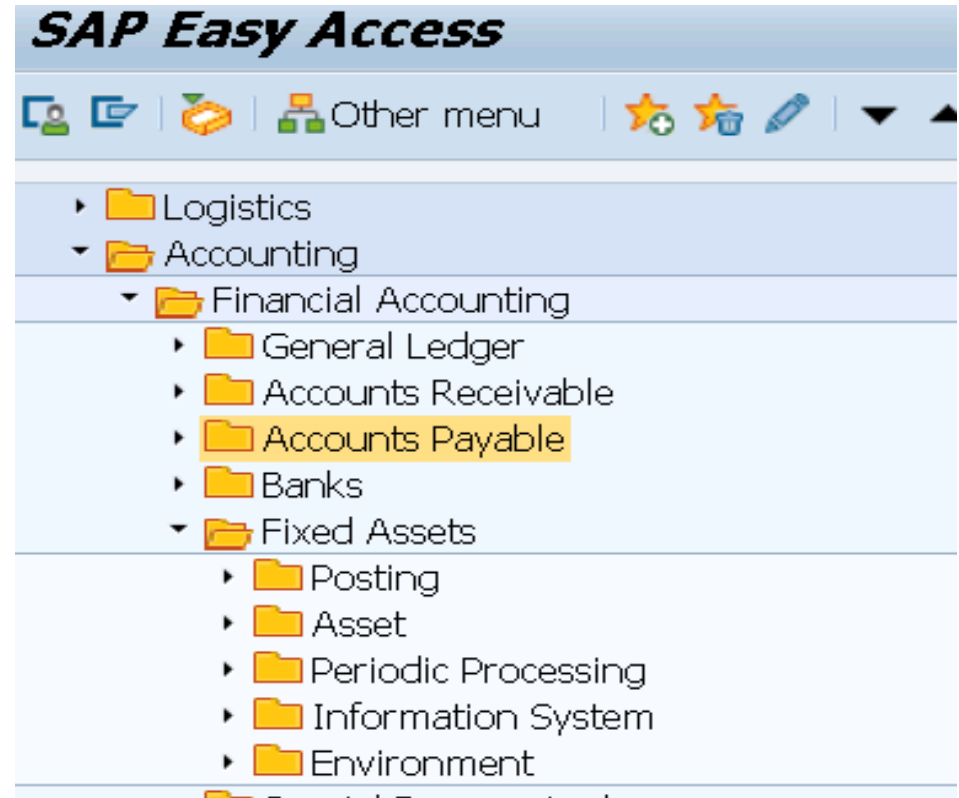
Accounts Receivables

- Accounts receivables is a sub module that captures all transactions with customers and manages customer accounts.
- Separate customer accounts will be maintained and when transactions are posted in customer accounts, reconciliation accounts in general ledger are updated with the figures in real time.
- Transactions in accounts receivables include invoice posting, credit memo posting, down payments, invoice payment, dunning and executing customer reports.



Asset Accounting

- Asset manages all transactions related to assets for an entity.
- When transactions are posted in asset accounts ,reconciliation accounts in general ledger are updated in real time.
- Transactions in asset accounting include asset acquisition, asset retirement, asset sale, asset transfer, asset revaluation and asset depreciation.



Bank Accounting

- Bank accounting captures all transactions with the banks.
- Bank reconciliation is done to reconcile all transactions recorded on bank statements comparing them to transactions in the system.

