

Reading Sample

This sample chapter explains the process of migrating your general ledger accounting data into SAP S/4HANA Finance and configuring the new system. It highlights some of the key general ledger accounting changes that business users will encounter in SAP S/4HANA.

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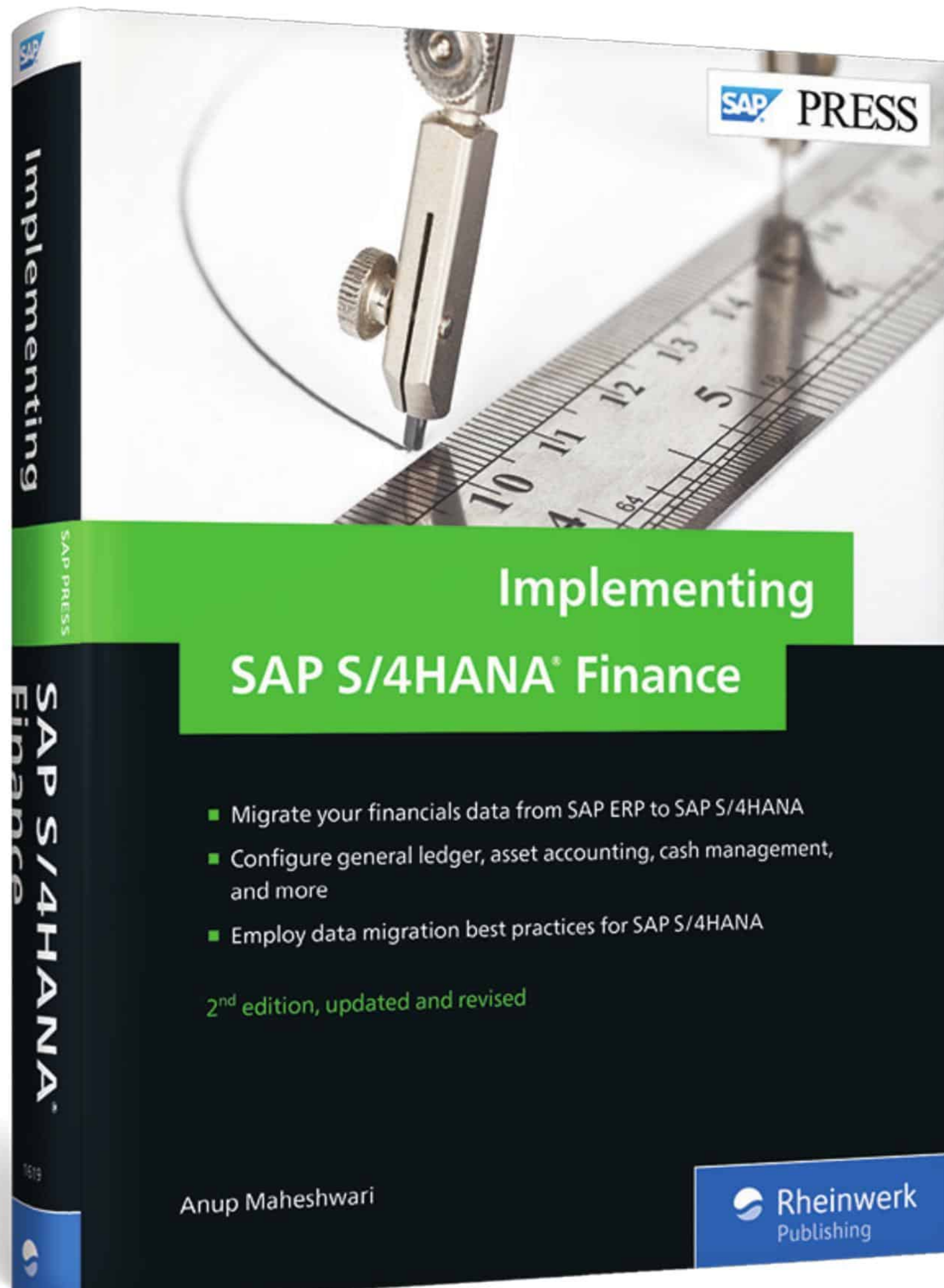
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Chapter 3

Preparation and Migration for General Ledger

This chapter highlights the Customizing for the General Ledger and currencies, the integration of postings from Controlling, and the creation of ledger groups required for the migration to SAP S/4HANA Finance. It discusses the architecture, configuration, and functionality impact that SAP S/4HANA Finance has on General Ledger Accounting.

The following are some of the key Customizing steps that you need to perform for migration to the new General Ledger (new G/L) as part of the overall SAP S/4HANA migration:

- Checking and adopting fiscal year variants
- Defining the currency settings
- Migrating G/L settings
- Defining settings for the journal entry ledger
- Reviewing the assignment of ledger and company code to accounting principles
- Defining the ledger for the Controlling (CO) version
- Defining document types for postings in CO
- Defining offsetting account determination
- Defining the source ledger for migration of balances
- Defining settings of the controlling area
- Executing a consistency check of G/L settings
- Activating the required business functions

This configuration is completed under **SAP Customizing Implementation Guide • Migration to SAP S/4HANA Finance • Preparations and Migration of Customizing • Preparations and Migration of Customizing for General Ledger**, as shown in Figure 3.1.

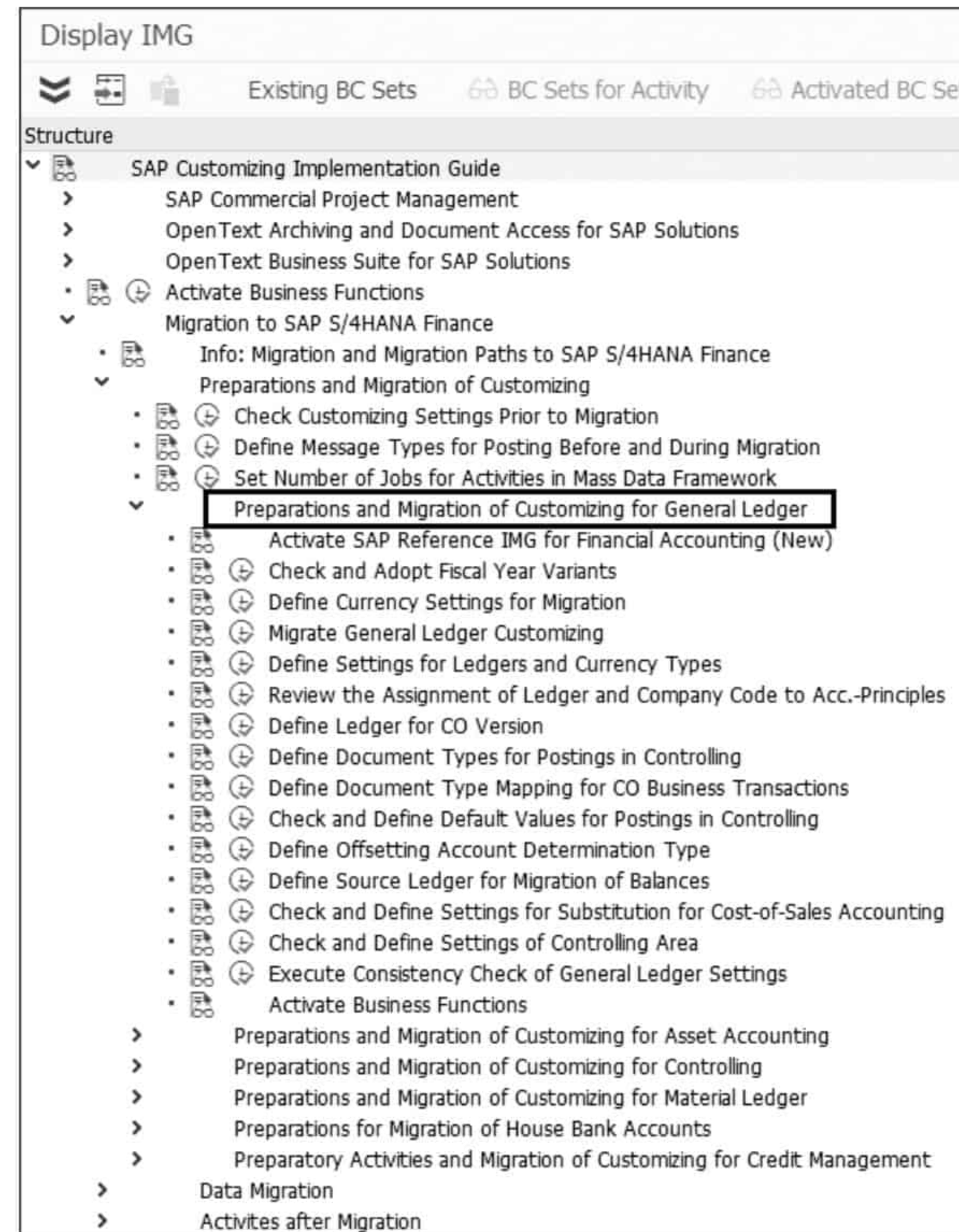


Figure 3.1 Customizing the General Ledger

Let's begin by activating the SAP reference IMG structure for SAP ERP Financials.

3.1 Activate SAP Reference Implementation Guide for Financial Accounting (New)

In this activity, you activate the SAP reference IMG structure for FI and the menu path that is associated with it by following these steps:

1. Select Transaction SA38.
2. Enter the program RFAGL_SWAP_IMG_NEW.
3. Select **Execute**.
4. Under **Activate/Deactivate New Implementation Guide**, choose **Activate New IMG**, and then select **Execute** (see Figure 3.2).

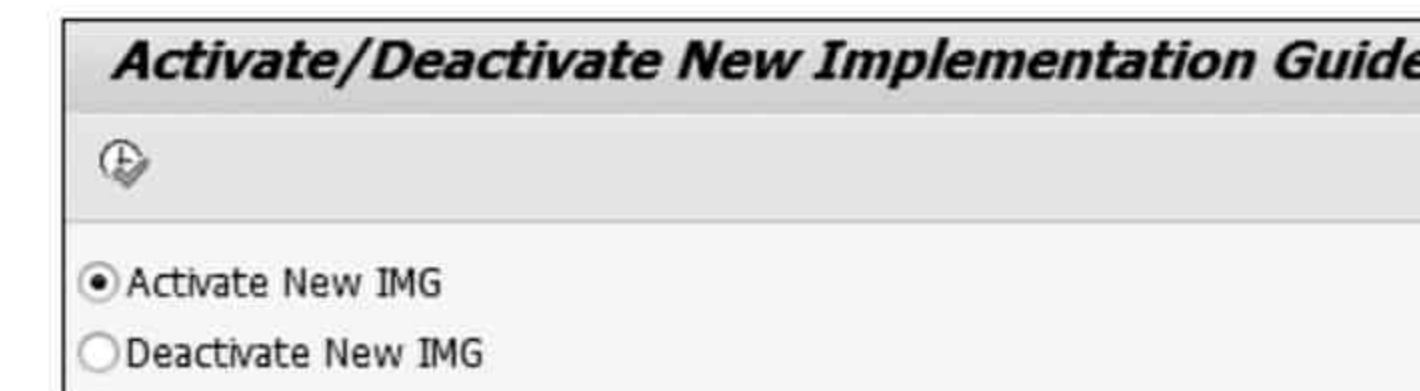


Figure 3.2 Activating the New Implementation Guide

5. In another SAP session, enter the program RFAGL_SWAP_MENU_NEW.
6. Select **Execute**.
7. Under **Activate/Deactivate New Menu**, choose **Activate New Menu**, and then select **Execute** so that the relevant structure is visible (see Figure 3.3).



Figure 3.3 Activating the New Menu

3.2 Check and Adopt Fiscal Year Variants

The migration to the Universal Journal requires the same fiscal year variant to be used in both FI and CO.

In this activity, you compare the fiscal year variants between controlling areas and their assigned company codes. If an inconsistency exists in the fiscal year variant configuration, a report is created with a proposal for the required configuration change. You need to execute the report as part of the migration process. The fiscal year variants of CO and FI must be aligned before the migration of the transaction data can be started. The report lists all CO areas and company codes that need to be changed, as well as the number of the posting periods and special periods.

The **Det. FYV for CoAr** (determined fiscal year variant for controlling area) and **Det. FYV for CoCd** (determined fiscal year variant for company code) columns provide the proposal for the configuration change. The report must be executed using Transaction FINS_MIG_FYV for all relevant controlling areas.

If no changes are required, the information window shown in Figure 3.4 appears.

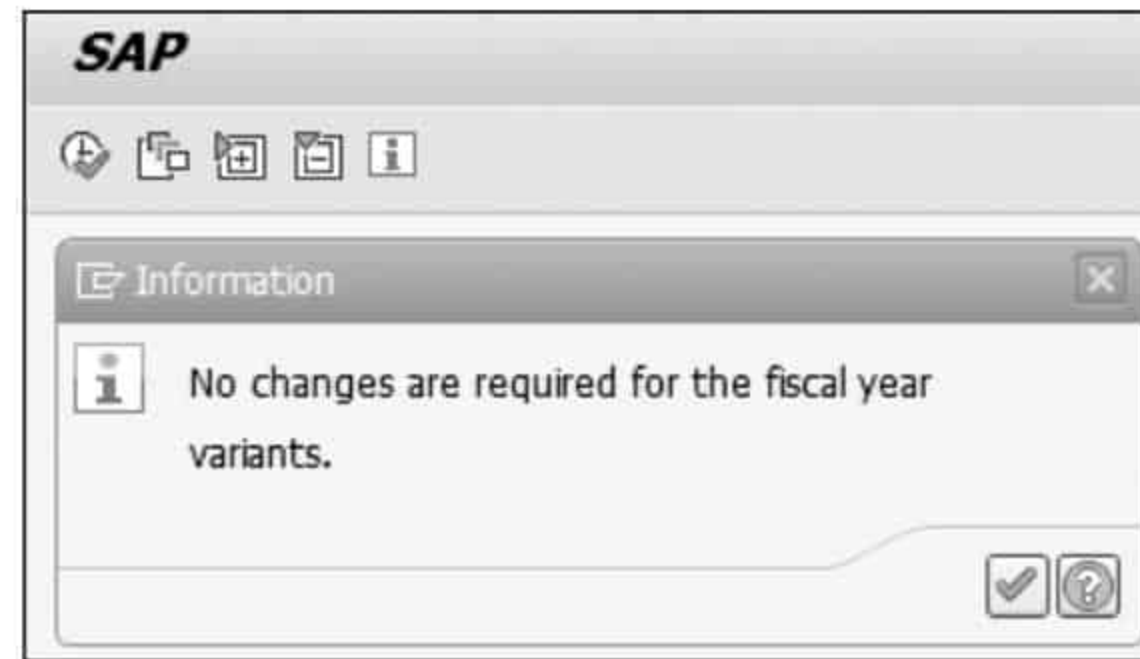


Figure 3.4 Aligning Fiscal Year Variants between CO and FI

3.3 Define Currency Settings for Migration

In this activity, the currency settings are established so that the Universal Journal entry provides amount information for all currency types, including the one that was only used in the CO module prior to the migration to SAP S/4HANA Finance.

In classical SAP, statistical postings in CO did not require a mandatory local currency posting, but in SAP S/4HANA Finance, the Universal Journal always requires a posting in a local currency. Thus, the exchange rate type needs to be defined so that these CO-related transactions can be migrated along with a local currency amount using the exchange rate type and the posting date. If the exchange rate type setting is not defined, then the affected transactions are migrated with zero as the amount.

The settings also need to be defined for amounts that used currency types only in CO, determining whether to use FI currency Customizing or the CO approach in the SAP S/4HANA instance going forward.

Expert Insight

You might encounter an error titled **Currency Types 10/20/70 in Document Header Inconsistent**, which might be the result of the CO area currency being changed from currency type 10 to 30 in the past, resulting in the migration error (shown in Figure 3.5).

In this situation, you should ignore the inconsistency as it pertains to the past closed fiscal years. Moreover, the pre- and post-migration reports should reconcile.

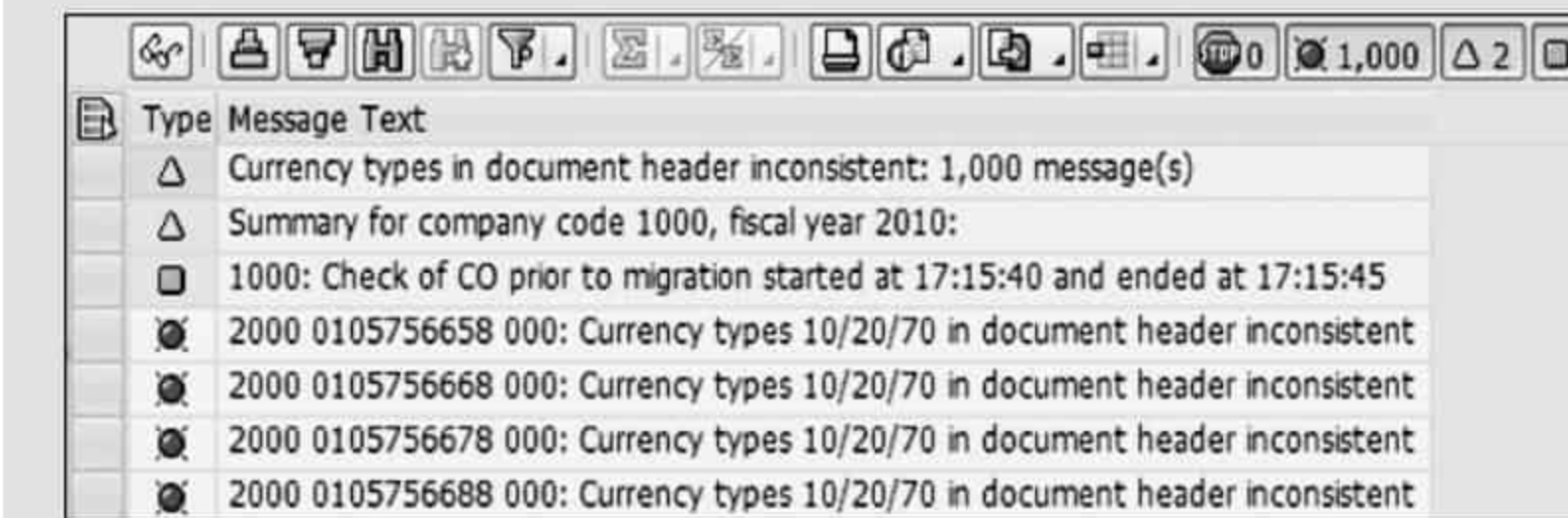


Figure 3.5 Error in Currency Type

3.4 Migrate General Ledger Customizing

In this activity, you migrate all the ledgers to the new configuration using Transaction FINS_MIG_LEDGER_CUST, as shown in Figure 3.6.

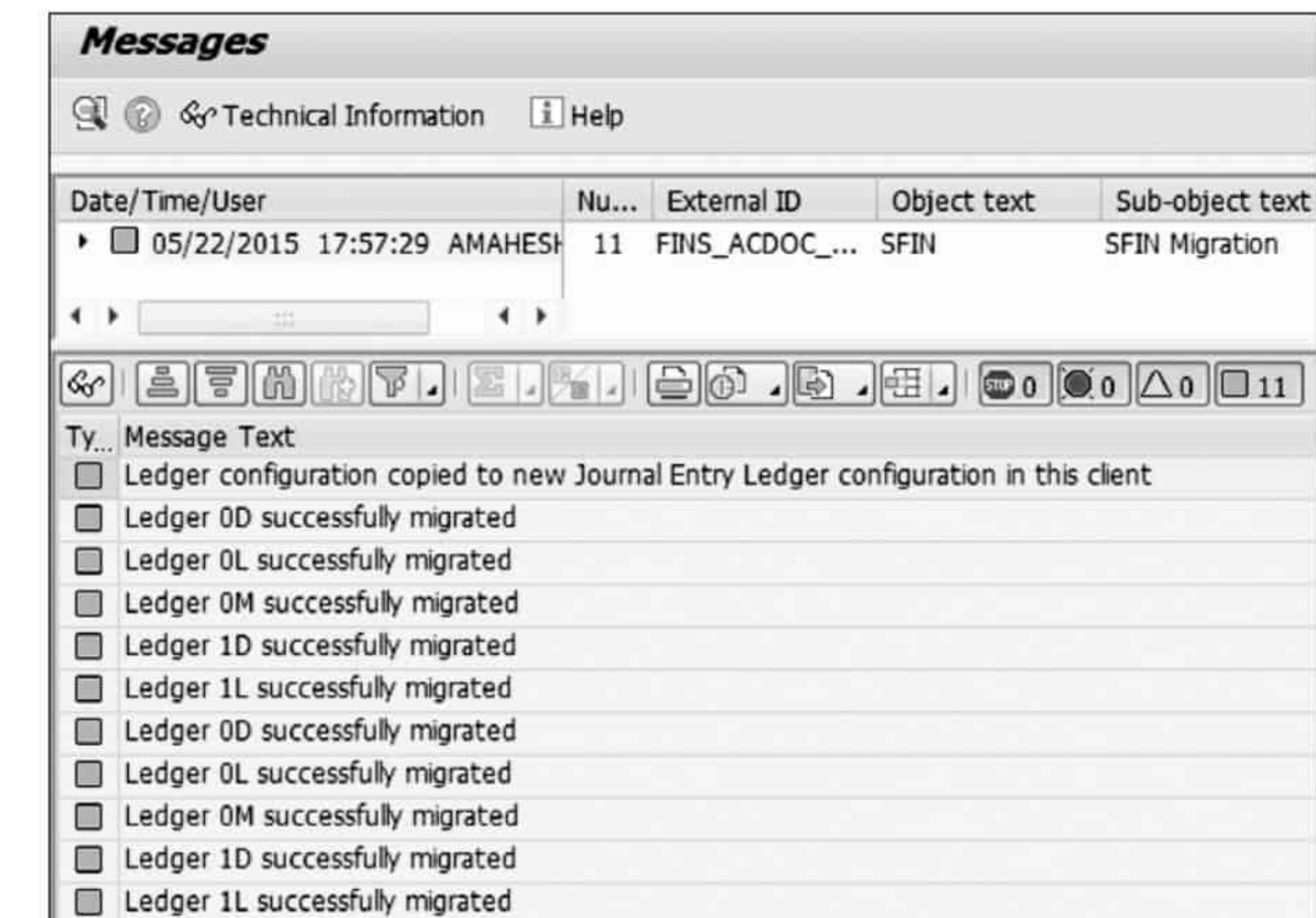


Figure 3.6 Migrating General Ledger Customizing

The following settings are migrated:

- Company code assignments
- Currency settings

- Fiscal year variant
- Open period variant
- Settings for real-time integration of CO and FI

After all these items are migrated successfully, you can proceed to the next step.

3.5 Define Settings for Ledgers and Currency Types

In this activity, you define ledgers, which you use in accounting. Only one ledger can be defined as the leading ledger (the standard leading ledger is OL). There are two types of ledgers:

1. Standard ledger

The *standard ledger* consists of all journal entries related to any business transactions.

2. Extension ledger

Introduced in SAP S/4HANA Finance, an *extension ledger* is assigned to a standard ledger, from which it inherits all journal entry postings. The ledger type *extension ledger* has been named as *appendix ledger*, as shown in Figure 3.7. Any specific adjustments required to be posted only to the appendix ledger aren't duplicated in the standard ledger. Thus, the appendix ledger takes the base values from the standard ledger and then combines the specific appendix ledger postings. This prevents multiple data footprints and significantly reduces data redundancy because the journal entries don't need to be posted to both the appendix and the standard ledger.

You also need to assign company codes to ledgers and define currency settings and fiscal year variants. The step-by-step configuration settings are shown in Figure 3.7 through Figure 3.10.

The following requirements must be met before performing this Customizing activity:

- Company codes are configured with currency, fiscal year variants, and open period variants.
- Controlling areas are configured with currency types and fiscal year variants.
- Company codes are assigned to controlling areas.

- Migration and Customizing of the ledger is completed.
- Ledger OL is configured as the leading ledger.
- The leading ledger is assigned to all company codes.

In this Customizing setting, **Ledger OL** needs to be assigned as the **Leading** ledger (see Figure 3.7). Here, you also need to create all the other standard (nonleading) ledgers and appendix ledgers required for parallel accounting for the organization.

Change View "Ledger for the unified Journal Entry": Overview				
Dialog Structure				
<ul style="list-style-type: none"> ▼ Ledger for the unified Journal Entry <ul style="list-style-type: none"> ▼ Company Code Settings for the Ledger <ul style="list-style-type: none"> Accounting Principles for Ledger and 				
Ledger for the unified Journal Entry				
Ledger	Leading	Ledger Type	Ledger Name	Underl. Ldgr.
0D	<input type="checkbox"/>	Standard Ledger		
OL	<input checked="" type="checkbox"/>	Standard Ledger	Leading Ledger	
OM	<input type="checkbox"/>	Standard Ledger		
1D	<input type="checkbox"/>	Standard Ledger		
1L	<input type="checkbox"/>	Standard Ledger	Leading Ledger	
L1	<input type="checkbox"/>	Standard Ledger	Parallel Ledger	
Z1	<input type="checkbox"/>	Extension Ledger	Appendix Ledger	OL

Figure 3.7 Standard Ledger Customizing

In this Customizing setting, all company codes need to be assigned to the leading ledger OL. Here, you also need to configure company code assignments to other ledgers, along with currency settings, fiscal year variants, and open period variants for non-leading ledgers. If you want to perform parallel accounting using G/L accounts instead of various ledgers, you need to select the **Parallel GL Accts** checkbox (see Figure 3.8).

Change View "Company Code Settings for the Ledger": Overview						
Dialog Structure						
<ul style="list-style-type: none"> ▼ Ledger for the unified Journal Entry <ul style="list-style-type: none"> ▼ Company Code Settings for the Ledger <ul style="list-style-type: none"> Accounting Principles for Ledger 						
Ledger: OL						
Company Code Settings for the Ledger						
CoCd	Company Name	Local Curr. Type	Group Curr. Type	Add. Curr. Type	FV Fiscal Year Variant	Description
1000	Smart US Company	Company code cu...	Group currency		K4	Cal. Year, 4 Special Periods
						Parallel GL Accts <input type="checkbox"/>

Figure 3.8 Ledger Assignment to Company Code

In this Customizing setting, you need to assign accounting principles to the ledger. This assignment ensures that documents posted for a particular accounting principle are posted to the assigned ledger, whereas documents for which the

accounting principle hasn't been assigned are posted to all ledgers (see Figure 3.9 and Figure 3.10).

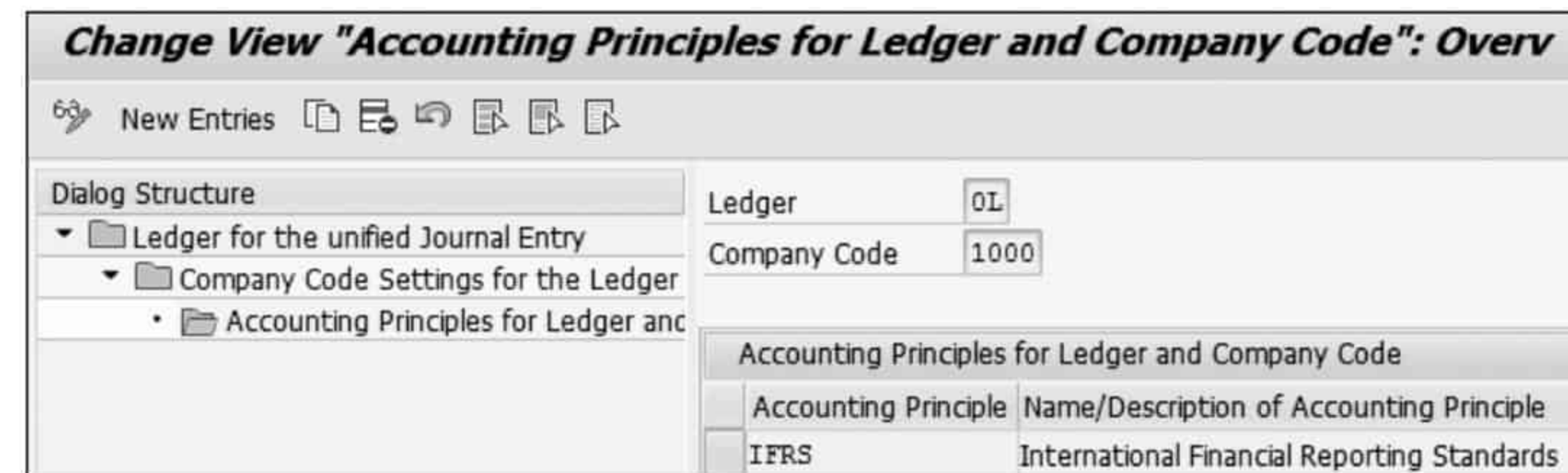


Figure 3.9 Accounting Principle Assignment to Ledger 0L and Company Code

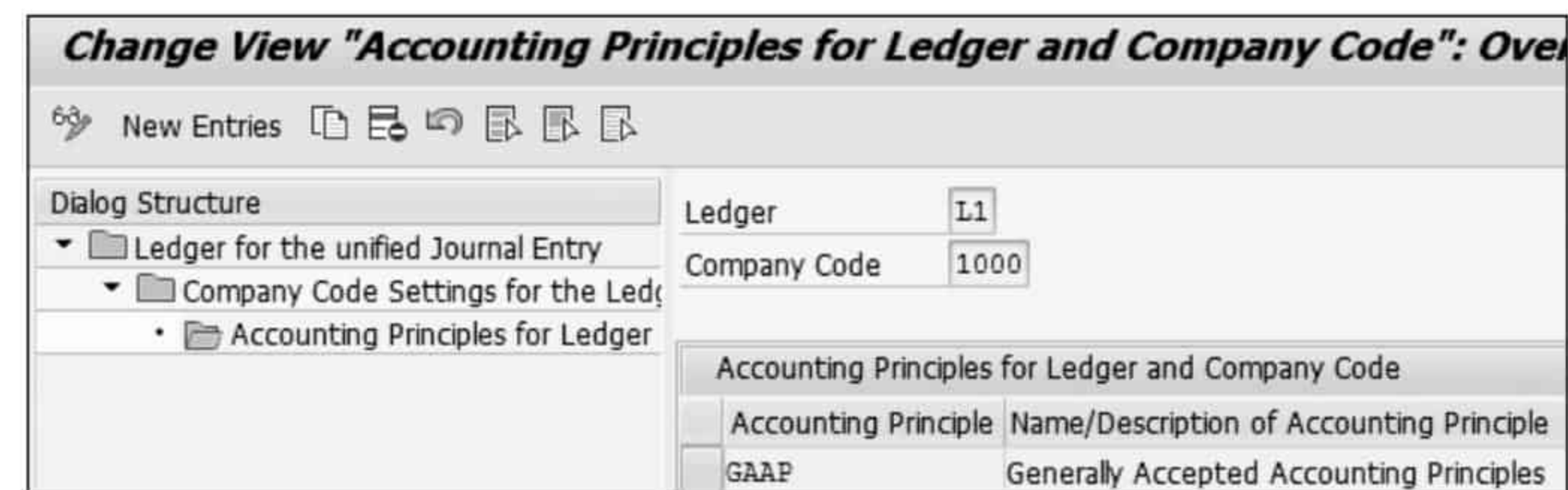


Figure 3.10 Accounting Principle Assignment to Ledger L1 and Company Code

References

For more information, see SAP Note 1951069: Different Fiscal Year Variants in General Ledger Accounting (New).

3.6 Define Ledger Groups

In this activity, you define ledger groups, as shown in Figure 3.11. The creation of ledger groups simplifies the individual functions and processes of General Ledger Accounting. You can create as many ledger groups as needed and can assign any number of ledgers in a ledger group as needed to meet your business goals.

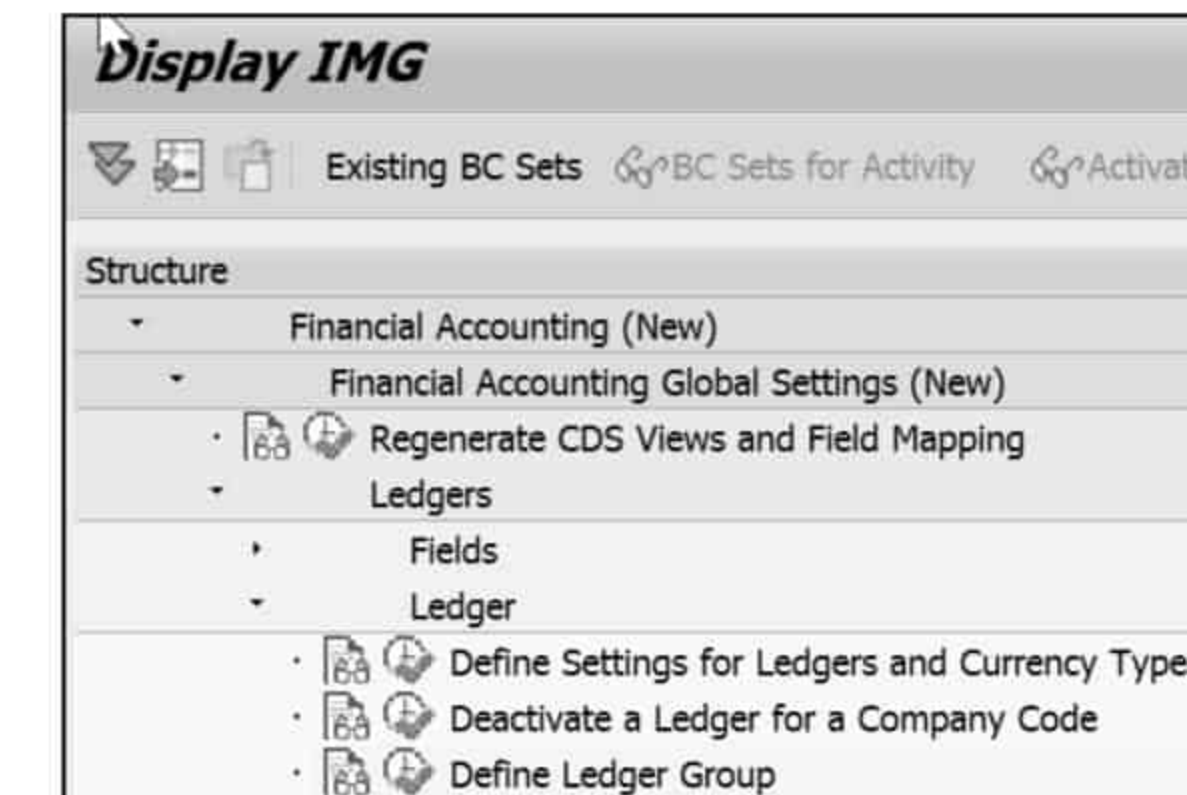


Figure 3.11 Customizing the Ledger Group

When a ledger is created in the system, a ledger group with the same name is automatically created, whereby data for an individual ledger can be posted and accessed merely by entering the ledger group. Some properties of ledger groups include the following:

- You can rename the ledger group that was created automatically when creating the ledger.
- You can create ledger groups that enable you to bring several ledgers together for joint processing in a function.
- If a ledger group isn't specified while posting an entry, the system posts to all the ledgers by default. Thus, creating ledger groups for all ledgers isn't required.

Within the ledger group, you need to assign one ledger as the representative ledger by selecting the **Rep. Ledger** checkbox, as shown in Figure 3.12. The best practice is to have the leading ledger 0L as your representative ledger. Posting to all the ledgers is determined by the posting period of the representative ledger. If the posting period of the representative ledger is open while the posting period of the nonrepresentative ledger is closed, the system still posts to all the ledgers. The criteria for a representative ledger are as follows:

- Any ledger can be assigned as a representative ledger if all the ledgers in the group have a fiscal year variant that is different from the one assigned to the company code.
- If a ledger in the group has the same fiscal year variant as assigned to the company code, then that ledger must be assigned as the representative ledger within the ledger group.

Thus, you may not be able to use the same ledger group for all the active company codes within the organization.

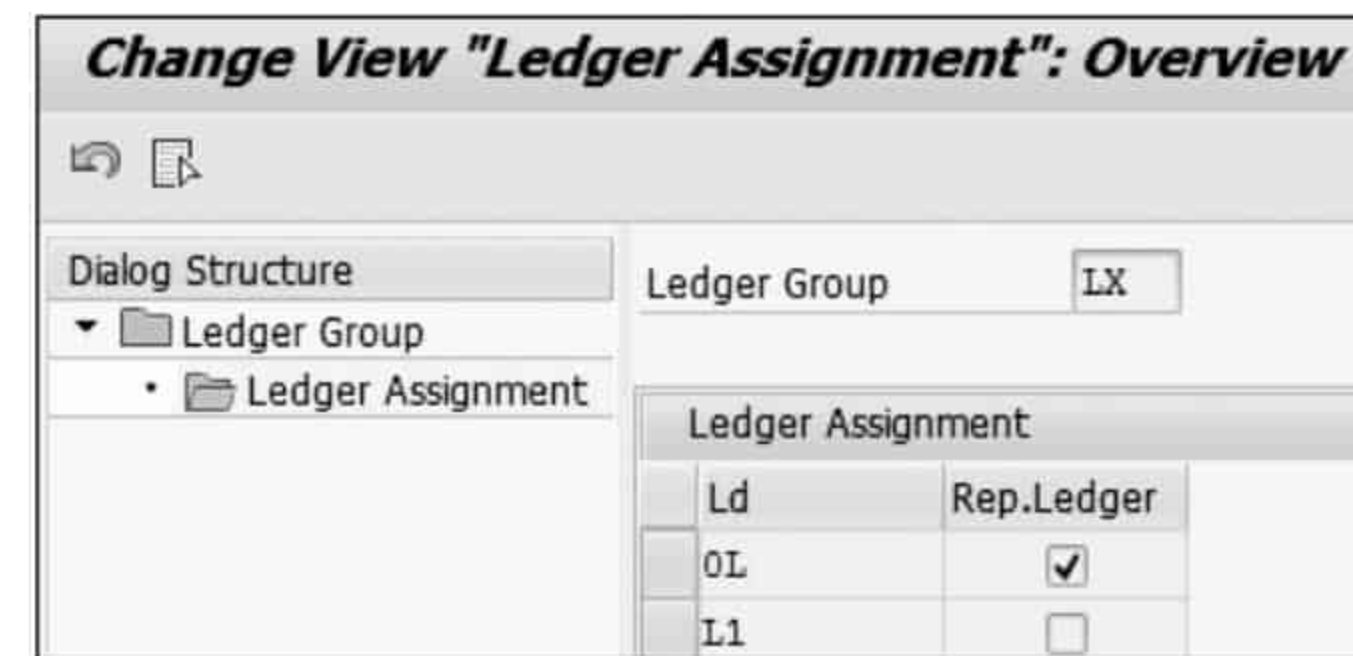


Figure 3.12 Defining the Ledger Group and Representative Ledger

3.7 Assign the Accounting Principle to the Ledger Group

After the ledger groups are created, you need to assign the ledger group to the accounting principle for the organizational legal and statutory reporting requirements. You can do so by choosing **SAP Customizing Implementation Guide • Financial Accounting (New) • Financial Accounting Global Settings (New) • Ledgers • Parallel Accounting • Assign Accounting Principle to Ledger Groups**, as shown in Figure 3.13.

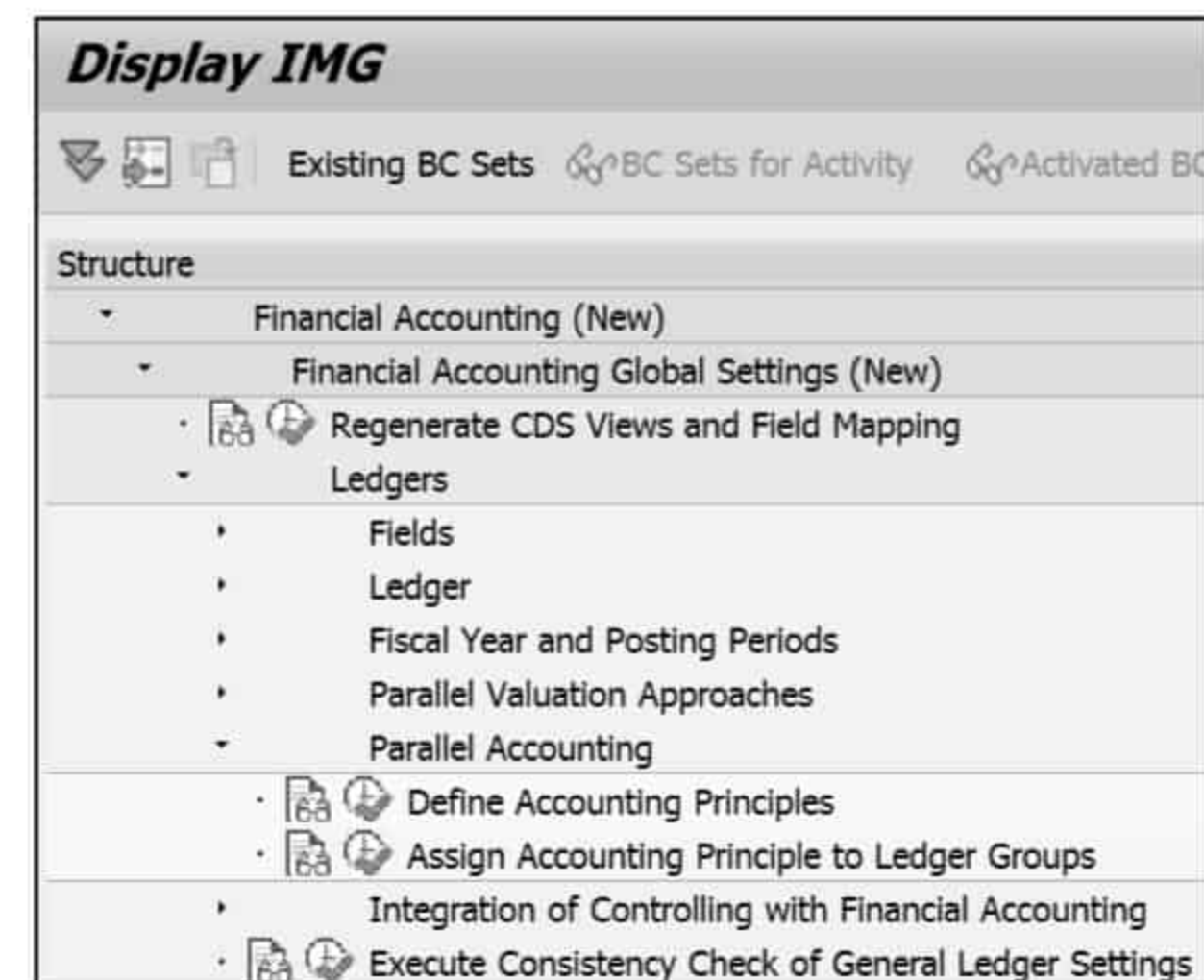


Figure 3.13 Assign Accounting Principle to Ledger Groups

Upon execution of this Customizing transaction, you then assign the accounting principle to the ledger group, as shown in Figure 3.14.

Accounting Principle	Target Ledger Group	Description
	0L	
60	0L	
GAAP	L1	Non-Leading Ledger
HGB	0L	
IAS	0L	
IFRS	0L	

Figure 3.14 Ledger Groups Assigned to Accounting Principles

3.8 Review the Assignment of Ledger and Company Code to Accounting Principles

In this activity, you need to evaluate the accounting principle as assigned to the combination of ledger and company code. When a journal entry is posted with an accounting principle in the universal journal, the settings here drive posting to all the ledgers that are assigned the accounting principle as selected in the journal entry, as shown in Figure 3.15.

Ledger	Company Code	Acc.Princ.	Name/Description of Accounting Principle	Company Name	Ledger Name
0L	1001	IFRS	Internation Financial Reporting Standards	US Legal Entity 1	Leading Ledger
A1	E101	UGAP	US GAAP	US Legal Entity 1 - EHT	Appendx Ledger
N1	1002	LGAP	Local GAAP	CA Legal Entity 1	Non Leading Ledger

Figure 3.15 Assignment of Ledger and Company Code to Accounting Principle

3.9 Define the Ledger for the Controlling Version

In this activity, you define a ledger in which all actual data relevant to CO is posted by assigning **Version 0** to a ledger. The version is assigned at the company code level, and the same ledger needs to be used for all company codes.

Currently, **Version 0** needs to be assigned to the leading ledger for all company codes that are assigned to a CO area, as shown in Figure 3.16.

The fiscal year variant of the company code must be identical to that of the controlling area.

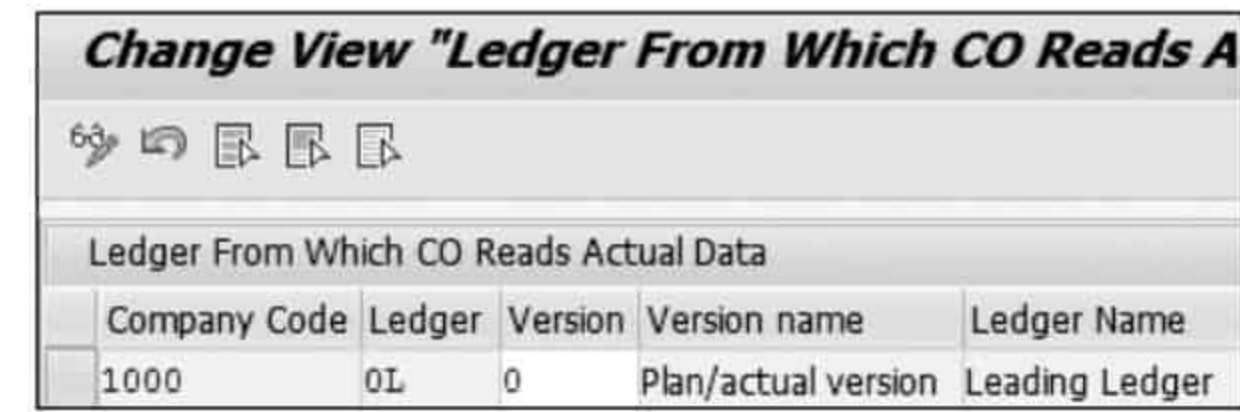


Figure 3.16 Assigning the Ledger to the CO Version

3.10 Define Document Types for Postings in Controlling

In this activity, you create and define new document types for CO-related postings. For example, you can create a separate document type that can be used for the reposting or allocation of primary costs. For document types used in CO, you must select the **G/L Account** indicator under the **Account Types Allowed** section.

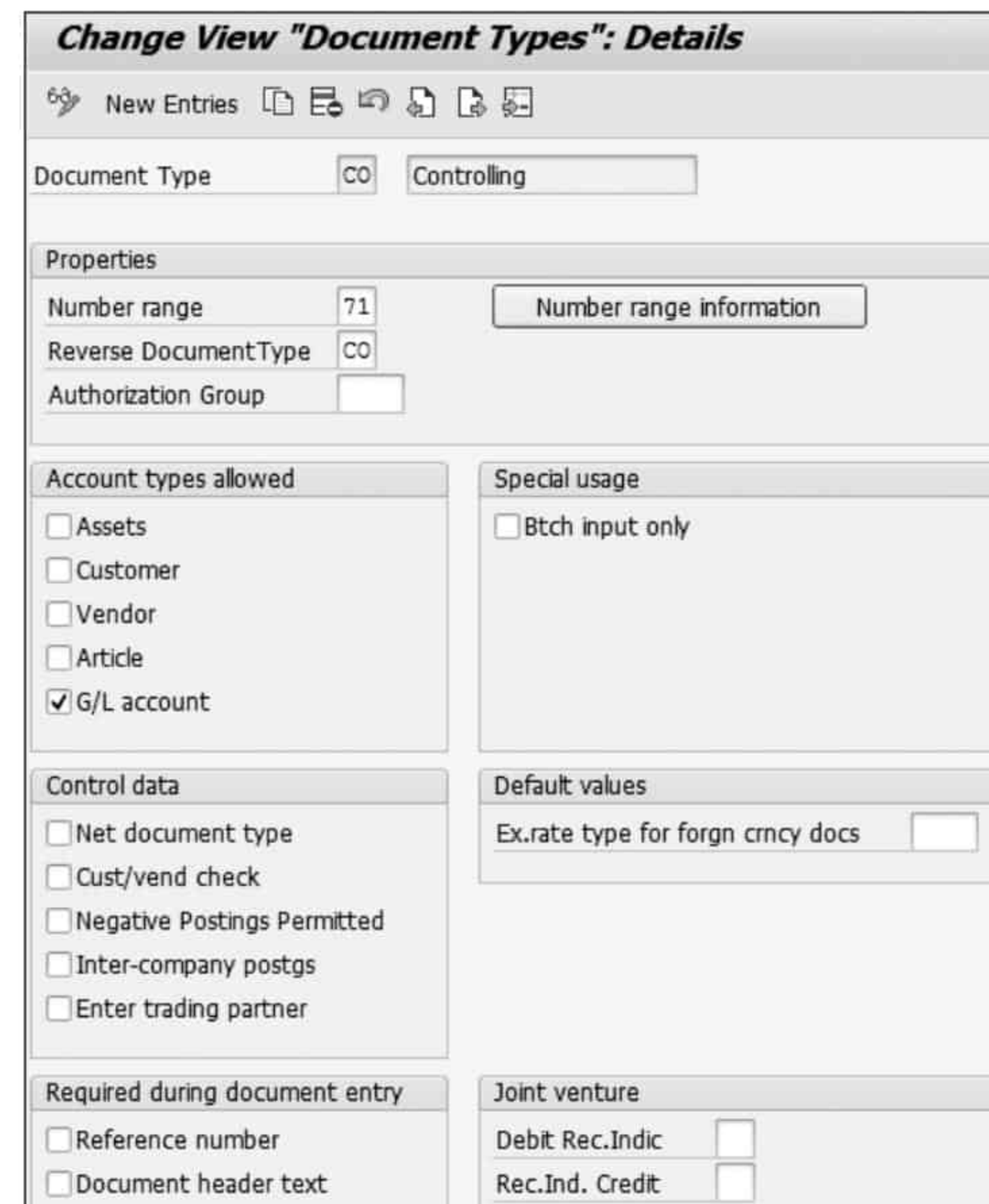


Figure 3.17 Document Type Properties for CO

In the example shown in Figure 3.17, **Document Type CO** is defined with account type **G/L Account** checked.

3.11 Define Document Type Mapping for Controlling Business Transactions

In this activity, you define a variant for mapping CO business transactions to document types. You must conduct and define this mapping exercise for all CO actual posting business transactions.

A default mapping variant is generated during the Customizing activity for the migration of the ledger in which all CO business transactions are mapped to the document type associated with the CO-FI real-time integration, as shown in Figure 3.18.

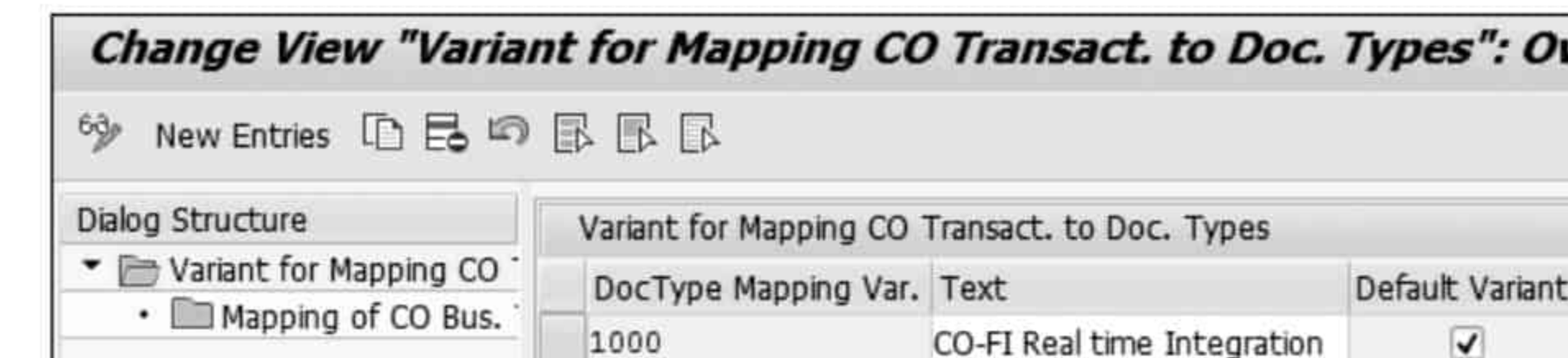


Figure 3.18 Variant for Mapping the CO Transaction to Document Types

Figure 3.19 shows how the CO business transactions are assigned to the document type.

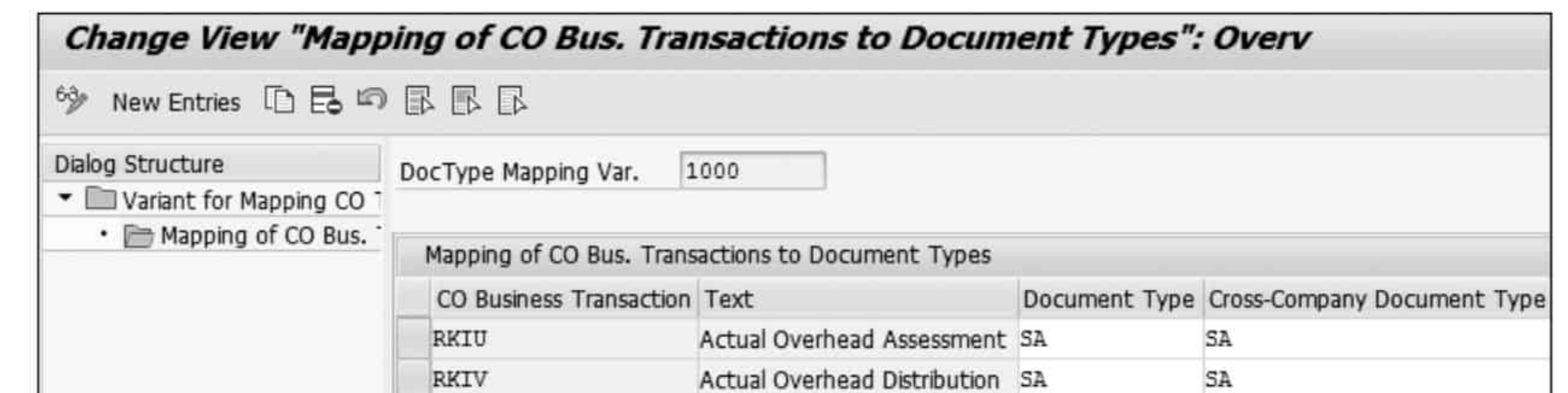


Figure 3.19 Mapping of CO Transactions to Document Types

3.12 Check and Define Default Values for Postings in Controlling

In this activity, you define default values for posting CO business transactions in which the user interfaces don't allow any document type or ledger group as an input

while posting. If a default ledger group isn't specified in this Customizing activity, all CO-related transactions are posted to all the ledgers, as shown in Figure 3.20.

Company Code	Valid From	Default Ledger Group	DocType Mapping Var.
0001	01/01/1900		0000000100
1000	01/01/1900	LX	1000
RECO	01/01/1900		0000000100
REOB	01/01/1900		0000000100
RERF	01/01/1900		0000000100

Figure 3.20 Default Values for Postings in CO

To define the ledger group and assign the ledgers (see Figure 3.21), use the Customizing menu path **Financial Accounting (New) • Financial Accounting Global Settings (New) • Ledgers • Ledger • Define Ledger Group**.

Ld	Rep.Ledger
0L	<input checked="" type="checkbox"/>
L1	<input type="checkbox"/>

Figure 3.21 Ledger Group Assignment

Here, you first create ledger groups as required, provide a description for each of the groups, and then assign ledgers as applicable to each of the ledger groups. When posting a document, you can specify a ledger group so that all the documents are posted only to those ledgers that are in that group.

The system assigns a representative ledger within a group that has more than one ledger. The representative ledger is used to determine the posting period and to check if the period is open for posting. If the representative ledger is open, the system still posts to all the ledgers in the group, even though the posting period for the other ledgers in the group might be closed.

3.13 Define the Offsetting Account Determination Type

In this activity, you define the offsetting account determination for all applications. This activity needs to be executed before the migration to SAP S/4HANA Finance.

You should choose the **As Case 2, but Including Line Items Generated Automatically** option, as shown in Figure 3.22, because this option always displays the offsetting account with the highest amount, along with the line items that are generated automatically.

Offsetting Acct Determination
As case 2, but including line items generated automatically
Do not display offsetting account
Display offsetting account if clearly specified
Always display offsetting account with the highest amount
As case 2, but including line items generated automatically

Figure 3.22 Define Offsetting Account Determination

3.14 Define the Source Ledger for Migration of Balances

In this activity, you define the source ledger and the source database table of the balances for General Ledger Accounting from which you want to transfer the opening balances. To do so, you use the following information:

- Target ledger
- Company code (you can specify "*" to apply the settings to all company codes)
- Starting fiscal year (by specifying the year as "0001", you apply the settings for all fiscal years)

Organizations using the new G/L can specify one entry per ledger, where the source and target ledger are equal. In the example in Figure 3.23, 0L is defined as both the source and target ledger for CoCd 1000 for the purpose of migration of balances.

Ld	CoCd	Year	Src.Ledger
0L	1000	1900	0L
L1	1000	1900	L1

Figure 3.23 Source Ledger for Migration of Balances

Expert Insight

If your organization was on classic G/L before and migrated to new G/L, then you have to specify a minimum of two line items. The first line item states the year from which the classic G/L ledger 00 was the source, and the second line item states the year from which the new G/L ledger 0L was the source. In both the cases, the target ledger remains 0L only.

3.15 Check and Define Settings for Substitution for Cost-of-Sales Accounting

In this activity, you define substitution rules; it's relevant only when the functional area is being used for cost-of-sales accounting, as shown in Figure 3.24.

Display View "Substitution in Accounting Documents"				
CoCd	CallPnt	Substitution	Description	Activtn level
1000	5	01-UKV	Cost of sales accounting	1
1001	5	01-UKV	Cost of sales accounting	1

Figure 3.24 Define Substitution Settings

3.16 Check and Define Settings of Controlling Area

In this activity, you need to define and validate the setting for the controlling area because SAP S/4HANA Finance behaves a bit differently compared to classic SAP ERP.

In SAP S/4HANA Finance, posting to an account assignment object such as a cost center is only possible from the company code defined in the master data of the account assignment object. This limitation is only applicable for external accounting; cross-company cost allocation will continue to work using intercompany clearing accounts. Thus, the **CoCd Validation** indicator should be checked for the current fiscal year and all future fiscal years at a minimum, as shown in Figure 3.25.

Change View "Activate components/control indicators": Overview				
Controlling Area		Controlling Area 1000		
Existing Fiscal Year Intervals				
Year	All Currencies	Variances	CoCd Validation	
2015	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2016	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
2017	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Figure 3.25 Activate Control Indicators for Controlling Area

Because the transaction currency is always recorded in a single Universal Journal in SAP S/4HANA Finance, you should activate and check the **All Currencies** boxes in the controlling area, as shown in Figure 3.25. In classic SAP ERP, it was possible to post only in CO, but with the integration of CO with FI in SAP S/4HANA Finance, the postings within CO are also posted to the G/L using the Universal Journal. Therefore, you should check the **All Currencies** indicator and record all amounts in the transaction currency as well; otherwise, you might get an error message stating **Activate Control Indicator "All Currencies" (CO Area XXXX/FiscYr XXXX)**.

3.17 Execute Consistency Check of General Ledger Settings

In this activity, the Customizing settings for the ledgers are checked using Transaction FINS_CUST_CONS_CHK. This check must be executed before migration of transaction data with no error messages. You should receive the **Check Passed** message, as shown in Figure 3.26, upon execution of this consistency check.

Ty... Message Text	
<input type="checkbox"/>	Currency conversion settings for ledger / company assignment checked in this client
<input checked="" type="checkbox"/>	Check passed

Figure 3.26 Consistency Check of General Ledger Settings

3.18 Activate Business Functions

In this activity, you need to activate the business functions that are necessary for migrating to SAP S/4HANA Finance. You must activate the following business

functions in the Customizing system using Transaction SFW5 and then import them into the production system:

- **FIN_GL_CI_1**
This General Ledger Accounting business function helps to optimize the processes related to parallel accounting, as well as planning and reporting based on profit centers.
- **FIN_GL_CI_2**
This General Ledger Accounting business function enhances the processes for parallel accounting by enabling its integration with CO.
- **FIN_GL_CI_3**
This business function helps to improve the processes related to periodic tasks and optimize the usage of archive functionality. Analysis of actual/actual comparison between the ledgers can be done while conducting the financial statement analysis. This business function also plays an important role in managing the assigned numbers when assets are transferred.

All three business functions activate functionality in G/L, which is mandatory for the implementation of SAP S/4HANA Finance (see Figure 3.27).

E1D - Switch Framework: Change Business Function Status		
<input type="checkbox"/> Check <input type="checkbox"/> Discard Changes <input type="checkbox"/> Activate Changes <input type="checkbox"/> Switch Framework Browser <input type="checkbox"/> Display L		
Business Function Set		SAP Retail
Name	Description	Planned Status
• FIN_GL_CI_1	New General Ledger Accounting	Business func. will remain activated
• FIN_GL_CI_2	New General Ledger Accounting 2	Business func. will remain activated
• FIN_GL_CI_3	New General Ledger Accounting 3	Business func. will remain activated

Figure 3.27 New General Ledger Business Functions Activated

Now that you've set up and customized the G/L, let's take a look at what impact this has on your architecture, functionality, and configuration.

3.19 Key Changes to the General Ledger

With the emergence of SAP S/4HANA Finance, SAP eliminated redundant data, such as aggregates and indexes, and continued the reduction of the memory footprint and table design. This section analyzes the major impact that SAP S/4HANA Finance's

table architecture design, business process transactions, and configuration changes have had on General Ledger Accounting, as well as the impact on some related areas.

Traditionally, SAP stored SAP General Ledger (G/L), customer, and vendor balances and open item statuses in various database tables to support reporting. With the introduction of SAP S/4HANA Finance, the same reporting can be achieved directly from table ACDOCA without storing balances or open item statuses separately. All the fields from submodules such as Controlling (CO), Asset Accounting (FI-AA), SAP Material Ledger (ML), and Profitability Analysis (CO-PA) are available in table ACDOCA. The roadmap for SAP is to use table ACDOCP for planning data and table ACDOCC for consolidation data.

In an earlier version of SAP ERP Financials (FI), the secondary cost elements couldn't be displayed in the financial statement. In SAP S/4HANA Finance, the secondary cost elements are created as G/L accounts, which allows secondary cost elements to be included and viewed in the financial statement version as well.

1709 Preview

With the release of SAP S/4HANA 1709, the Universal Journal can be implemented or migrated from various scenarios, as follows:

- The organization is using new G/L, with parallel ledgers and document splitting activated.
- The organization is using classic G/L. An important point to note here is that after moving from classic G/L to the Universal Journal, you can subsequently introduce parallel ledgers and document splitting as two separate projects in any sequence. Although parallel ledgers functionality was introduced with the 1605 release of the SAP S/4HANA Finance add-on, document splitting was introduced with version 1709. Both options require a fiscal year change in SAP S/4HANA as a prerequisite step.
- The organization is using classic G/L and undertook the migration to a new G/L project.

3.19.1 Architectural Impact

The biggest change to the architecture of General Ledger Accounting is the new journal entry, which consists of a header record (table BKPF) and the respective line items record (table ACDOCA), as shown in Figure 3.28. The attributes of these tables are as follows:

- With SAP S/4HANA Finance, when you post a journal entry, the header record is posted in table BKPF, and the line item record is posted in table ACDOCA. There are rare exceptions in which only line item records in table ACDOCA are written, without a corresponding document header record. This includes transactions related to carryforward, corrections in migration, and so on.
- The corresponding line items have artificial document numbers beginning with a letter (e.g., A).
- Table ACDOCA contains all fields (350+) required for G/L, CO, FI-AA, ML, and CO-PA.
- Tables ACDOCA and BSEG don't store completely identical dimensions.
- Table ACDOCA has fields from CO, ML, and FI-AA that aren't in table BSEG; similarly, table BSEG has dedicated fields for open item management/payment that aren't in table ACDOCA.
- Due to the 999-document line item posting limitation, table BSEG is usually aggregated. This limitation doesn't exist in table ACDOCA.
- Table ACDOCA stores all CO internal postings; these aren't posted to table BSEG.
- Table ACDOCA stores carryforward transaction postings and correction line items from migration; these lines aren't stored in table BSEG.
- Table ACDOCA is a line item table with full integration with all applications, as shown in Figure 3.29.
- Fast multidimensional reporting is possible from table ACDOCA without replicating data to SAP Business Warehouse (SAP BW).
- The Universal Journal can be extended easily with custom fields such as the derivation tools from CO-PA and standard coding block extensibility. The respective custom fields as required are added to the Universal Journal table (Transaction OXK3).

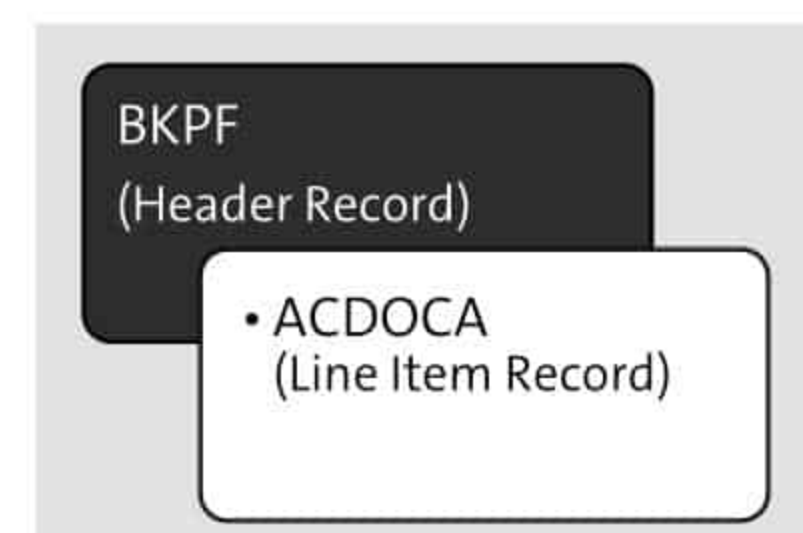


Figure 3.28 Journal Entry Architecture

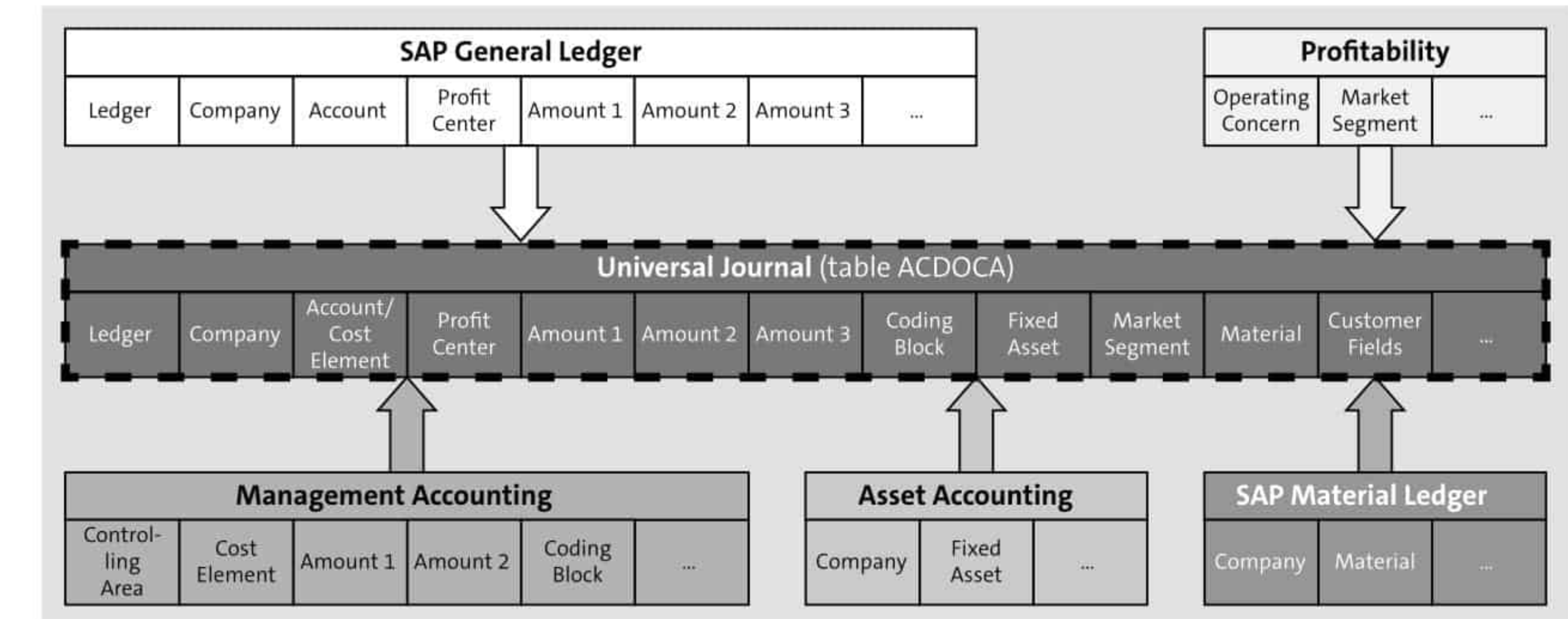


Figure 3.29 Universal Journal Entry

There are also several technical changes in General Ledger Accounting:

- Table ACDOCA stores the data previously stored in table FAGLFLEXA and table FAGLFLEXT.
- Table ACDOCA also stores the data of new G/L public sector industry tables and joint venture accounting.
- Customer-specific new G/L fields ZZ<CUST>T and ZZ<CUST>A are stored in table ACDOCA, as shown in Figure 3.30.
- A compatibility view exists for table FAGLFLEXA and table FAGLFLEXT.
- A compatibility view is provided for the new G/L industry tables and customer-specific new G/L tables. The views are numbered consecutively, such as ZFGLV_GLTT_Cx and ZFGLV_GLSI_Cx, where x is a number.
- Access to old data in tables is still possible via the V_<TABLENAME>_ORI view (e.g., V_FAGLFLEXA_ORI).
- The old data of table FAGLFLEXT is stored in table FAGLFLEXT_BCK.
- Customers can access the old data in customer-defined new G/L tables that are created as views in the Data Dictionary (DDIC). The V_FAGLFLEXA_ORI view can be used as a template.

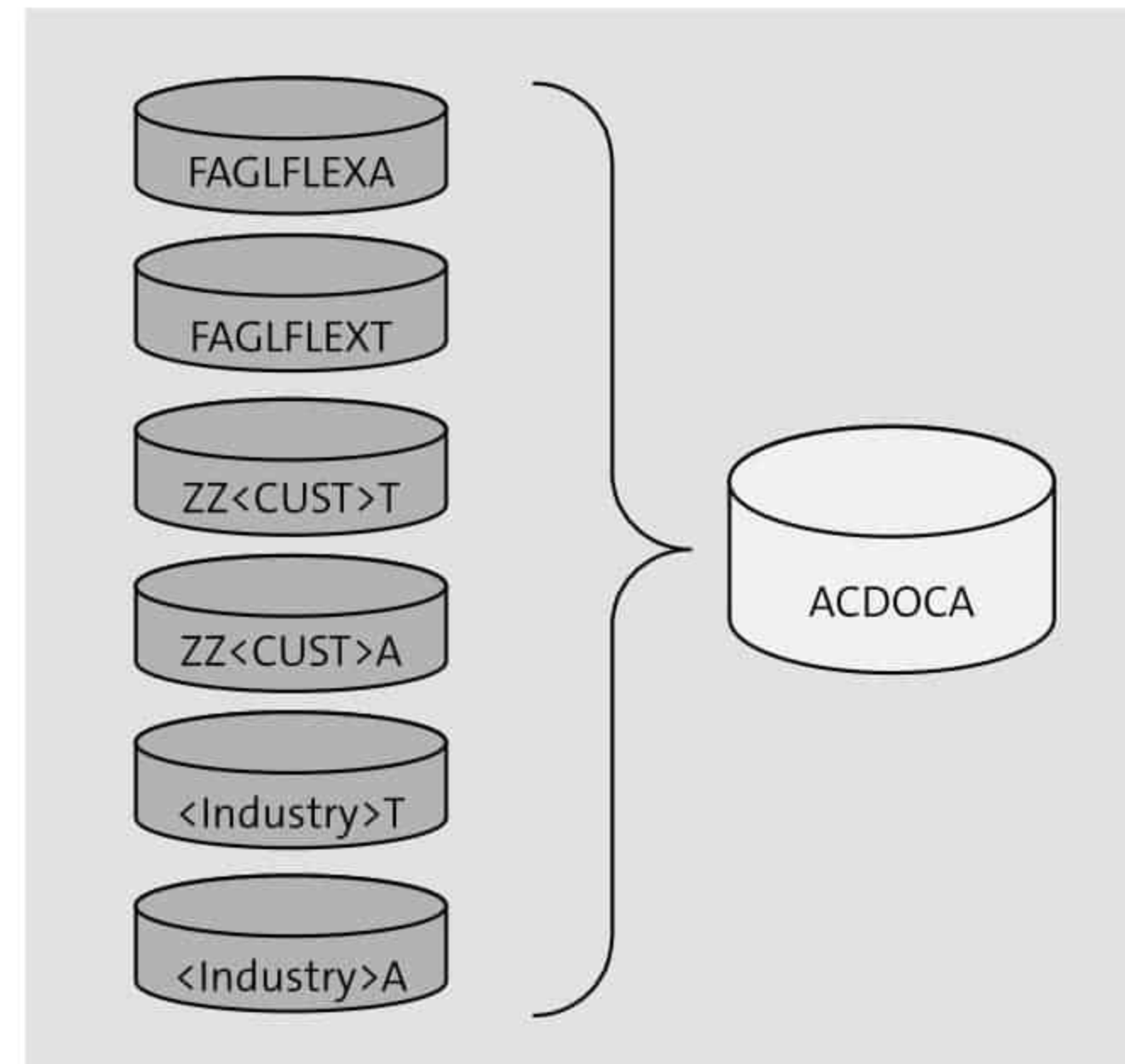


Figure 3.30 Table ACDOCA Structure

SAP S/4HANA Finance also provides for the unification of master data maintenance for G/L accounts and cost elements with the introduction of account type and cost element attributes in Transaction FSOO.

The following are some of the features related to ledgers, document postings, and deployment that have been impacted with the introduction of SAP S/4HANA Finance:

■ **Document number in CO**

- Transactions posted in CO use a CO document number—for example, repostings (Transactions KB11 and KB41).
- Original documents (prima nota) are used for the Universal Journal entry.
- The existing Customizing for CO document numbers is still valid.
- The field name in the Universal Journal entry is `CO_BELNR`.

■ **Journal entries triggered from other applications (FI, Logistics, etc.)**

- A cryptic document number is generated into field `CO_BELNR`; this number is needed for CO compatibility views.
- The Universal Journal entries from CO can be grouped by the CO document number generated (e.g., cross-company postings).

■ **Document summarization**

- Document summarization is still possible for other tables because table `ACDOCA` stores the complete detail needed for all components based on table `ACDOCA` (G/L, FI-AA, ML, CO, CO-PA).
- Table `BSEG`'s three-digit (999) line item posting limitation still exists in SAP S/4HANA Finance, but because table `ACDOCA` stores the full detail and has a six-digit field for line item numbering and posting, extensive summarization is still possible.

■ **FI postings with SAP S/4HANA Finance**

- Table `ACDOCA` posted via the accounting interface is similar to table `FAGLFLEXA` (new G/L) in the past.
- Entries previously stored in tables `COEP`, `FAGLFLEXA`, `ANEP`, `MLIT`, and so on are stored in table `ACDOCA`.
- Table `BSEG` entries aren't changed.
- Costing-based CO-PA, Profit Center Accounting, Special Purpose Ledger (FI-SL), and Enterprise Controlling Consolidation System (EC-CS) work as before.

■ **Document numbers with SAP S/4HANA Finance**

- With the Universal Journal, any journal entry created can write to components such as G/L, CO, ML, and FI-AA. A single legal document number is generated and populated in tables `BKPF` and `ACDOCA` in field `BELNR`. This document number is year-dependent and company code-specific.
- The system generates a transaction number for CO. This number is captured in the `CO_BELNR` field for CO, and it generates a new number for every 999 lines. In short, one FI (legal) document can have many corresponding CO document numbers, but they are all linked.

■ **Cost element plan and category**

- G/L and cost element planning don't work in SAP S/4HANA Finance as a stand-alone function. SAP BPC for SAP S/4HANA Finance needs to be activated for planning to work.
- The statistical account assignment setting is made for fixed assets and material account objects to flow in accounting documents. It eliminates the feature of traditional FI to create cost element category 90 for fixed assets accounts.

■ Parallel delta versions for actuals in CO

With FI and CO now merged into the Universal Journal, parallel valuation in all areas is provided based on parallel ledgers. Therefore, the existing solution based on parallel delta versions for actuals in CO must be adapted.

■ Concept of prima nota

- The prima nota, which acts as the source document, triggers the creation of journal entries. The prima nota also allows the complete reversal process of the journal entries.
- For every manual FI posting (Transactions FBO1, FB50, FB60, FB70, etc.), the prima nota is stored in table BSEG.
- For classic manual CO postings and posting via BAPIs, the prima nota is stored in table COEP.
- No prima nota is required for allocation postings such as assessment, settlement, and so on because the data are written to table ACDOCA only.
- For material price changes (Transaction MR21) or material debit/credit (Transaction MR22), the prima nota is created in the ML (tables MLHD, MLIT, etc.).

■ Ledger: leading, nonleading, and extension (appendix)

- The leading ledger concept remains the same; that is, it contains a full set of line items in table ACDOCA and is the source for actual CO data (assigned to actual version 0).
- Nonleading standard ledgers, as in the earlier version, can still be assigned to selected company codes. A nonleading ledger contains a full set of line items in table ACDOCA. It inherits the currency configuration of the leading ledger and can have a different fiscal year variant and open period variant.
- The appendix ledger contains only adjustment postings. In reporting, the appendix ledger inherits postings of the base ledger, as shown in Figure 3.31.
- The appendix ledger is assigned to the base ledger and only accepts ledger-specific manual adjustment postings. It inherits currency settings and the fiscal year variant of the base ledger but can have a separate open period variant and company code assignment. Thus, the appendix ledger takes the base from the standard ledger. This prevents multiple data footprints and significantly reduces data redundancy because the journal entries don't need to be posted to both the appendix and the standard ledger.

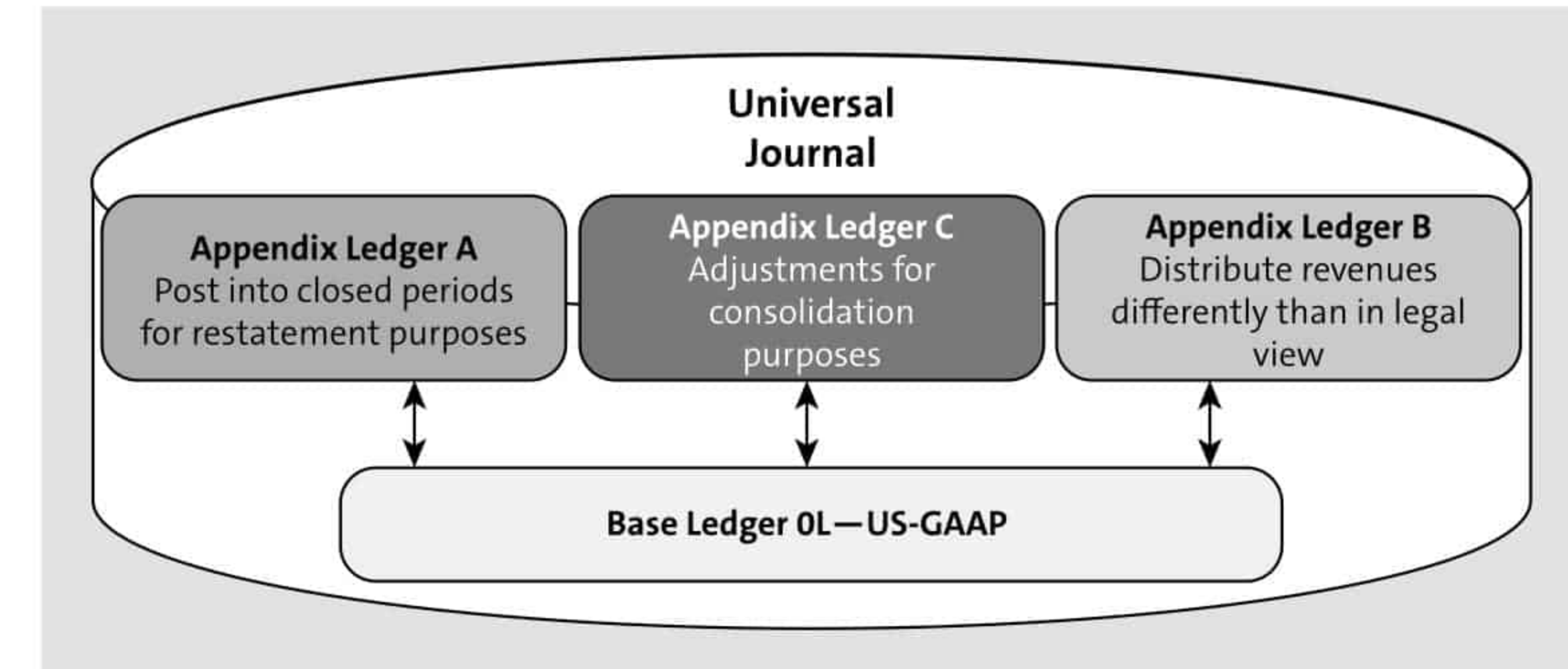


Figure 3.31 Introduction of Appendix Ledger

- The appendix ledger can report on all the transaction data of the base ledger, so it allows you to create views without affecting the base ledger. This is reflected in the ledger architecture illustrated in Figure 3.32.

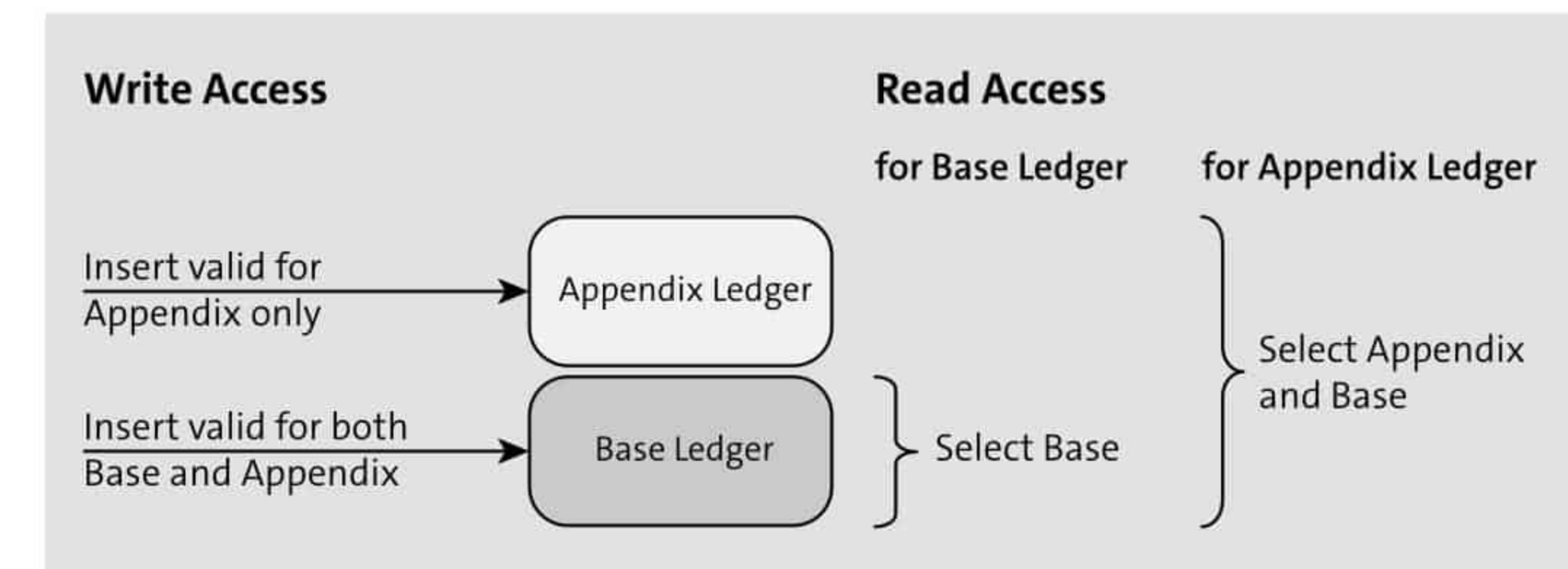


Figure 3.32 Ledger Architecture

■ Usage of Central Finance

- Remember that Central Finance is one of the deployment methods to migrate to SAP S/4HANA Finance. It isn't a product by itself. (See Appendix A for more information!)
- Central Finance breaks out the FI/CO applications from the other applications via Application Link Enabling (ALE).

- By using ALE, a technical foundation is provided to customers for integrating business processes in a discrete environment.
- This deployment fits the scenarios of a multi-ERP (both SAP and non-SAP) system landscape, a highly customized SAP system, and various legacy systems.
- This deployment model needs a separate license for Central Finance and an installation of the SAP Landscape Transformation replication server.

3.19.2 Functionality Impact

SAP S/4HANA Finance has two major functionality impacts on General Ledger Accounting. First, the open item reports shown in Figure 3.33 have been removed from SAP S/4HANA Finance due to the introduction of the Universal Journal.

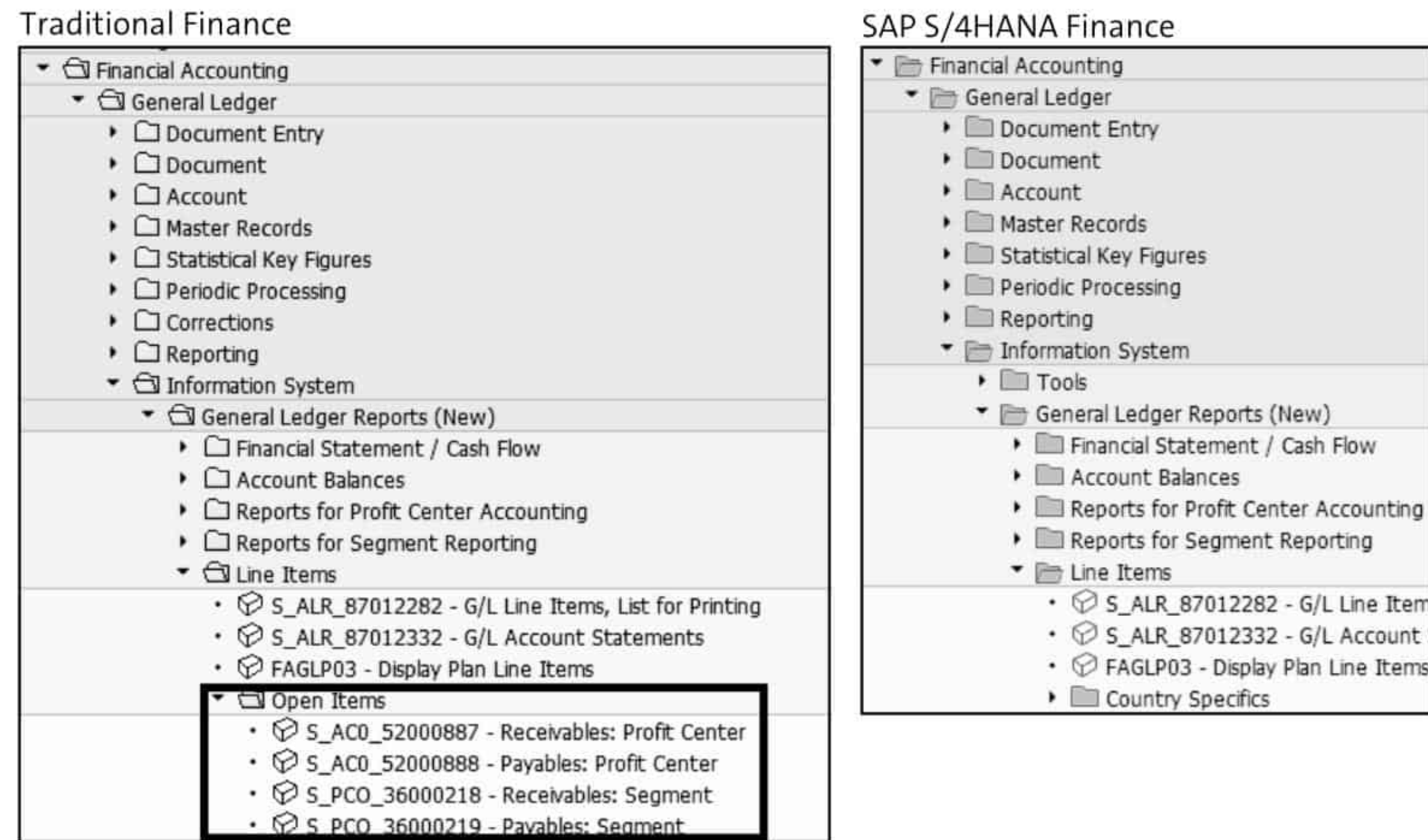


Figure 3.33 Open Item Reports

Second, processing of Transaction FAGLVTR for balance carryforward has now been simplified with SAP S/4HANA Finance, as shown in Figure 3.34.

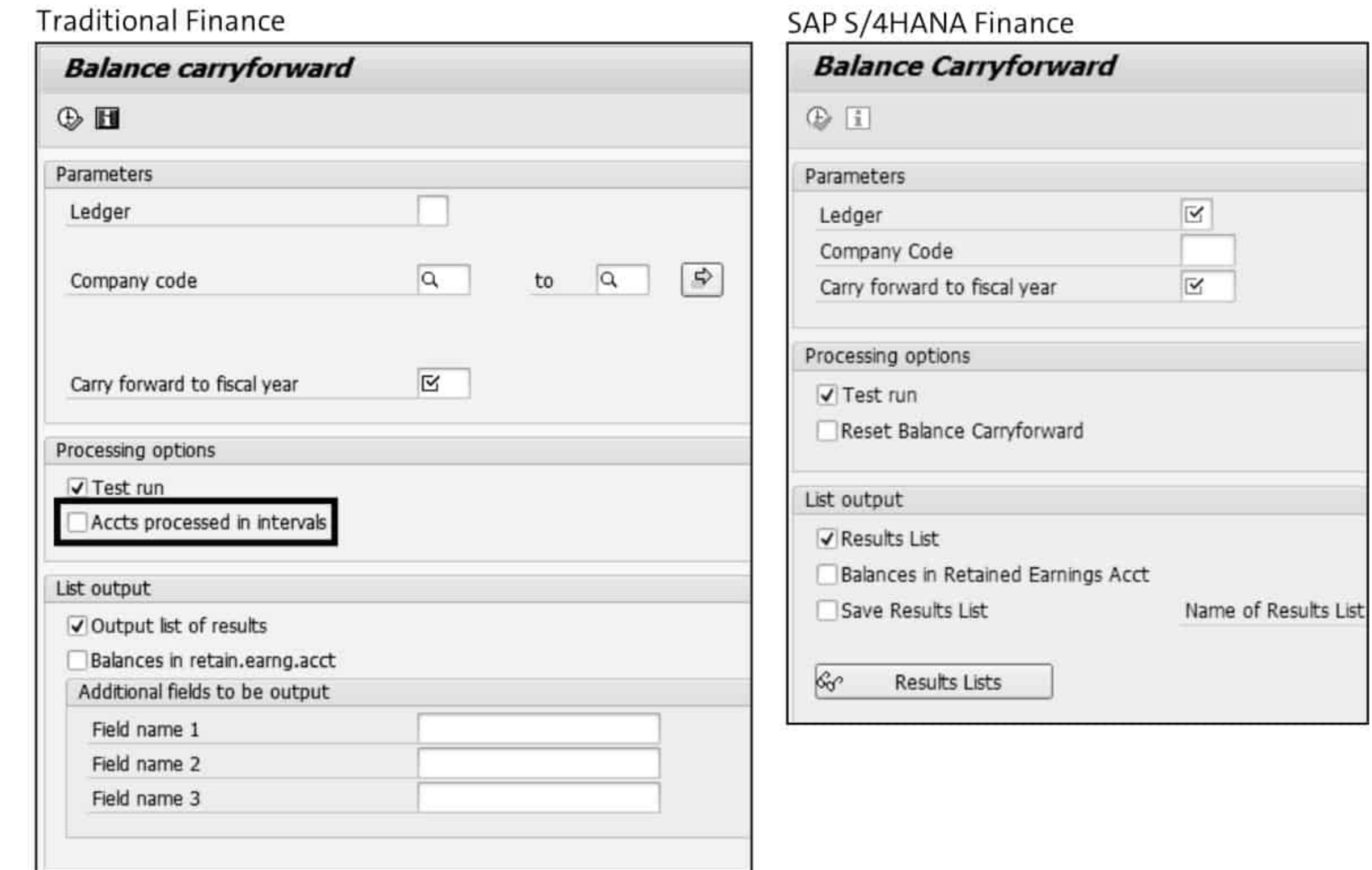


Figure 3.34 Balance Carryforward

In addition, the transactions listed in Table 3.1 have been replaced in SAP S/4HANA Finance.

Old Transaction	New Transaction
FAGL_FC_VAL	FAGL_FCV
FS01/FS02/FS03	FS00

Table 3.1 Changes in Transaction Codes Related to General Ledger Accounting

This list illustrates the changes to the G/L underlying tables that have occurred with the introduction of SAP S/4HANA Finance:

- New table introduced in SAP S/4HANA Finance:
 - ACDOCA
- Obsolete tables removed in SAP S/4HANA Finance, along with index tables:
 - BSIS
 - BSAS

- GLT0/GLT1/GLT3
- BSID
- BSAD
- KNC1/KNC3
- BSIK
- BSAK
- LFC1/LFC3
- FAGLFLEXT
- FAGLFLEXA

3.19.3 Configuration Impact

With the implementation of SAP S/4HANA Finance, several changes to the configuration of General Ledger Accounting have taken place. In the following sections, we'll take a closer look at the biggest changes.

Copy Company Code

You can now assign a controlling area at the initial stage while setting up new company codes. The company codes copy functionality has been expanded in SAP S/4HANA Finance and now includes the controlling area assignment, as shown in Figure 3.35.

If you copy the company code with controlling area assignment, then the currency settings are consistent. Otherwise, you need to check and adjust the setting of the currency after it's assigned to a controlling area.

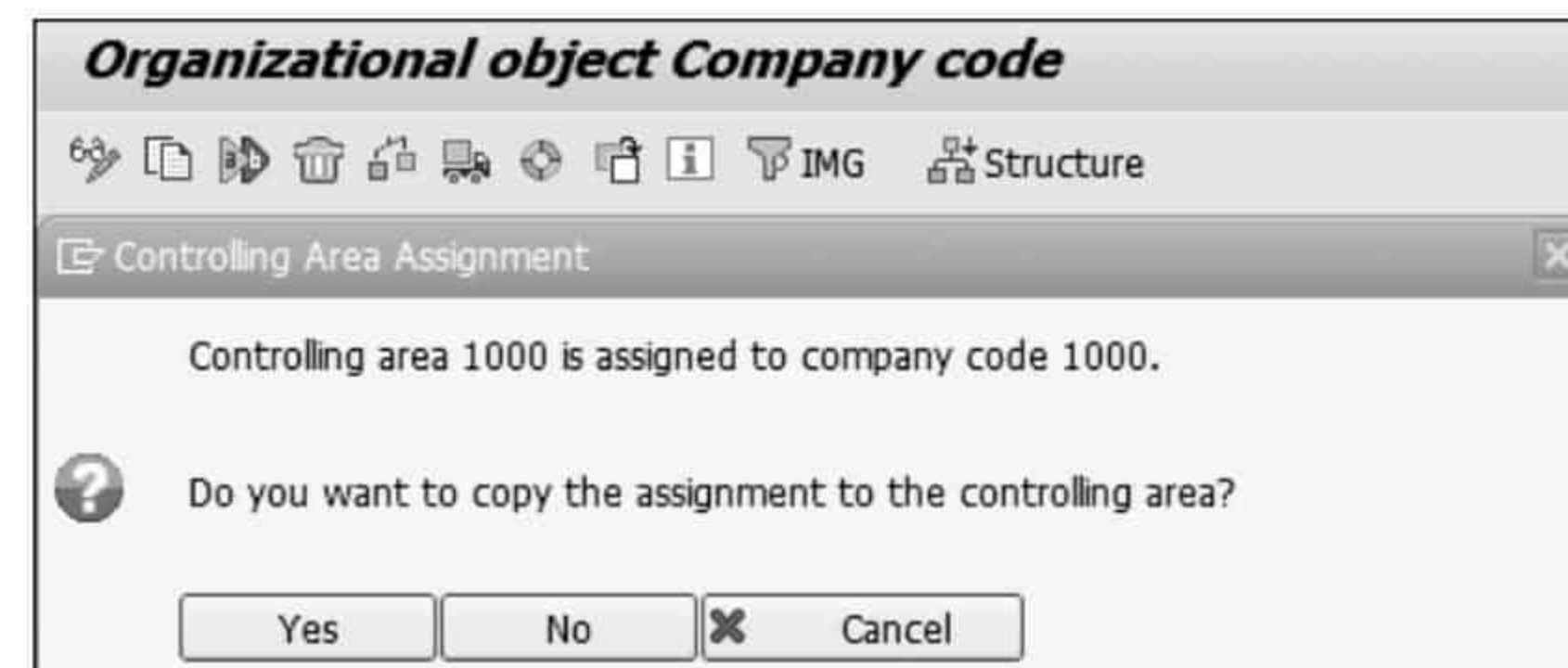


Figure 3.35 Edit, Copy, Delete, and Check Company Code

If the controlling area isn't included when copying a company code, the currency setting needs to be validated after the controlling area assignment is made for the company code.

Consistency Check

You can now use Transaction FINS_CUST_CONS_CHK to check the consistency of the currency conversion settings for ledger/company assignments, as shown in Figure 3.36.

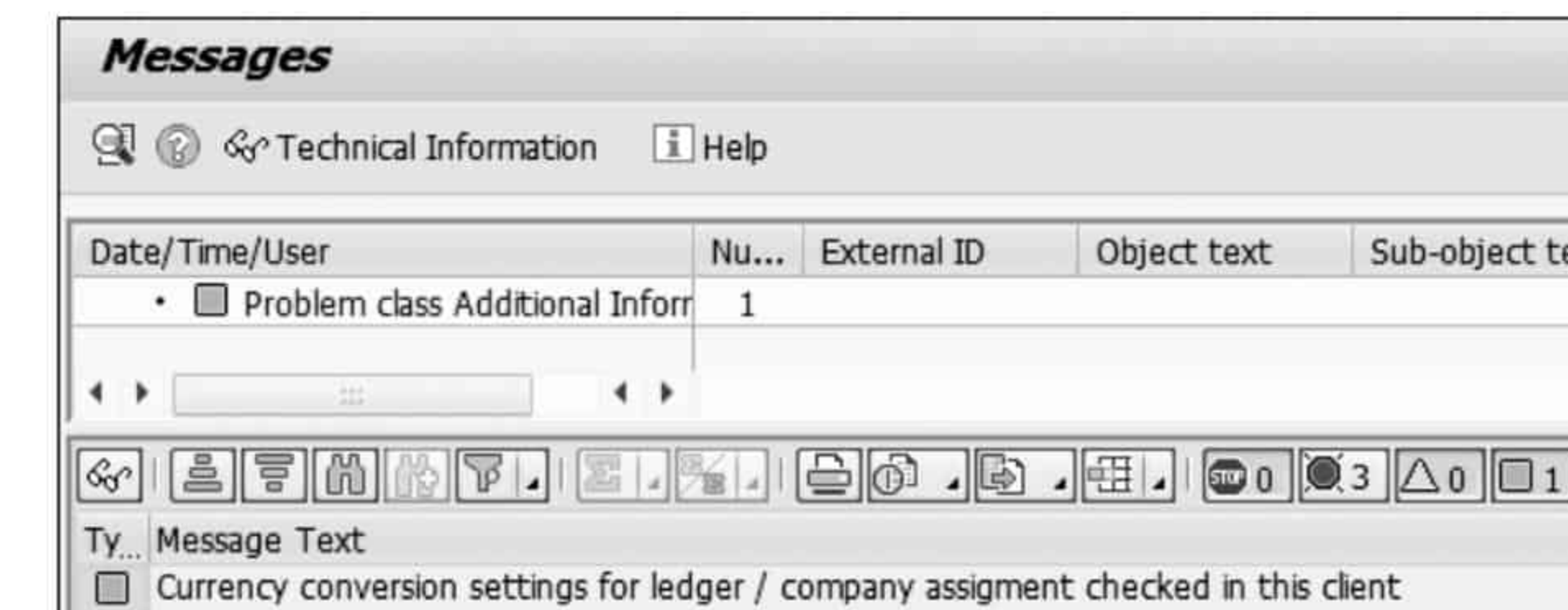


Figure 3.36 Currency Conversion Settings Check

You'll have to clean up all inconsistencies and make sure all errors are addressed. The check is performed during posting for all the company codes in scope during implementation.

Document Summarization

You can configure the maximum document summarization for table BSEG while table ACDOCA still contains the full line item detailed data. For compatibility reasons, the document line item number in table BSEG (BUZEI) is still limited to 999 lines, but the document line item number in table ACDOCA (DOCLN) has 6 digits. You can mitigate the BUZEI limitation with high document summarization in table BSEG.

Universal Journal Entry Organization

A ledger assigned to a company code represents an accounting principle. SAP S/4HANA Finance has a new configuration table for ledgers of the Universal Journal entry. New G/L ledgers are migrated to the new Universal Journal entry ledgers and are no longer assigned to total or line item tables because line items are always persistent in table ACDOCA.

Ledger Configuration

The ledger definition has undergone a change, as depicted in Figure 3.37.

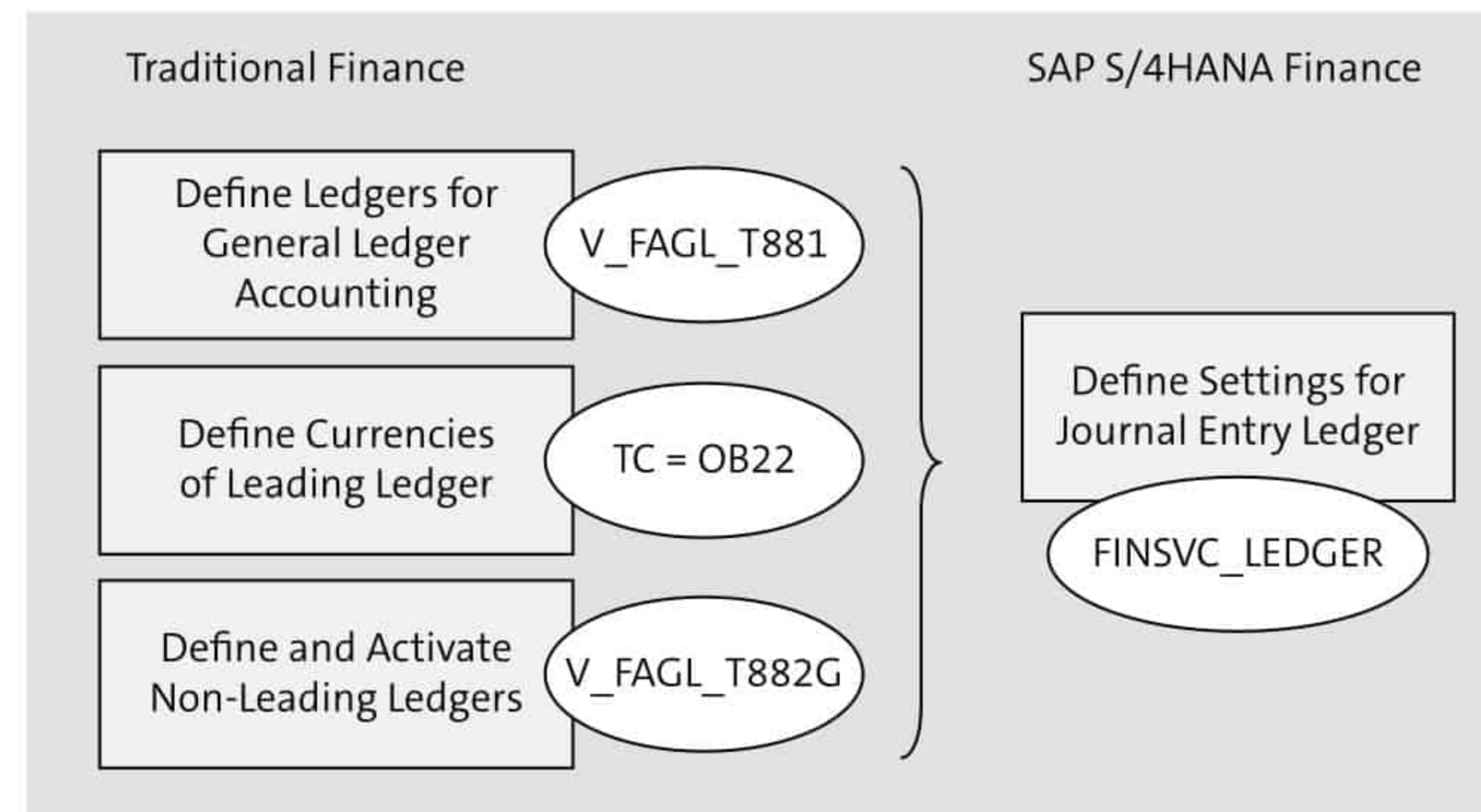


Figure 3.37 Comparison of Ledgers in Traditional Finance and SAP S/4HANA Finance

The new ledger architecture in SAP S/4HANA Finance has the following components:

■ Leading ledger

- There must be exactly one leading ledger, which is assigned to all company codes.
- The leading ledger defines the document number (field BELNR) for all ledgers.
- Ledger OL is delivered as the leading ledger (default setting).
- The leading ledger is in sync with financial operations processes such as Accounts Receivable/Accounts Payable (AR/AP) open item management.
- The leading ledger is the basis for actual CO data (assigned to actual version 0).
- The leading ledger contains a full set of line items in table ACDOCA.

■ Additional nonleading standard ledgers

- Nonleading ledgers can be assigned to selected company codes.
- These ledgers contain a full set of line items in table ACDOCA.
- These ledgers inherit the currency configuration of the leading ledger.
- In these ledgers, deviating fiscal year variants/open period variants are possible.

■ Appendix ledger

- The ledger type extension ledger, which is named *appendix ledger* in Figure 3.38, is defined on top of a base ledger. This base ledger is a standard ledger.
- The appendix ledger inherits all transaction data of the underlying base ledger while reporting.
- This ledger contains line items posted to the appendix ledger only.
- This ledger inherits currency settings and the fiscal year variant of the base ledger.
- This ledger allows for a separate company code assignment (a subset of the base ledger).
- This ledger allows for a separate open period variant.
- The appendix ledger can be used to create management views without duplicating the data from the base ledger.
- The appendix ledger can't be part of ledger groups, except a generated group containing the ledger itself.
- The appendix ledger only accepts manual postings (Transactions FB01L, FBB1, KB11, and KB41).
- Many appendix ledgers can be assigned to the same base ledgers, but an appendix ledger can't be stacked on top of another appendix ledger.

You define the ledgers and their types per your organization's requirements, mainly driven by legal and management reporting (see Figure 3.38).

Change View "Ledger for the unified Journal Entry": Overview				
Dialog Structure				
Ledger for the unified Journal Entry				
Ledger	Leading	Ledger Type	Ledger Name	Underl. Ldgr.
0D	<input type="checkbox"/>	Standard Ledger		
0L	<input checked="" type="checkbox"/>	Standard Ledger	Leading Ledger	
0M	<input type="checkbox"/>	Standard Ledger		
1D	<input type="checkbox"/>	Standard Ledger		
1L	<input type="checkbox"/>	Standard Ledger	Leading Ledger	
L1	<input type="checkbox"/>	Standard Ledger	Parallel Ledger	
Z1	<input type="checkbox"/>	Extension Ledger	Appendix Ledger 0L	

Figure 3.38 Defining Ledgers for Universal Journal Entry

The **Fiscal Year Variant** entry must match the controlling area setting for the leading ledger. The nonleading ledger may have different fiscal year variants.

The assignment of the ledger to the company code and its currency settings is shown in Figure 3.39.

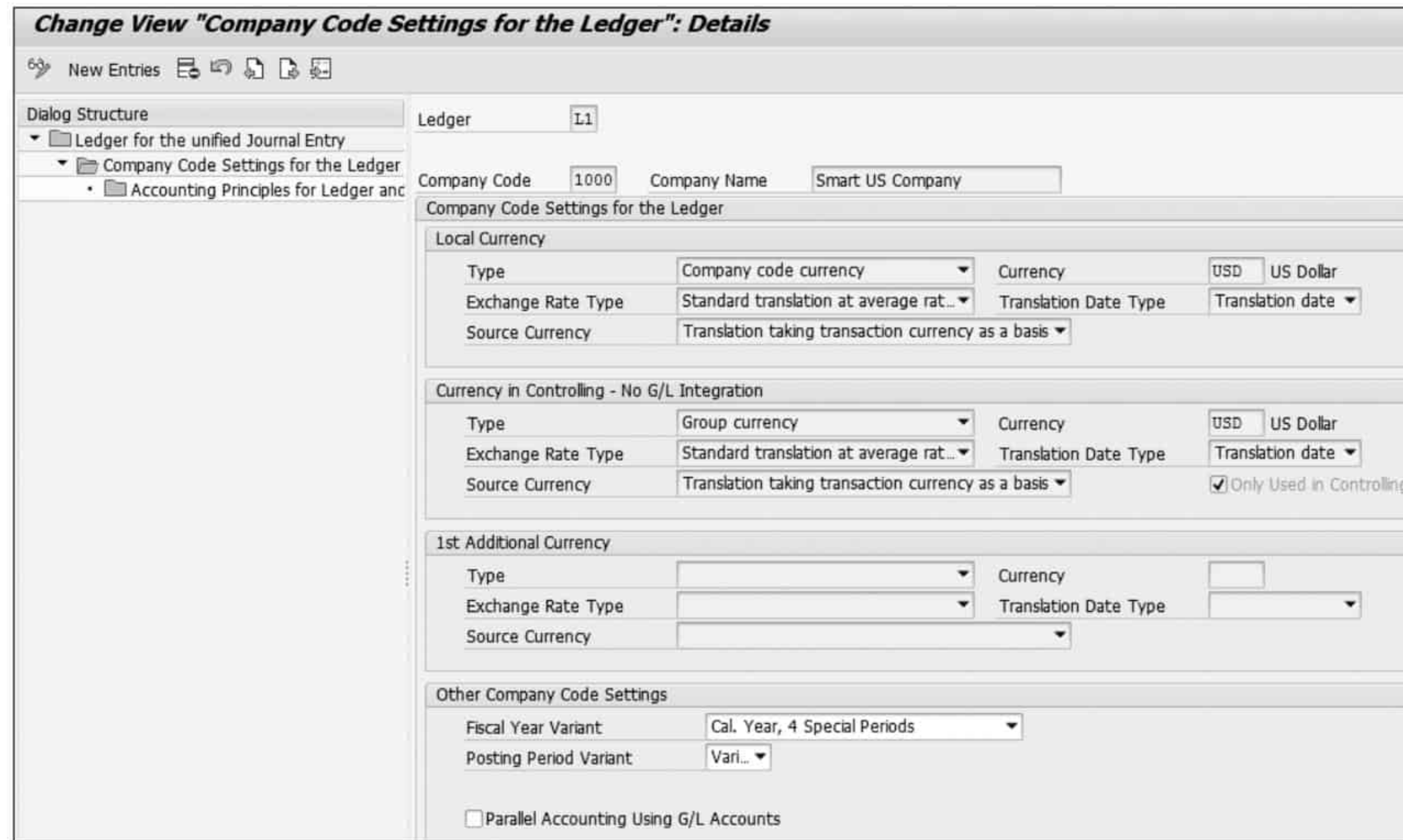


Figure 3.39 Company Code Assignment to Ledger

Each ledger, standard or appendix, is assigned to an **Accounting Principle** as shown in Figure 3.40.

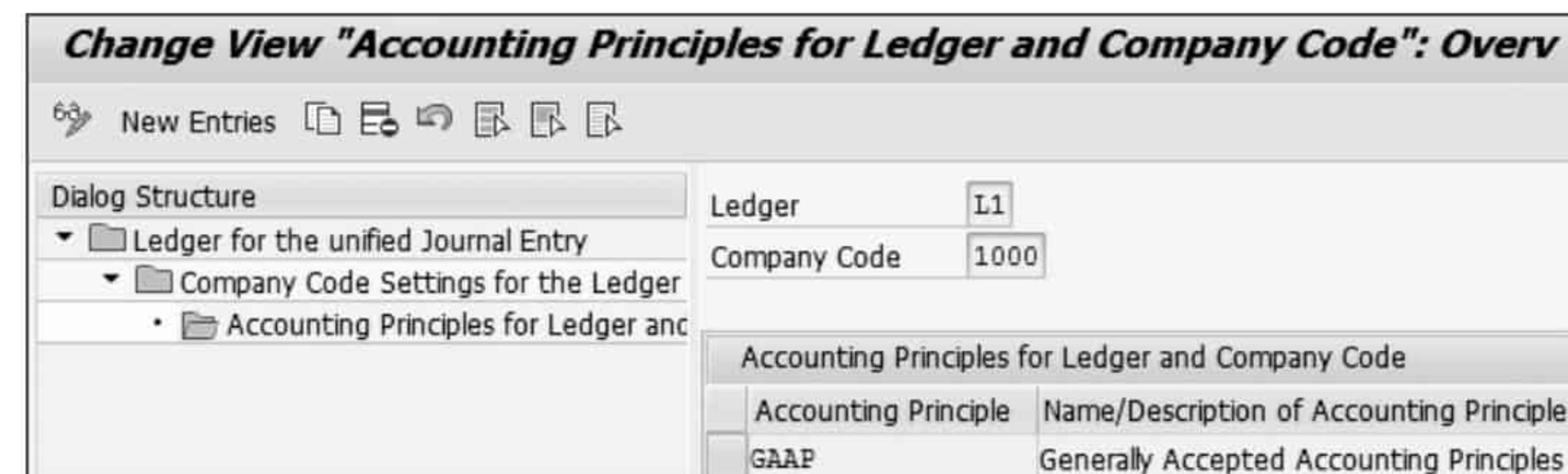


Figure 3.40 Ledger Assignment to Accounting Principle

Document Types and Numbering

Going forward in SAP S/4HANA Finance, accounting entries in SAP will have a common document number. As such, the existing use of document type/number combinations in the **General Ledger View** per ledger is now obsolete.

The standard document type and number of the entry view are used for all ledgers except when otherwise required, as shown in Figure 3.41.

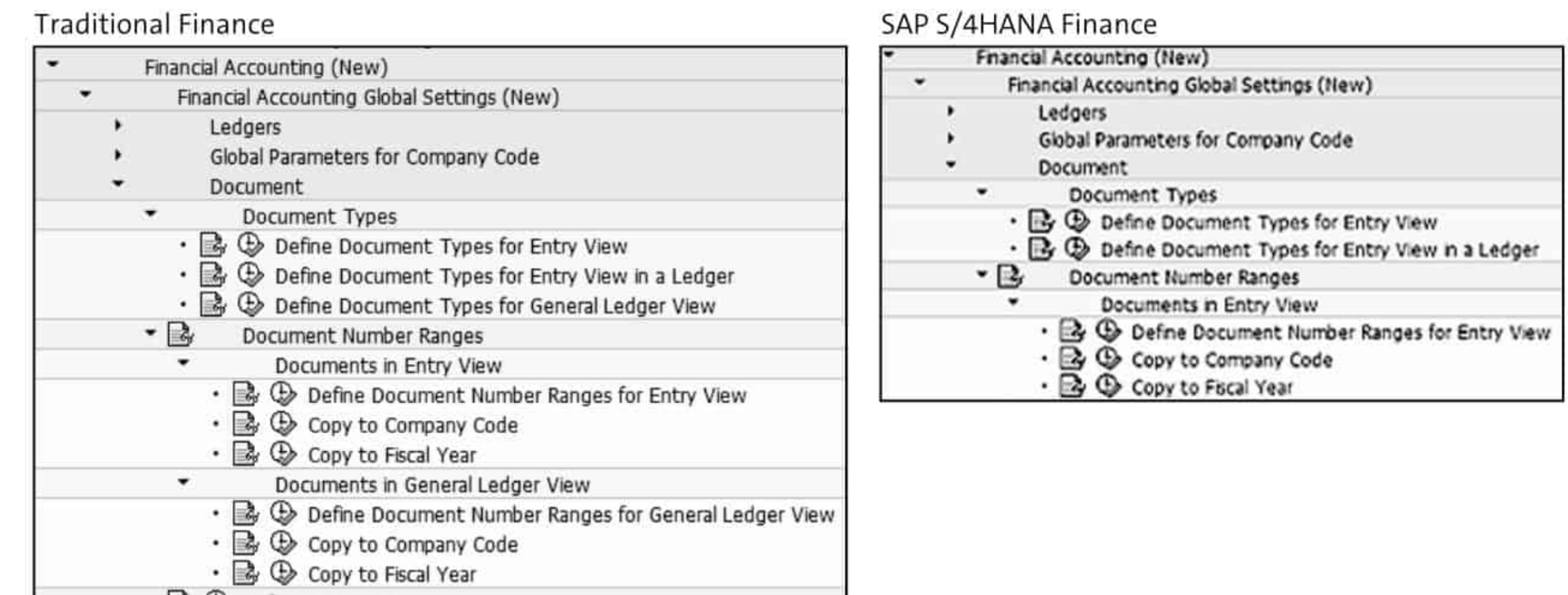


Figure 3.41 Document Types and Numbers Comparison

Document Posting

The FI document for G/L accounts still generates CO documents, as illustrated in Figure 3.42 and Figure 3.43.

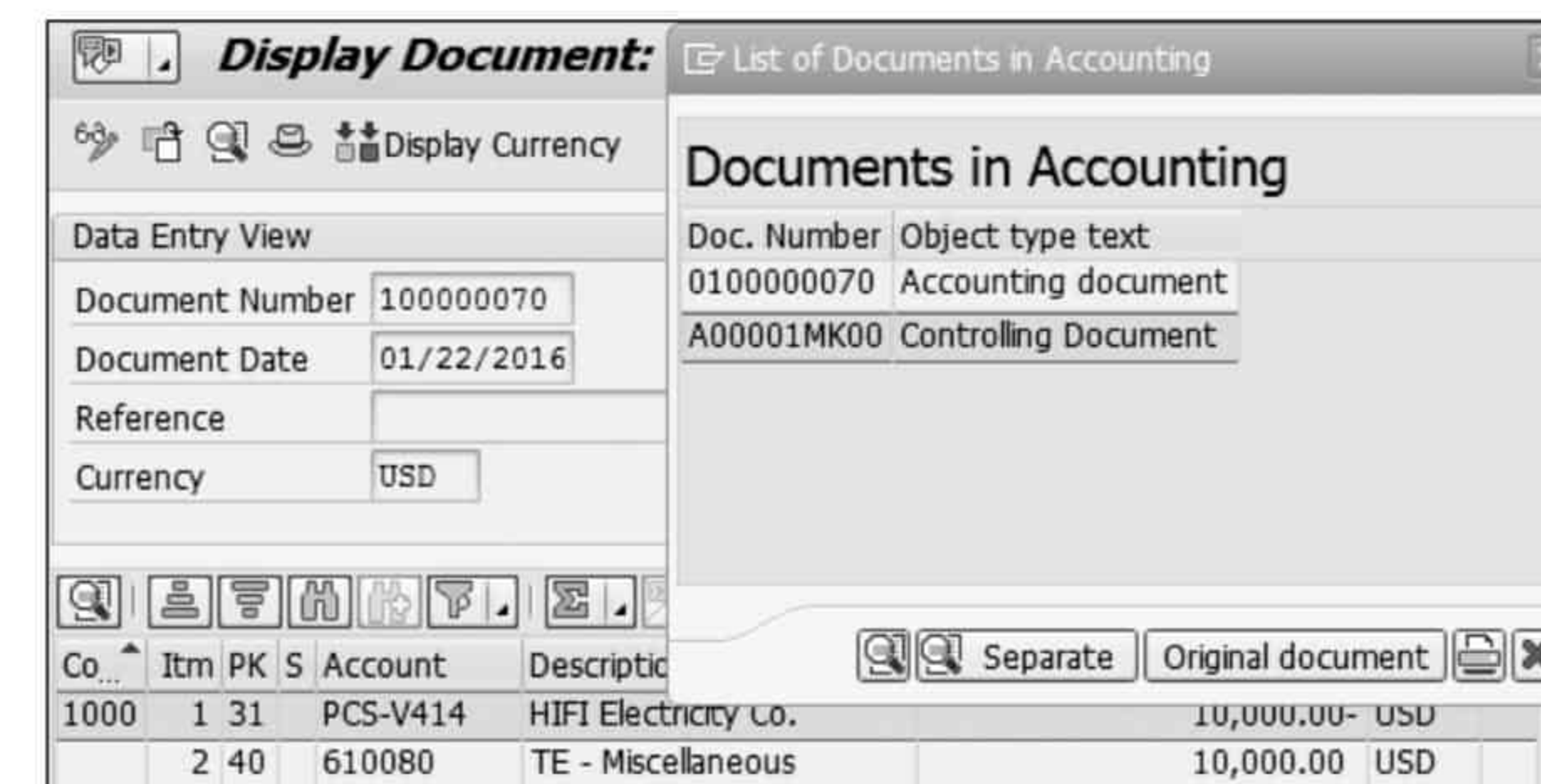


Figure 3.42 FI Posting

DocumentNo	Doc. Date	Document Header Text	RI	RefDocNo
A00001MK00	01/22/2016		R	100000070
1	CTR 1801	Other Inc.&Expense	610080	TE - Miscellane

Figure 3.43 CO Document Posting

The CO document generated from the journal entry postings from FI and other applications has an internal cryptic document number (starting with the letter A) posted into the CO_BELNR field. It's needed for CO compatibility views, and it groups Universal Journal entries from the CO perspective. As before, the CO number ranges are still needed for internal CO postings.

Integration of SAP ERP Financials and Controlling

In SAP S/4HANA Finance, CO is integrated in real time into the new G/L. Both primary and secondary cost elements are created as G/L accounts and are now part of the chart of accounts. Only account determination for intercompany accounts remains, as shown in Figure 3.44.

Traditional Finance	SAP S/4HANA Finance
<ul style="list-style-type: none"> Financial Accounting (New) <ul style="list-style-type: none"> Financial Accounting Global Settings (New) <ul style="list-style-type: none"> Ledgers <ul style="list-style-type: none"> Fields Ledger Fiscal Year and Posting Periods Parallel Accounting Real-Time Integration of Controlling with Financial Accounting <ul style="list-style-type: none"> Define Variants for Real-Time Integration Assign Variants for Real-Time Integration to Company Codes Define Rules for Selecting CO Line Items Define Field Transfers for Real-Time Integration Define Account Determination for Real-Time Integration <ul style="list-style-type: none"> Define Intercompany Clearing Accounts Define Account Determination for Real-Time Integration Transfer CO Documents Retrospectively 	<ul style="list-style-type: none"> Financial Accounting (New) <ul style="list-style-type: none"> Financial Accounting Global Settings (New) <ul style="list-style-type: none"> Regenerate CDS Views and Field Mapping Ledgers <ul style="list-style-type: none"> Fields Ledger Fiscal Year and Posting Periods Parallel Accounting Integration of Controlling with Financial Accounting <ul style="list-style-type: none"> Define Document Types for Postings in Controlling Define Document Type Mapping Variants for CO Business Transactions Check and Define Default Values for Postings in Controlling Define Ledger for CO Version Define Account Determination Define Intercompany Clearing Accounts

Figure 3.44 Integration of CO with FI

With the introduction of SAP S/4HANA Finance, the concept of the reconciliation ledger has been eliminated, as shown in Figure 3.45. The need doesn't arise now because CO and FI have been integrated via architectural changes in the G/L and cost element master data.

Traditional Finance	SAP S/4HANA Finance
<ul style="list-style-type: none"> Controlling <ul style="list-style-type: none"> General Controlling <ul style="list-style-type: none"> Cost Element Accounting <ul style="list-style-type: none"> Requirements Master Data Accrual Calculation Reconciliation Ledger <ul style="list-style-type: none"> Activate/Deactivate Reconciliation Ledger 	<ul style="list-style-type: none"> Controlling <ul style="list-style-type: none"> General Controlling <ul style="list-style-type: none"> Cost Element Accounting <ul style="list-style-type: none"> Requirements Master Data Accrual Calculation Information System Archiving

Figure 3.45 Elimination of the Reconciliation Ledger

Similarly, the transaction for posting CO documents to FI is no longer available in SAP S/4HANA Finance, as shown in Figure 3.46. Due to the real-time integration of FI and CO, the data is populated to CO at the same time that it's posted to FI. Unlike earlier versions of SAP, you don't have to run a reconciliation program between FI and CO, so the probability of getting an error or entries not posted is now significantly reduced.

Traditional Finance	SAP S/4HANA Finance
<ul style="list-style-type: none"> Favorites <ul style="list-style-type: none"> SAP Menu <ul style="list-style-type: none"> Office Cross-Application Components Logistics Accounting <ul style="list-style-type: none"> Financial Accounting <ul style="list-style-type: none"> General Ledger <ul style="list-style-type: none"> Document Entry Document Account Master Records Statistical Key Figures Periodic Processing Corrections <ul style="list-style-type: none"> FAGLCOFIPLUP - Post CO Documents to FI Reporting Information System Environment 	<ul style="list-style-type: none"> Office Logistics Accounting <ul style="list-style-type: none"> Financial Accounting <ul style="list-style-type: none"> General Ledger <ul style="list-style-type: none"> Document Entry Document Account Master Records Statistical Key Figures Periodic Processing Reporting Information System Environment

Figure 3.46 Posting CO Documents to FI

Define Ledger for the Controlling Version

In SAP S/4HANA Finance, **Version 0** must be assigned to the leading **Ledger 0L** for all company codes, as shown in Figure 3.47. CO transactions can write to several ledgers, but they only read data from one ledger.

Change View "Ledger From Which CO Reads Act

Ledger From Which CO Reads Actual Data				
Company Code	Ledger	Version	Version name	Ledger Name
1000	0L	0	Plan/actual version	Leading Ledger

Figure 3.47 Defining the Ledger for CO Version

3.19.4 Customer and Vendor Master Data

In SAP S/4HANA 1511, customer and vendor master data were changed to business partner master data. Business partner records are now the central source and single point of entry to create, edit, manage, and display master data for business partners, customers, and vendors. Transaction BP is now used to create both the customer and vendor master data.

The following transactions became unavailable in SAP S/4HANA 1511 and later versions: FD01, FD02, FD03, FD05, FD06, FDO, FK01, FK02, FK03, FK05, FK06, FK08, MAP1, MAP2, MAP3, MK01, MK02, MK03, MK05, MK06, MK12, MK18, MK19, V-03, V-04, V-05, V-06, V-07, V-08, V-09, V-11, V-21, V-22, V-23, VAP1, VAP2, VAP3, VDO1, VDO2, VDO3, VDO5, VDO6, XDO1, XDO2, XDO3, XDO5, XDO6, XDO7, XK01, XK02, XK03, XK05, XK06, and XK07.

You must clean up your customer and vendor data before it can be converted into an SAP S/4HANA business partner. Some of the key activities involved in the conversion include (a) activating business function CA_BP_SOA and (b) running the business partner precheck Report PRECHECK_UPGRADATION_REPORT to verify the results.

References

For information on the business partner conversion process, see the following SAP Notes:

- SAP Notes 2211312, 2210486, and 2216176: Conversion Prechecks
- SAP Note 1623677: Report for Checking the Customizing for Customer Vendor Integration
- SAP Note 954816: Transactions for Creating or Linking Business Partners from/to Customers/Vendors

3.19.5 Credit Management Impact

SAP S/4HANA doesn't support SAP ERP Financials Accounts Receivable Credit Management. The corresponding function in SAP S/4HANA Finance is SAP Credit Management.

You need to perform the migration from the old Credit Management (FI-AR-CR) to the new SAP Credit Management, which is comprised of the following elements:

- Master data
- Configuration data
- Credit exposure data
- Credit decision data

The business processes related to credit management remain the same, but you'll need to use new transactions for some of the processes, such as the following:

- Transaction UKM_BP is used for maintaining the credit account master data; the old Transaction FD32 is no longer supported.
- Transaction UKM_MY_DCDS is used to release credit-blocked sales orders; the old Transaction VKMlis no longer supported.
- Credit limit check for sales document types can only be specified as type D in SAP Credit Management or left empty (no credit limit check) because credit limit check types A, B, and C aren't supported anymore.
- Credit checks when changing critical fields and payment guarantee-related letters of credit have been removed from the Sales and Distribution (SD) side of SAP Credit Management.
- SAP S/4HANA supports credit checks based on the maximum document value, which wasn't supported in the previous version.
- The following transactions aren't available in SAP S/4HANA Finance:
 - F.28: Customers: Reset Credit Limit
 - F.31: Credit Management—Overview
 - F.32: Credit Management—Missing Data
 - F.33: Credit Management—Brief Overview
 - F.34: Credit Management—Mass Change
 - FCV1: Create A/R Summary
 - FCV2: Delete A/R Summary
 - FCV3: Early Warning List
 - FD24: Credit Limit Changes

- FD32: Change Customer Credit Management
- FDK43: Credit Management—Master Data List
- S_ALR_87012215: Display Changes to Credit Management
- S_ALR_87012218: Credit Master Sheet
- VKM2: Released SD Documents
- VKM3: Sales Documents
- VKM5: Deliveries
- The following reports aren't available in SAP S/4HANA Finance:
 - RFARIO20: FI-ARI: Extract from Credit Master Data
 - RFARIO30: FI-ARI: Import Credit Master Data
 - RFDLILZE: Credit Management: Branch/Head Office Reconciliation Program
 - RFDKLI*: Credit Management Control Area Data Reports

In SAP S/4HANA Finance, CO is integrated in real time with the new G/L. Both primary and secondary cost elements are created as G/L accounts using Transaction FSOO and are now part of the chart of accounts.

In traditional FI, the leading ledger posts in real time, and the nonleading ledger posts periodically. In SAP S/4HANA Finance, now both leading and nonleading ledgers are created as the standard ledger. The newly introduced appendix ledger can report on all transaction data of the base ledger, and it allows you to create views without affecting the base ledger.

3.20 Key Changes to Period-End Closing

The Universal Journal provides a single source of truth: journal entries across multiple applications are posted in a single table, reducing data redundancy and the system footprint. This provides real-time access to data across all dimensions, easier extensibility of custom fields, and process optimization for an accelerated close. SAP S/4HANA Finance not only helps eliminate some of the closing tasks, such as SAP ERP Financials and Controlling reconciliation, but also accelerates some of the month-end tasks (e.g., providing a faster depreciation run because depreciation is now calculated in real time on individual assets during any asset transaction rather than during the period-end depreciation run). So let's analyze the major changes SAP S/4HANA Finance has made in the architecture design, the business process transactions, and the configuration of the period-end closing process.

3.20.1 Architectural Impact

The architectural impacts that SAP S/4HANA Finance has on period-end closing include the following:

- CO-relevant postings not only check the CO period close but also check the G/L open and close periods. At month end, you must assign the posting to the secondary costs account type in the G/L period close.
- In the CO period lock, you must specify which transaction you need to lock for specific periods.
- No separate balance carryforward is needed in new Asset Accounting (FI-AA). The general balance carryforward of FI also transfers the new Asset Accounting balance by default.
- Current planned depreciation values are calculated automatically for the new year after performing the balance carryforward.
- Period-end closing tasks for deriving market segment information have been eliminated, resulting in (a) no more settlement of sales order items and (b) no cost center allocations to profitability.
- The bottlenecks for intercompany reconciliation are removed because it can be run anytime with immediate results.
- The SAP Financial Closing cockpit integrates with SAP Fiori and facilitates users running/scheduling tasks from the apps.

Overall, the architecture of SAP S/4HANA Finance allows for a significant performance improvement and acceleration of processes that will reduce the month-end processing time to create a soft close.

3.20.2 Functionality Impact

Table 3.2 lists the transactions that have been replaced or have become obsolete in period-end closing with SAP S/4HANA Finance.

Old Transaction	New Transaction
FAGL_FC_VAL	FAGL_FCV
KKAK	KKAKH
KKAO	KKAOH

Table 3.2 Changes in Transaction Codes Related to Period-End Closing

Old Transaction	New Transaction
KKS1	KKS1H
CO88	CO88H
VA88	VA88H
KO8G	KO8GH
CJ8G	CJ8GH

Table 3.2 Changes in Transaction Codes Related to Period-End Closing (Cont.)

In addition, some functionality has been removed entirely, including the SAP Financial Closing Cockpit activity to roll up values (**Rollup**), as shown in Figure 3.48.

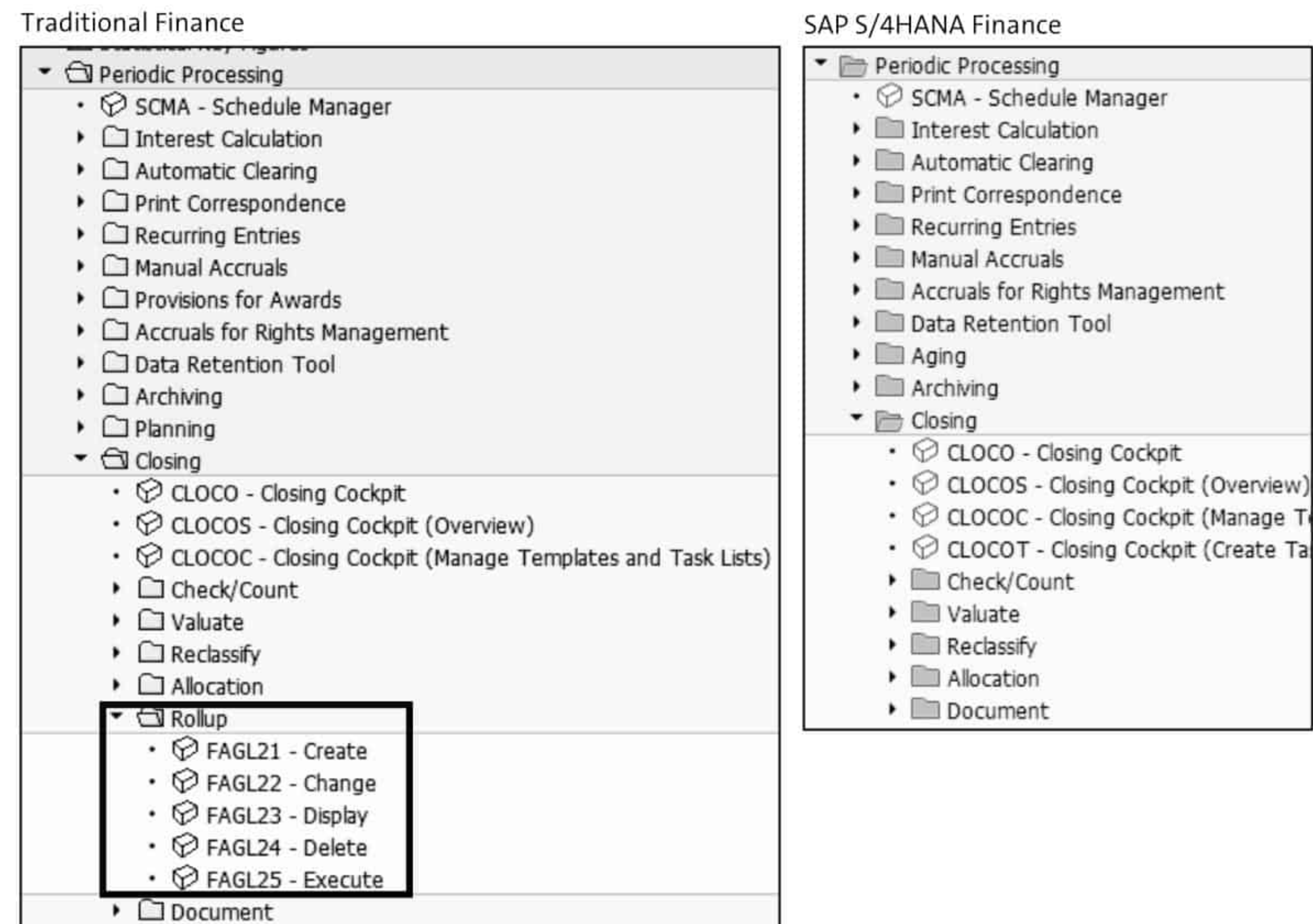


Figure 3.48 Roll Up Values in Closing

The **Profit and Loss Adjustment** activity and the **Balance Sheet Adjustment** activity transaction codes also are no longer available, as shown in Figure 3.49. Prior to SAP

S/4HANA Finance, there were three options under **Reclassify: F.19—GR/IR Clearing, F.50—Profit and Loss Adjustment, and Balance Sheet Adjustment**. Now, **F.19—GR/IR Clearing** is the only option that remains in SAP S/4HANA Finance.

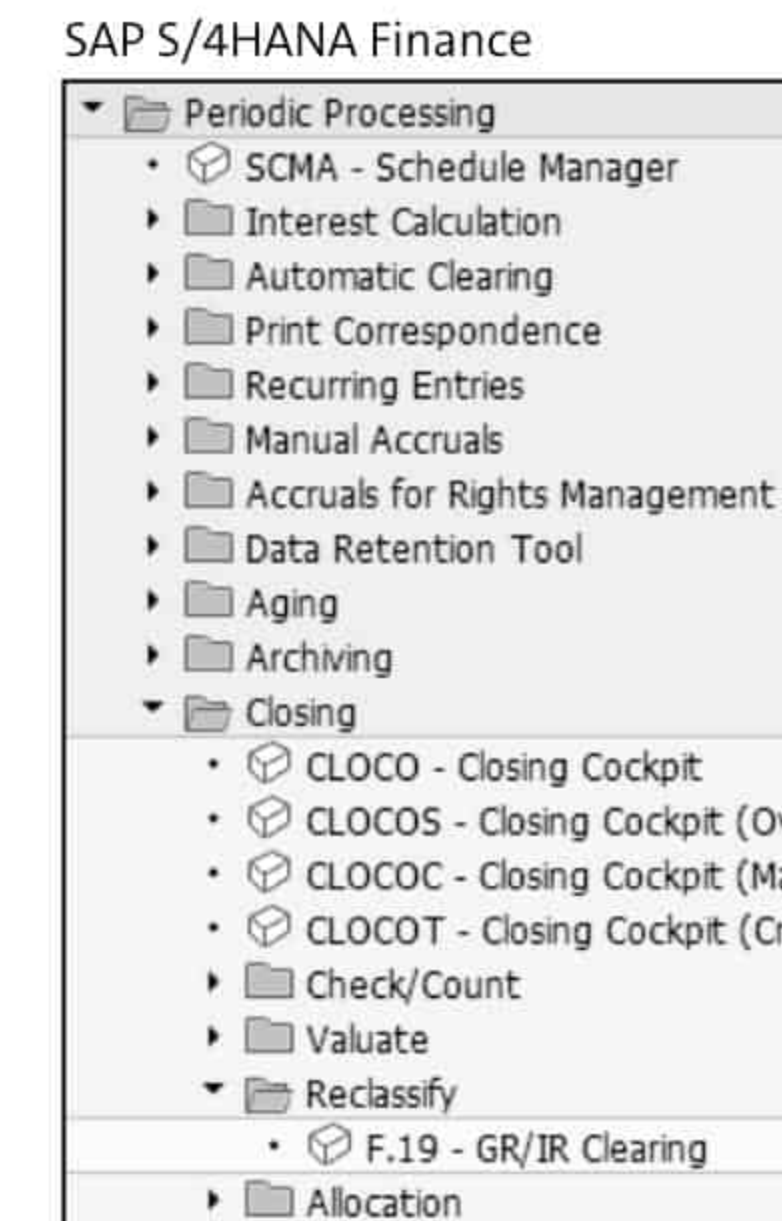


Figure 3.49 Closing Adjustment Postings

SAP S/4HANA Finance introduced one relevant new table in this area (table ACDOCA) and removed two obsolete tables (FAGLFLEXT and FAGLFLEXA), along with the index tables.

FI and CO are closed simultaneously with the implementation of SAP S/4HANA Finance. You can use the new SAP Financial Closing cockpit, which is available via Transaction FCLOCOC and Transaction FCLOCO.

SAP S/4HANA Finance provides better insight during the period, leverages the soft-closing process, and accelerates the month-end financial close by providing the following advantages:

- Real-time profitability is provided by instant derivation of market segment information from various CO-PA characteristics. All these fields are now part of the Universal Journal line item. Complex derivation rules for getting this data are no longer required.
- Real-time and correct asset acquisition values are provided without the wait for the periodic posting run during the closing process.

More than 35 new predefined SAP HANA Live views have also been added in SAP S/4HANA Finance. These views can help generate finance reports from multiple reporting tools, such as SAP BusinessObjects, SAP Lumira, SAP Fiori, and so on, which facilitate the month-end closing process.

1709 Preview

With the release of SAP S/4HANA 1709, SAP has relaunched the new SAP Financial Closing cockpit with the end goal of achieving faster close, complying with all governance issues, and providing transparency for all activities and tasks. It will now be part of the core SAP S/4HANA solution rather than an add-on feature.

The SAP Financial Closing cockpit enables automated tasks along with a user-friendly dashboard reflecting all the manual activities assigned to a particular user. It provides all notifications to users via workflows so that any lags can be avoided while maintaining the entire audit trail and documentation of all the tasks performed. It also provides the real-time status of the closing tasks and both the corporation and its subsidiaries can analyze the pending tasks with an action-oriented approach.

3.20.3 Security Impact

With SAP S/4HANA Finance, SAP delivered new end-user roles that can be used as templates for creating company-specific roles in the following areas:

- General Ledger (G/L)
 - SAP_SFIN_ACC_ACTUALPOSTING
 - SAP_SFIN_ACC_CLOSING
 - SAP_SFIN_ACC_MASTERDATA
 - SAP_SFIN_ACC_REPORTING
- Accounts Payable/Accounts Receivable (AP/AR)
 - SAP_SFIN_AP
 - SAP_SFIN_AR
- Cost center planning
 - SAP_SFIN_COST_CENTER_MD
- Controlling (CO)

For CO functions, the new role names are shown in Figure 3.50.

Single Role	Short Description
<input type="checkbox"/> SAP_SFIN_ACC_ACTUAL_COSTING	Accounting: Actual Costing
<input type="checkbox"/> SAP_SFIN_ACC_ACTUAL_POSTINGS	Accounting: Actual Postings
<input type="checkbox"/> SAP_SFIN_ACC_BUDGETING	Accounting: Budgeting
<input type="checkbox"/> SAP_SFIN_ACC_CAP_INVEST	Accounting: Capital Investment Management
<input type="checkbox"/> SAP_SFIN_ACC_CLOSING	Accounting: Closing
<input type="checkbox"/> SAP_SFIN_ACC_EXTERNALREPORTING	Accounting: External Reporting
<input type="checkbox"/> SAP_SFIN_ACC_MASTERDATA	Accounting: Master Data
<input type="checkbox"/> SAP_SFIN_ACC_PLANNING	Accounting: Planning
<input type="checkbox"/> SAP_SFIN_ACC_PRODUCT_COST	Accounting: Product Cost Planning
<input type="checkbox"/> SAP_SFIN_ACC_REPORTING	Accounting: Reporting
<input type="checkbox"/> SAP_SFIN_AP	Accounts Payable
<input type="checkbox"/> SAP_SFIN_AR	Accounts Receivable
<input type="checkbox"/> SAP_SFIN_BANKS	Banks
<input type="checkbox"/> SAP_SFIN_BCM	Bank Communication Management
<input type="checkbox"/> SAP_SFIN_CASH_MANAGER	Cash Manager
<input type="checkbox"/> SAP_SFIN_CFA	Role for Cash Flow - Detailed Analysis application
<input type="checkbox"/> SAP_SFIN_CFIN_ADMIN	Central Finance Administrator
<input type="checkbox"/> SAP_SFIN_COI	Collections Management
<input type="checkbox"/> SAP_SFIN_COST_CENTER_MD	Role for Cost Center Master Data
<input type="checkbox"/> SAP_SFIN_CR	Credit Management
<input type="checkbox"/> SAP_SFIN_DM	Dispute Management
<input type="checkbox"/> SAP_SFIN_PROFIT_CENTER_MD	Role for Profit Center Master Data

Figure 3.50 Security Roles for Controlling

You should now understand the essential changes to the period-end closing process, from the elimination of the need to reconcile FI and CO, to the numerous reports and SAP HANA views available to you. The ultimate result should be a smoother and quicker period-end process, with fewer pain points to overcome.

3.21 Summary

You'll need to execute the Customizing steps for the G/L before migration to SAP S/4HANA Finance to accommodate the required changes. This requires checking the consistency of the fiscal year variants between company code and controlling area, defining the ledgers and their assignment to the accounting principle, setting up the postings in CO, and activating any missing business functions.

In traditional FI, the leading ledger posts in real time and the nonleading ledger posts periodically. In SAP S/4HANA Finance, now both leading and nonleading ledgers are created as the standard ledger. The newly introduced appendix ledger can report on

all transaction data of the base ledger, and it allows you to create views without affecting the base ledger.

You should now understand the prerequisites, preparations, migration requirements, and change impacts related to the new General Ledger Accounting, and you can perform the Customizing steps as well. Let's now move on to Chapter 4, in which we'll discuss the Customizing for the new Asset Accounting.

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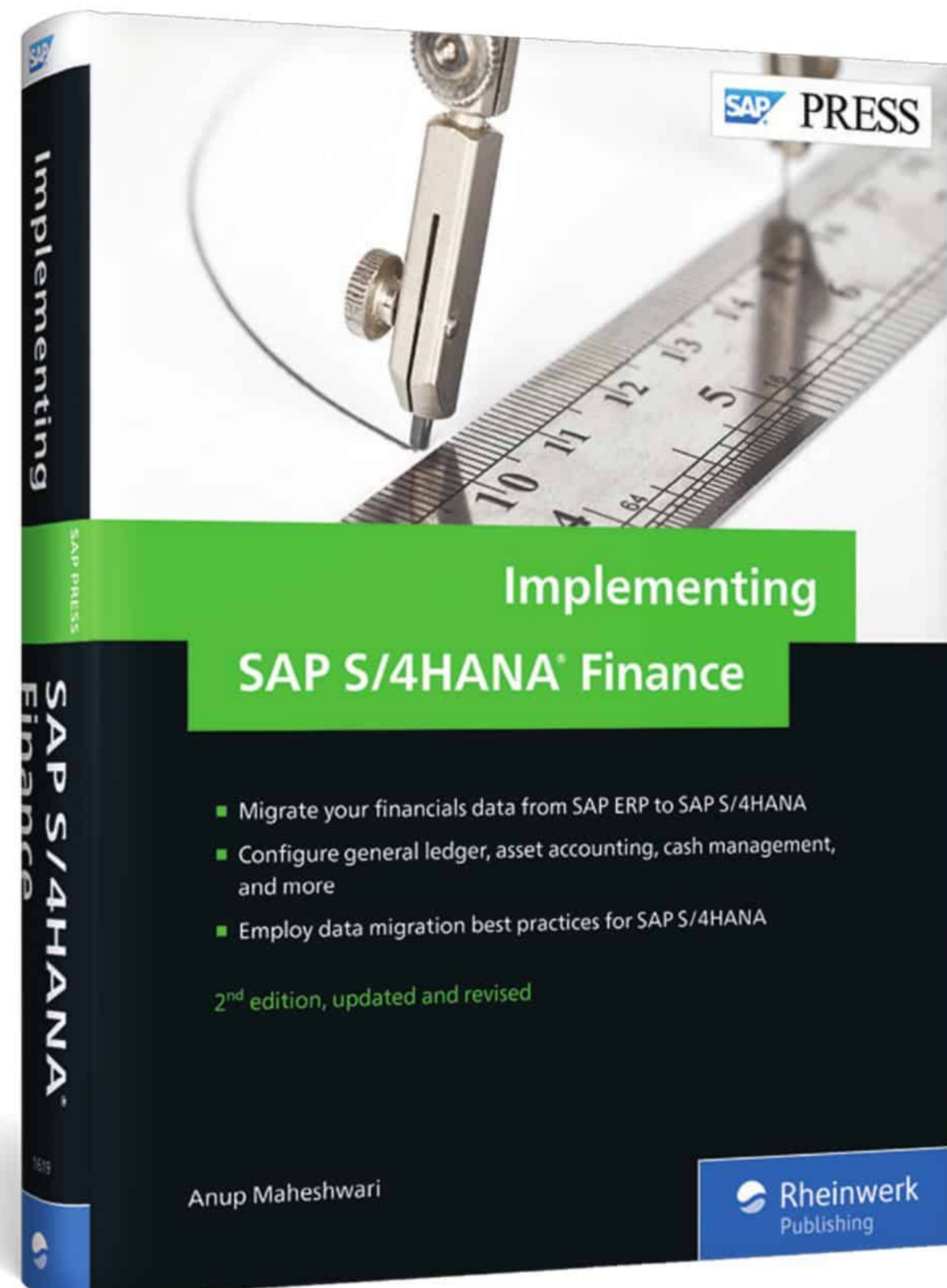
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