FINANCIAL ACCOUNTING
SAP Implementation at IESCO
Training Document
Asset Accounting

LAST SAVED - 2018-08-13 10:39:00 PM
IESCO_SAP_ERP_FI_TD Fiori_AA

Contents

Asset Accounting

1 Purpose

Asset accounting is a subsidiary ledger of the general ledger and is used to manage and document fixed asset transactions in detail. In general ledger accounting, you can update depreciation and changes to asset balance sheet values in asset accounting. You can also make various account assignments to cost accounting for these transactions. Because of the integration in SAP ERP, Asset Accounting (FI-AA) transfers data directly to and from other SAP ERP components.

2 Master Data

Master data - Data that is created centrally and it is valid for all applications. It remains constant over the time but we need to update it on regular basis.

Key features of Asset Master Data are:

- Master data does not change frequently
- Fixed number of key attributes can be used to capture the relevant details of the asset for analysis and reporting

3 Process Steps

3.1 Asset Master Data Maintenance

Use

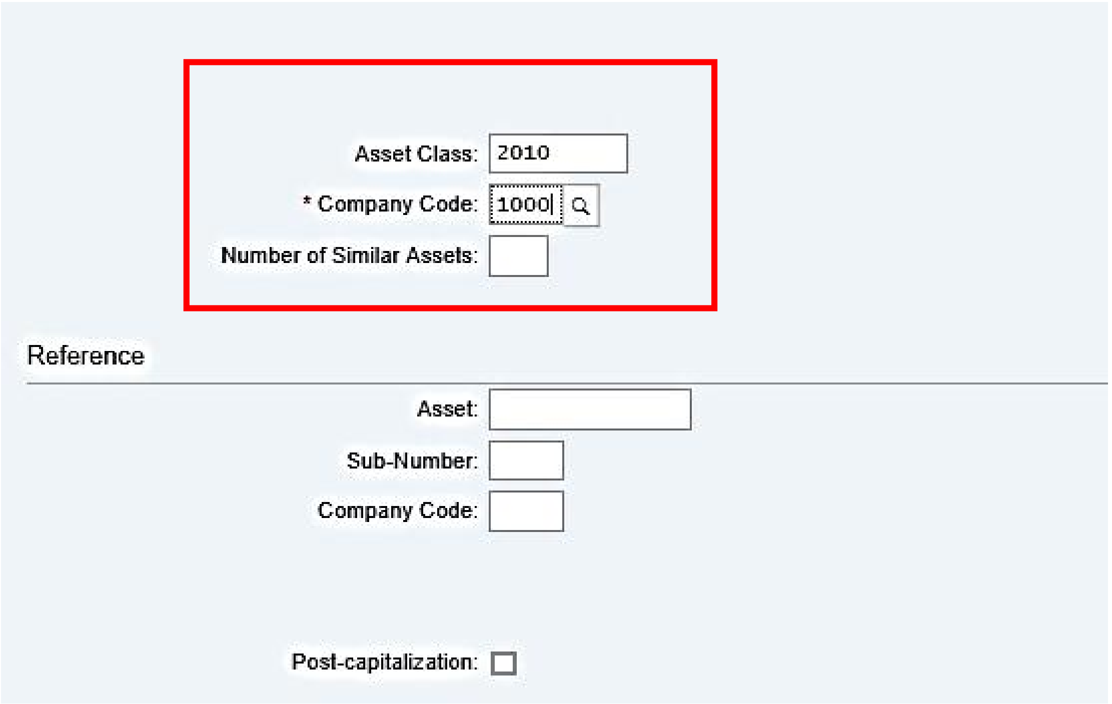
If you have no legacy assets you need to set up asset master data in the system.

Procedure

1. Open "Create Asset Master Record"AppfromFiorilaunchpad.
2. On the Create Asset: Initial screen, provide the necessary data and select Master Data:

Field Name	Description	User Action and Values	Comment
Asset class	Number of the asset class	2010	
Company Code		1000	

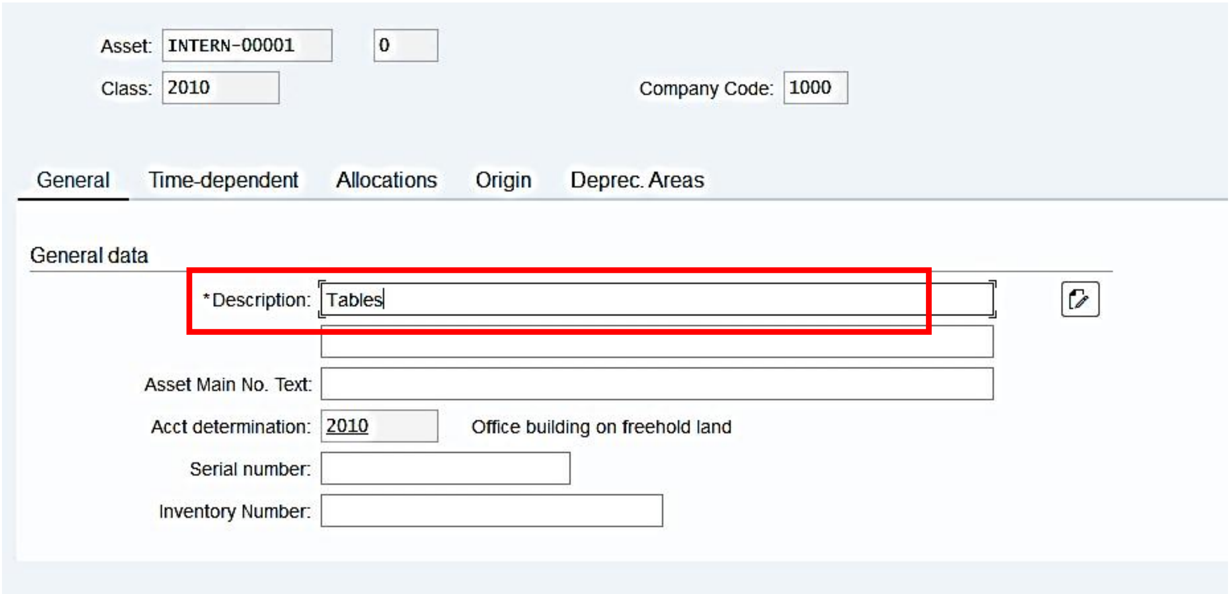
Screen shot for creating asset initial screen



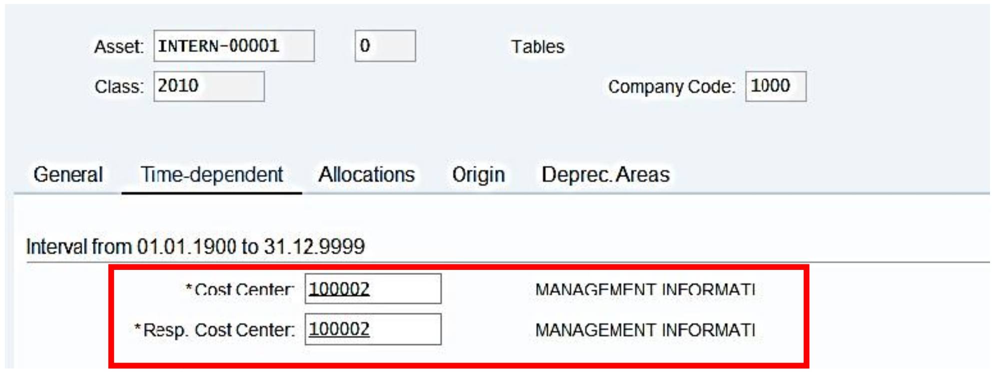
3. On the *Create Asset: Master Data* screen, make the following sets of entries on tab pages *General, Time-Dependent* and *Deprec. Areas*:

Field Name	**Description**	**User Action and Values**	**Comment**
Asset	Tables	40000001	
Company Code	IESCO	1000	
Number of similar assets		0	
Cost Center	Management Information	100002	
Description		Tables	
Depreciation area	Book Depreciation	01	
Useful life		10	

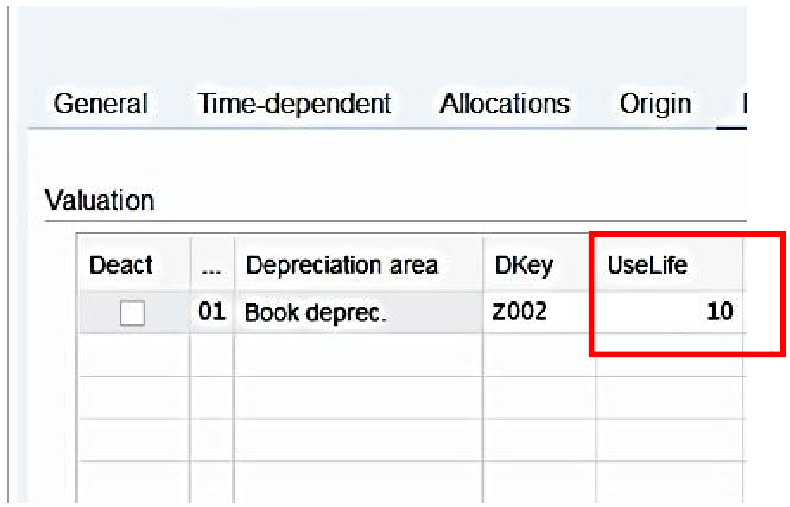
Enter the following data in the General Tab as in the screen shots.



Enter the following data in the Time-dependent Tab as in the screen shots.



Screenshot for Depreciation area Tab.



4. Save your entries.

Result

After completing the entries your asset master data will be maintained.

3.2 Sub – Asset Maintenance

Use

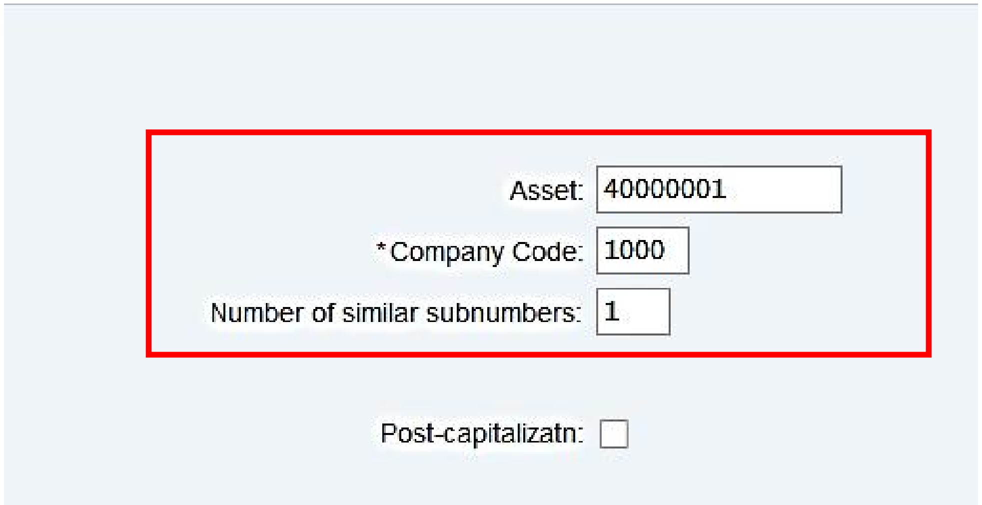
An Asset sub-number is normally created when a material and significant extension is made to the main asset which has its own depreciation terms and useful life as distinct from the main asset.

Procedure

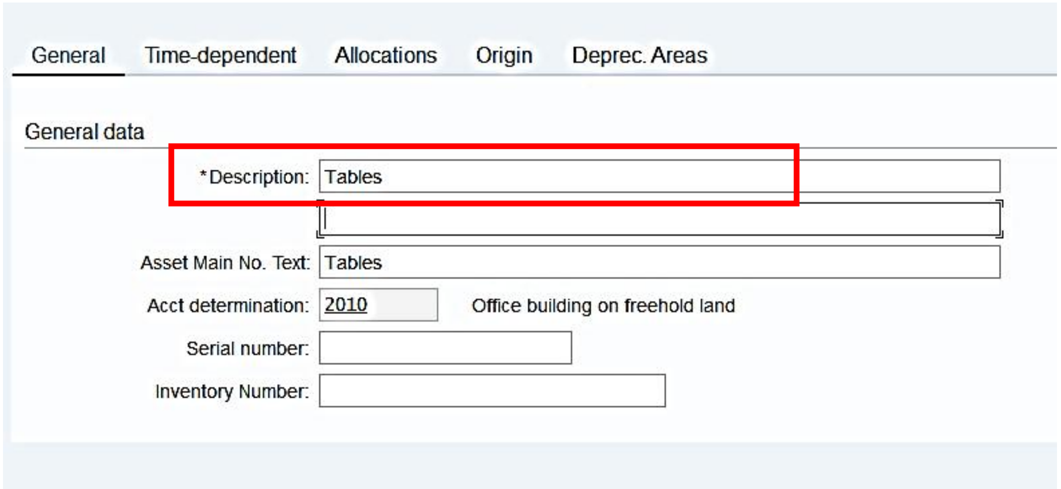
1. Open "Create Subnumber"AppfromFiorilaunchpad.
2. On create sub-number initial screen make the following entries:

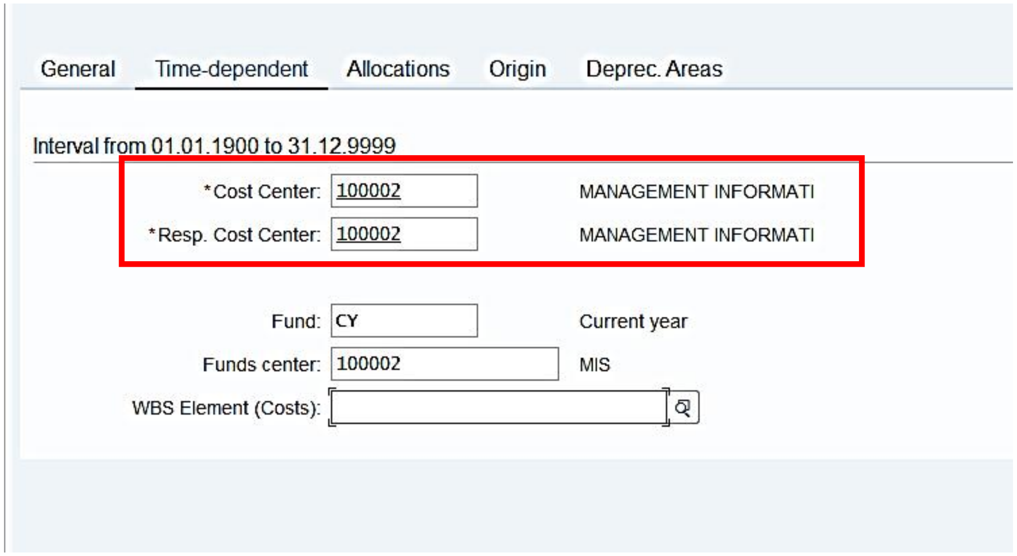
Field Name	Description	User Action and Values	Comment
Asset number	Tables	40000001	
Company Code	IESCO	1000	
Number of similar subnumbers		1	
Class		2010	

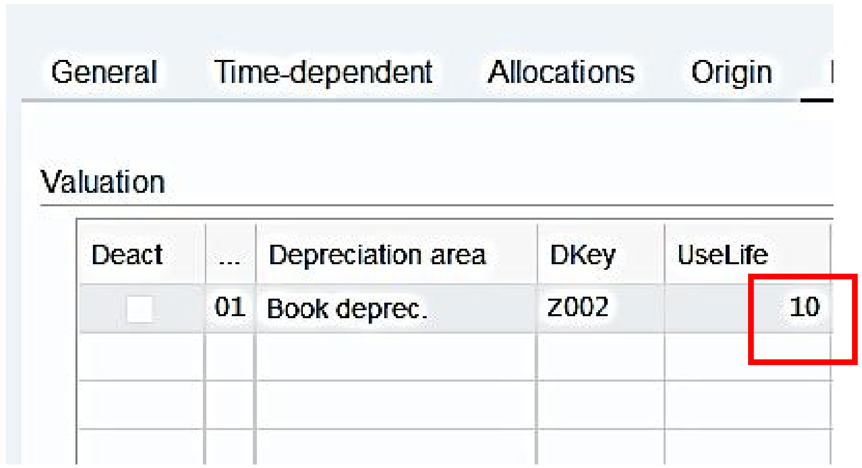
Screen shot for creating sub-asset number initial screen:



For General Master Data:




General
Time-dependent
Allocations
Origin
Deprec. Areas
Interval from 01.01.1900 to 31.12.9999
*Cost Center: 100002 MANAGEMENT INFORMATI
*Resp. Cost Center: 100002 MANAGEMENT INFORMATI
Fund: CY Current year
Funds center: 100002 MIS
WBS Element (Costs):



Choose Save

Result

You have created Asset sub number

3.3 Acquisition of Assets

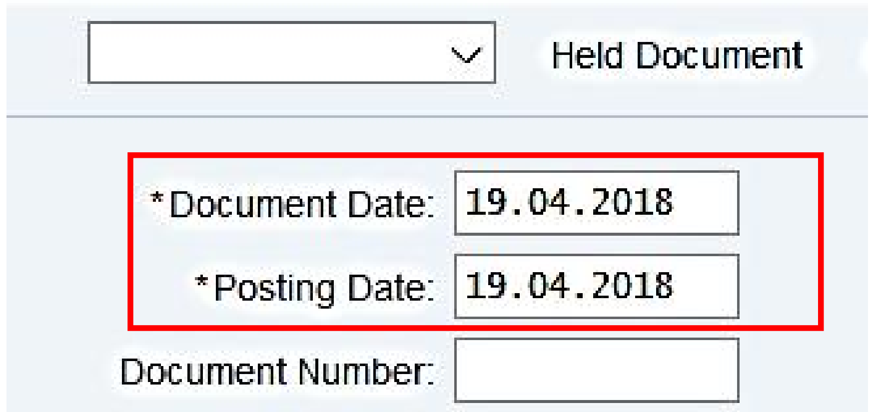
Use

With this transaction the asset acquisition can be posted integrated with Accounts Payable (FI-AP).

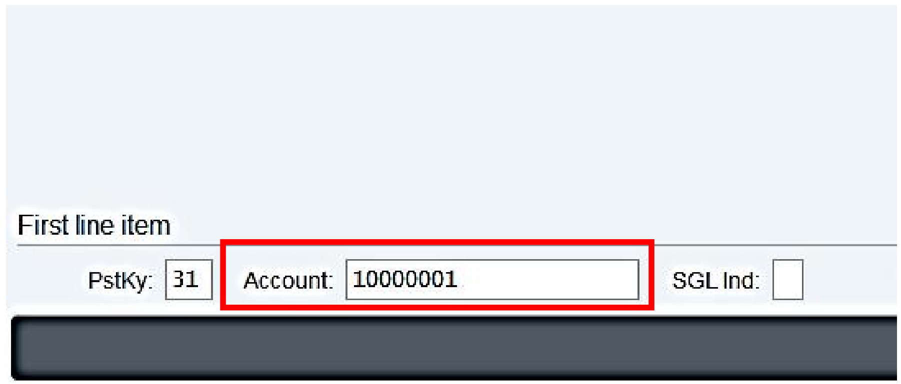
Procedure

1. Open "Acquisition without Order (Integrated AP)"AppfromFiorilaunchpad.
2. On the *Acquisition from purchase with vendor: Header Data* screen, make the following entries:

Field name	Description	User action and values	Comment
Document Date		19.04.2018	
Type		KR	
Company Code		1000	
Currency/Rate		PKR	
Reference		<reference information>	Any, for example, invoice number
PstKy	Posting Key	31	Invoice
Account	Vendor	10000001	Telenor


Held Document
*Document Date: 19.04.2018
*Posting Date: 19.04.2018
Document Number:

Screen shot for *Acquisition from purchase with vendor: HeaderData*



3. Choose *Enter*.

4. On the *Enter Vendor Invoice: Add Vendor Item* screen, make the following entries:

Field name	Description	User action and values	Comment
Amount in Document Currency		5000	Check the maximum amount for LVA
Calculate tax		<activate>	
PstKy	Posting Key	70	
Account	Asset	40000001	<asset number>
Ttype	Transaction type	100	

Screen shot for Add Vendor Item:

Choose *Enter*.

5. On the *Enter Vendor Invoice: Add Asset Item* screen, make the following entries:

Field name	**Description**	**User action and values**	**Comment**
Amount		5000	Check the maximum amount for LVA
Tax Code	Tax code	<domestic tax code>	for example <V1>
Quantity		<quantity and unit of measure>	

6. Post the document (*Ctrl*+*S*).

Result

The asset has been capitalized with the amount specified. In the asset master record, the capitalization and depreciation start dates were set when the first acquisition was posted.

3.4 Retirement of Assets to Customer (External Person)

Use

With this transaction the asset retirement can be posted integrated with Accounts Receivable Accounting (FI-AR).

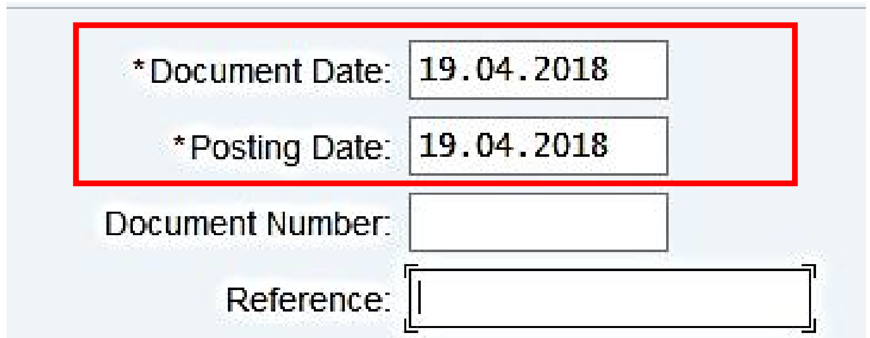
Procedure

1. Open "Asset Sale with Invoice"AppfromFiorilaunchpad.

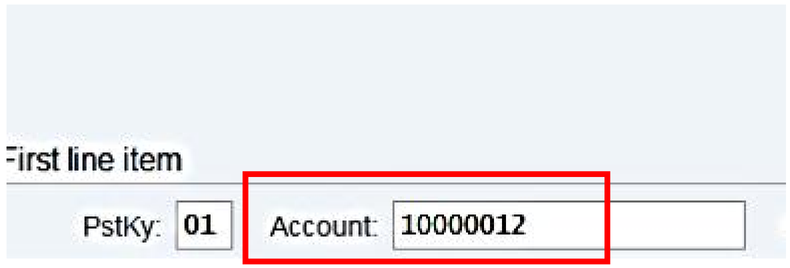
2. On the *Asset Retire. from Sale w/Customer: Header Data* screen, make the following entries:

Field name	Description	User action and values	Comment
Document Date		19.04.2018	for example today
Type		**DR**	
Company Code		1000	
Currency/Rate		PKR	
Reference		<any reference>	
PstKy	Posting Key	01	
Account	Account Name	10000012	

Screen shot for *Asset Retire. frm Sale w/Customer: Header Data*


*Document Date:
19.04.2018
*Posting Date:
19.04.2018
Document Number:
Reference:

Scroll Down to enter the posting key and account.

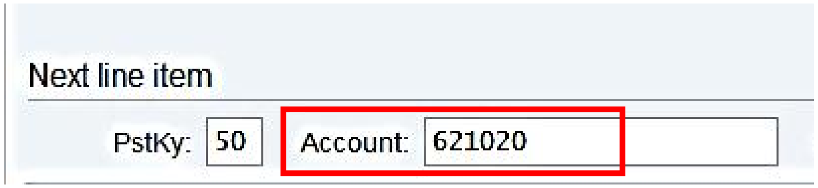


3. Choose *Enter*.

4. On the *Enter Customer invoice: Add Customer Item* screen, make the following entries:

Field name	Description	User action and values	Comment
Amount	Revenue (sales price)	5000	
Calculate tax		<activate>	
PstKy	Posting Key	**50**	
Account	Revenue clearing account	621020	

Screen shot for *Enter Customer invoice: Add Customer Item*

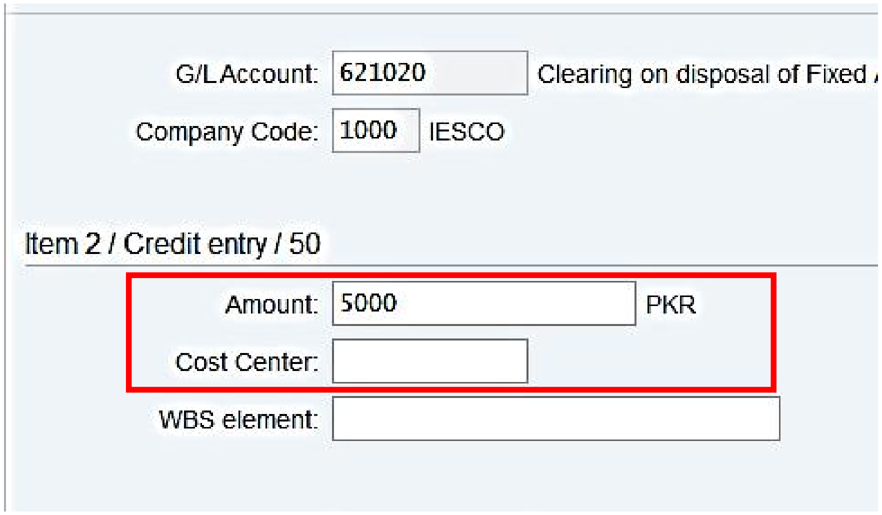


5. Choose *Enter*.

6. On the *Enter Customer invoice: Add G/L account Item* screen, make the following entries:

Field name	Description	User action and values	Comment
Amount	Revenue (sales price)	5000	
Profit Center		10101	
TaxCode		<domestic tax code>	for example A1
Asst Retirement		<activate>	

Screenshot for *Enter Customer invoice: Add G/L account Item*

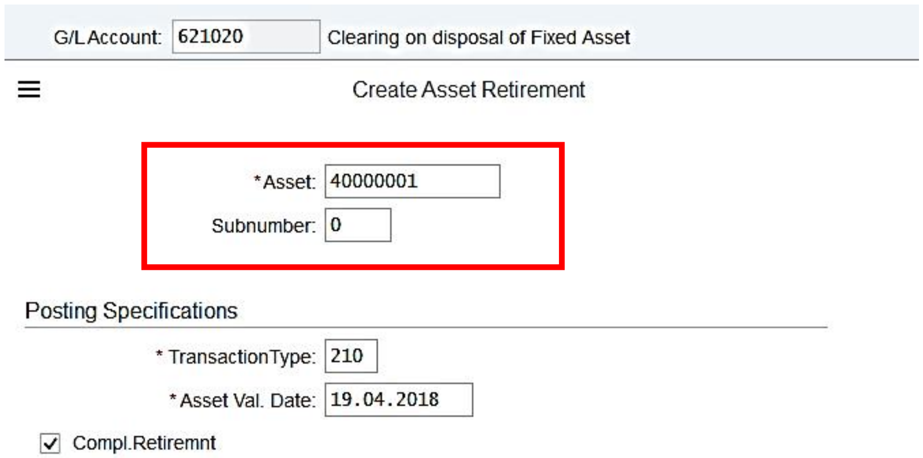


7. Choose *Post*

8. On the *Create Asset Retirement* screen, make the following entries:

Field name	Description	User action and values	Comment
Asset		40000001	
Trans. Type		**210**	**Enter Transaction type**
Asset Val. Date	Retirement date	19.04.2017	for example today
Compl.Retirement			Only relevant in case of a complete retirement.
Amount Posted	Amount of APC being retired with partial retirement	5000	Only in case of a partial retirement: Amount Posted, Percentage Rate, Quantity: to be used alternatively
Percentage Rate	Amount of APC being retired with partial retirement	<percentage rate>	Only in case of a partial retirement: Amount Posted, Percentage Rate, Quantity: to be used alternatively
Quantity	Number of assets being retired (collective management) with partial retirement	<quantity>	Amount Posted, Only in case of a partial retirement: Percentage Rate, Quantity: to be used alternatively

Screen shot for asset retirement



9. Choose *Continue (Enter)*.

10. Post the document.

Result

A retirement has been recorded for the specified asset.

3.5 Retirement of Assets Due to Scrapping.

Use

Retirement without revenueinvolves the removal of a complex fixed asset from a company's fixed assets without revenue being realized for the asset (as in the case of scrapping, for example).

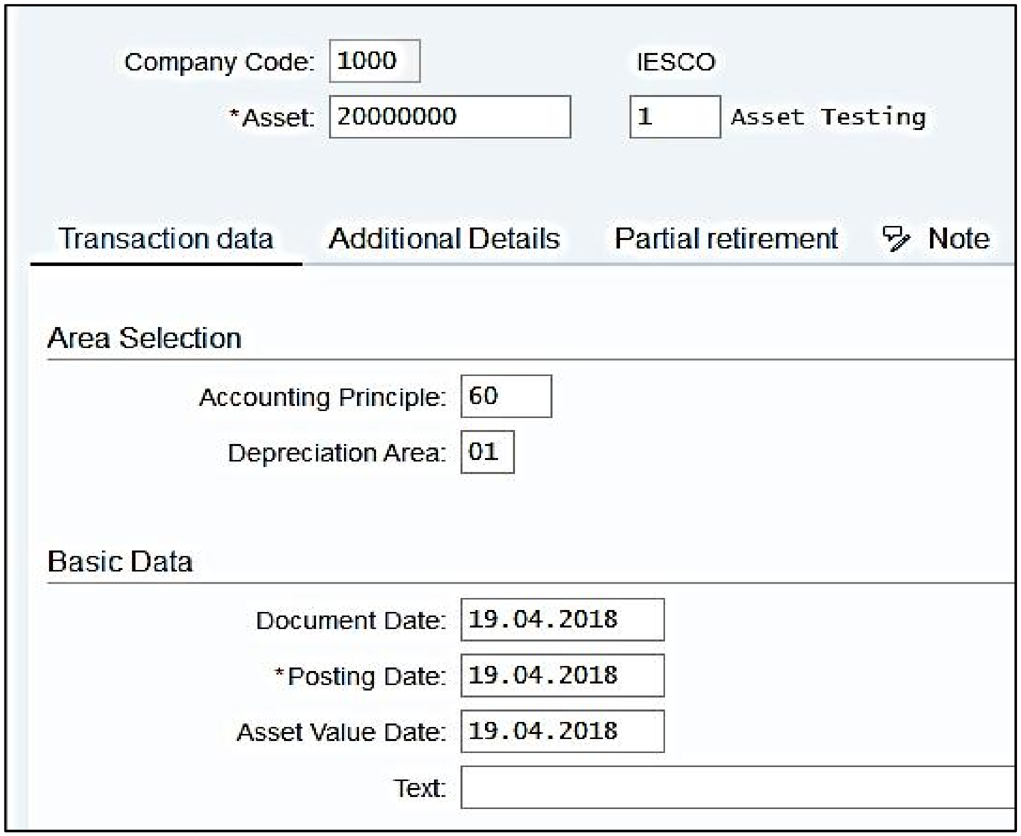
Procedure

1. Open "Post Asset Retirement by Scrapping"AppfromFiorilaunchpad

2. On the *Enter Asset transaction: Asset Retirement by Scrapping* screen, make the following entries:

Field name	Description	User action and values	Comment
Asset		20000000	
Document Date		19.04.2017	
Posting Date		19.04.2017	
Asset Val. Date	Retirement date	19.04.2017	
		<Choose*Partial Retirement* (tab page)>	Only in case of a partial retirement
Amount Posted	Amount of APC being retired with partial retirement	50000	Only in case of a partial retirement: Amount Posted, Percentage Rate, Quantity: to be used alternatively
Accounting principle		60	IFRS
Depreciation area		01	Book depreciation

Screenshot for *Enter Asset transaction: Asset Retirement by Scrapping*



3. Post the document.

Result

A retirement has been recorded for the specified asset. The loss realized was calculated automatically and posted to the account defined in Customizing. If the asset retirement was a complete retirement, the retirement date was set automatically in the asset master record upon posting.

3.6 Transfer of Assets

Use

There are basically three reasons why you might need to carry out an intracompany transfer within a company code. One reason is if changes are made to organizational structures (reclassification of asset classes, changes to profit centers, and so on). Second, an intracompany transfer might be necessary if account assignments are incorrect (for example, incorrect asset class). The third reason is if a managed asset under construction is completed for summary settlement.

Intracompany transfers from one fixed asset to another within the same company code can be carried out in one step. Automatic intracompany transfers are only possible, however, if no values from the sending asset are lost and every area of the target asset is supplied with values.

Procedure

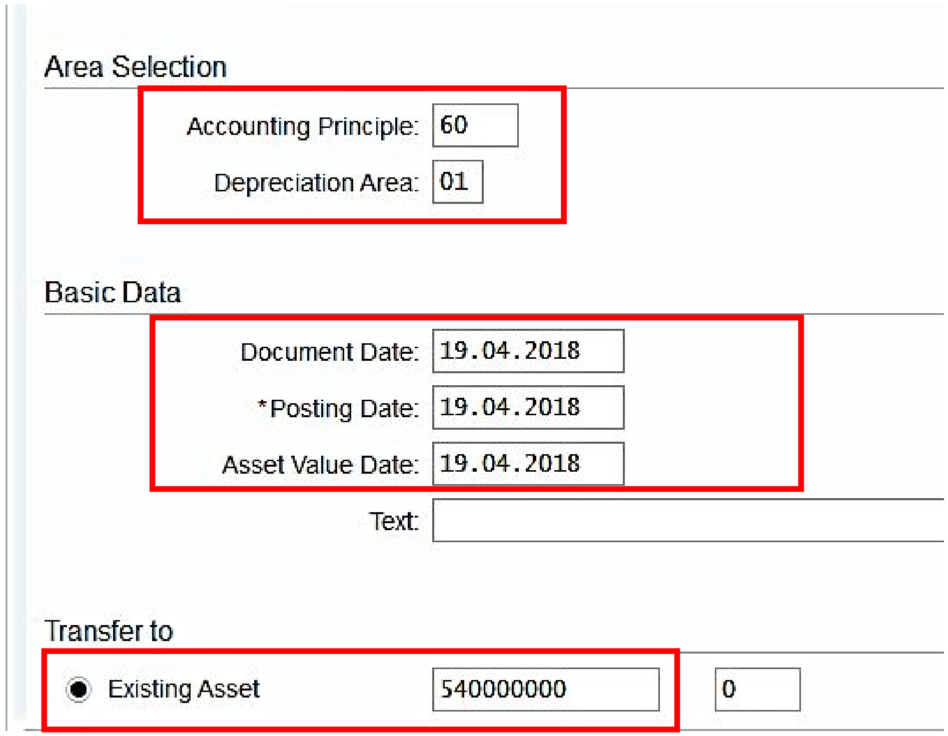
1. Open "Post Transfer within Company Code"AppfromFiorilaunchpad.

2. On the *Enter Asset transaction: Transfer within Company Code* screen, make the following entries:

Field name	Description	User action and values	Comment
Asset		20000000	
Document Date		19.04.2017	for example today
Posting Date		19.04.2017	for example today
Asset Val. Date		19.04.2017	for example today
		<Choose *Partial Transfer* (tab page)>	Only in case of a partial transfer.
Amount Posted	Amount of APC being retired with partial transfers	50000	Only in case of a partial transfer. Amount Posted, Percentage Rate,

Field name	Description	User action and values	Comment
			Quantity: to be used alternatively
Transfer TO: *Existing asset* *New Asset*		Existing asset: 540000000	

Screenshot for *Enter Asset transaction: Transfer within Company Code*



3. Post the document.

Result

Either the entire acquisition or production costs (APC) and accumulated depreciation (complete transfer), or the specified APC portion with the relevant proportional accumulated depreciation (partial transfer) are transferred to the receiving asset. The standard transaction type for intracompany transfers (300) is configured in such a way that the receiving asset adopts the capitalization start date and the depreciation start date historically from the asset being retired. The transaction types 310, 320, 330 do not adopt the capitalization date and depreciation start date.

3.7 Settlement of AUC (CWIP) to Fixed Asset

Use

In this process steps you maintain the settlement rules for the Asset under Construction created in the previous steps.

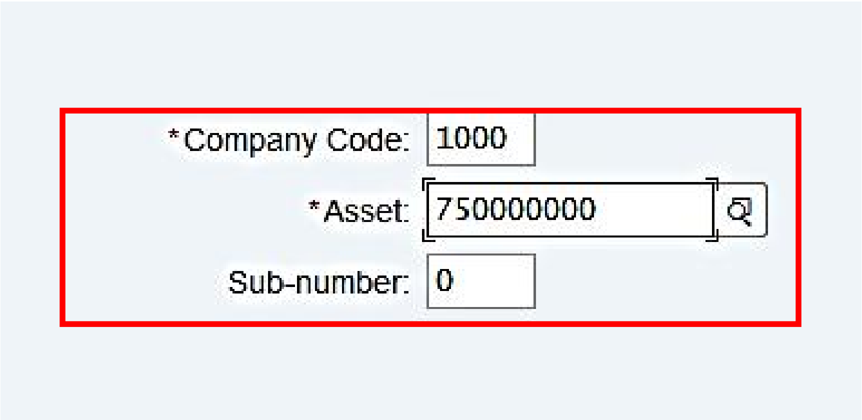
Procedure

1. Open "Define Distribution Rules for Asset Under Construction"AppfromFiorilaunchpad.

2. On the *Settlement AuC: Initial Screen*, make the following entries:

Field name	Description	User action and values	Comment
Company Code	IESCO	1000	
Asset	Transmission lines	750000000	
Layout		1SAP	
Sub-number		0	

Screenshot for *Settlement AuC: Initial Screen*

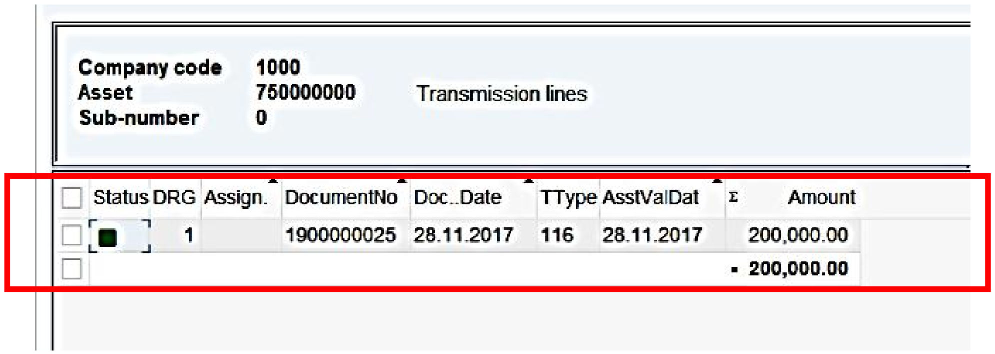


3. Choose *Execute.*

4. On the *Maintain Settlement Rule: Overview* screen enter the following data:

Field name	Description	User action and values	Comment
Cat	Settlement receiver category	FXA	Fixed Asset
Settlement Receivers	Transmission lines	750000000	
%	Percentage Rate	100%	for example 90
Cat	Settlement receiver category	CTR	Cost Center
Settlement Receivers		<cost center>	for example 1101

Screen shot after execution of *Settlement AuC: Line Item List*



5. Choose *Back* (F3).

6. Choose *Save(Ctrl + S)*.

Result

You have maintained the rules for the settlement. The execution of the settlement is part of the periodic processing

3.8 Reversing an Asset Document

Use

A transaction may have been wrongly capitalized as an asset. In addition, it may have been depreciated over a period of time before the mistake is detected. The correction to this is to reverse both the asset and depreciation postings

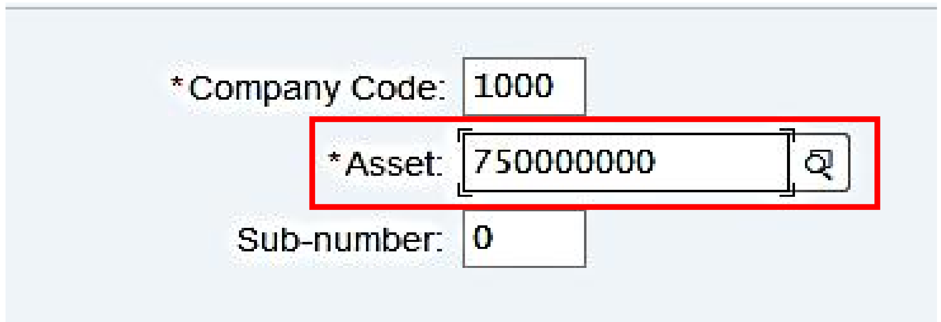
Procedure

1. Open "Reverse Line Items"AppfromFiorilaunchpad.

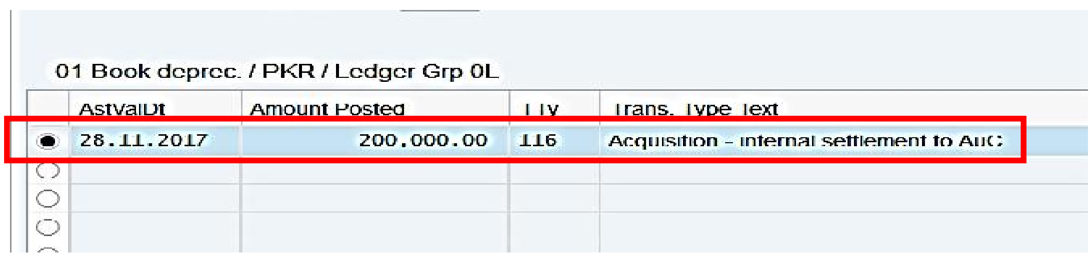
2. Under Document for Asset screen make the following entries:

Field name	Description	User action and values	Comment
Company Code	IESCO	1000	
Asset		750000000	
Subnumber		0	
Fiscal Year		2018	
Reversal Reason	Reversal in current yr	01	

Screen shot for Document for Asset main screen



Screen shot for overview of Asset Accounting Documents



3. Select the transaction line item and choose Reverse option in the bottom right of the screen.
4. Choose Save.

Result

The asset has been reversed.

3.9 Revaluation of Asset

Use

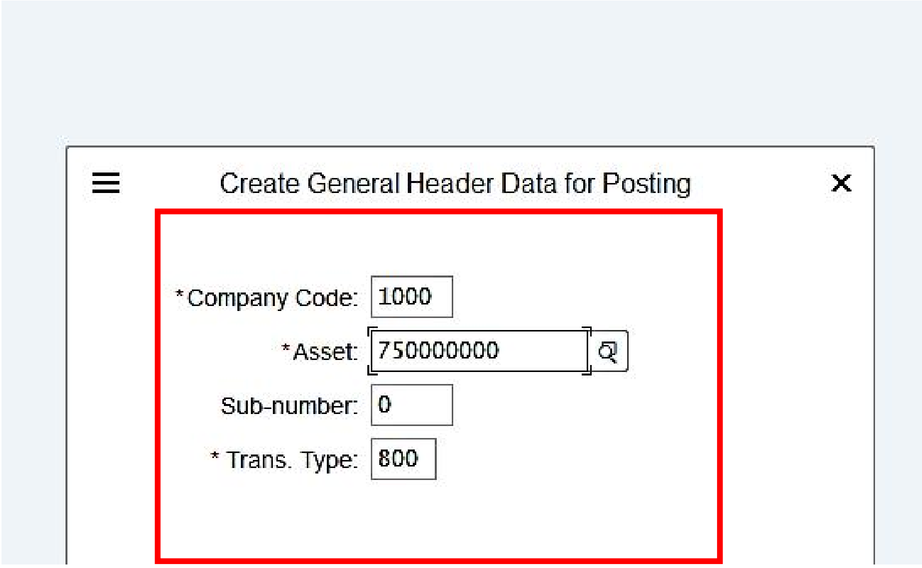
For a particular fixed asset, that you have made asset and depreciation postings over more than one reporting year. Also that at least one of those periods has been closed for postings, including in the asset module. For a valid reason, you have a requirement to reverse transactions posted on this asset.

Procedure

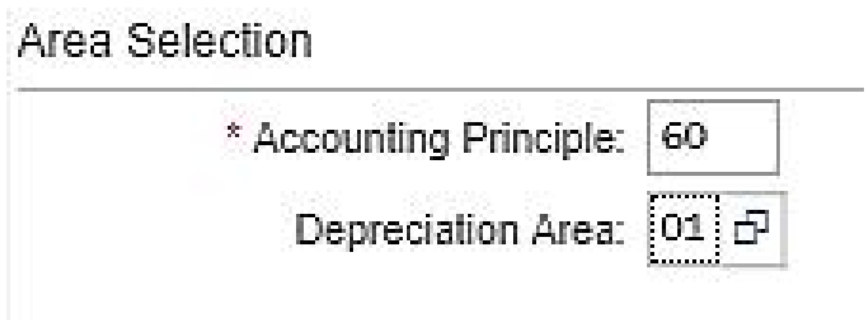
1. Open "Post Revaluation"AppfromFiorilaunchpad.
2. Under Asset Transaction: Revaluation make the following entries

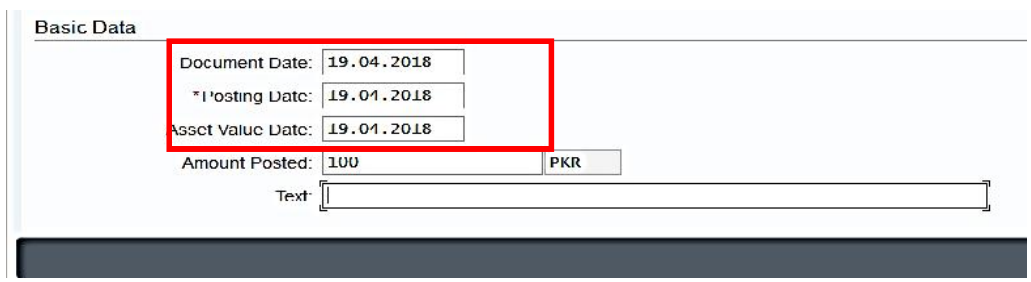
Field name	Description	User action and values	Comment
Company code	IESCO	1000	
Asset	Replacement Transformer	750000000	
Subnumber		0	
Transaction type	Post revaluation gross	800	
Accounting principle	IFRS	60	
Depreciation Area		01	
Amount Posted		100	
Document Date		19.04.2017	
Posting Date		19.04.2017	
Asset Value Date		19.04.2017	

Screenshot for Creating General Header Data for Posting



Screenshot for Enter Asset Transaction Revaluation





3. Choose Post.

Result

The asset has been revaluated.

3.10 Monthly Depreciation Posting

Use

A posting to a fixed asset initially causes the planned depreciation to change in Asset Accounting. The accumulated depreciation accounts and depreciation accounts of the balance sheet and profit and loss statement are not updated immediately, however. The total planned depreciation is not posted to Financial Accounting (only collective documents are created) until the periodic depreciation posting run is executed.

The depreciation posting should be run periodically (annually, semi-annually, quarterly, or monthly). When executed as an update run, the program has to be started in the background.

The system creates posting documents for each depreciation area and account group in accordance with the posting cycles specified in Customizing. As the posting date, the system uses

The last day of the period for normal periods (no special periods)

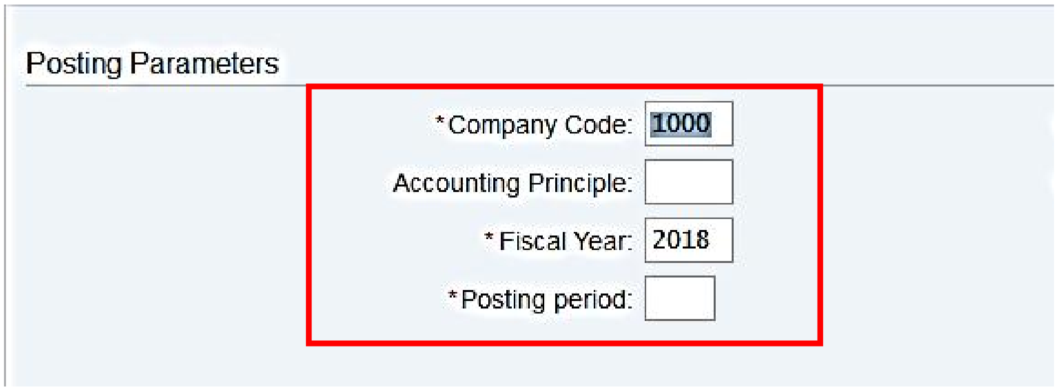
The last day of the fiscal year for special periods

Procedure

1. Open "Post Depreciation"AppfromFiorilaunchpad.
2. On the Depreciation posting run screen, make the following entries:

Field name	Description	User action and values	Comment
Company Code	IESCO	1000	
Fiscal Year		2018	
Totals Log		Activate	
Test Run		Activate	

Screen shot for *Depreciation posting run*



Choose Execute

Planned Posting Run

You can post to the next period that is specified according to the posting cycle. During a regular posting run of this kind, the system does not allow you to limit the run to particular assets.

Repeat Run

You can request a repeat posting run for the last period posted. You might need to carry out a repeat run if the depreciation terms were changed for individual assets in connection with the year-end closing, for example. During a repeat posting run, the system only posts the differences that resulted between the first posting run and the repeat posting run. You can limit the run to particular assets.

Restart

If a posting run terminated for technical reasons and changes had already been made to the database, you have to restart the program in restart mode. Using the restart mode ensures that all system activities that were interrupted by the termination are repeated.

Unplanned Posting Run

If, for whatever reason, you want to skip over one or more posting periods, you can do this by specifying an unplanned posting run. The system then creates postings for all the periods that were skipped, as well as for the period entered. The posting period that you specify, however, must fit into the posting cycle. If you specify period 7 for a quarterly posting cycle, for example, no posting occurs.

Once you have made all the necessary entries, execute the depreciation posting run in the background ((*NWBC: Menu* ì *Program→Execute in Background*)

To start the depreciation posting run, save the start time values.

Result

The planned depreciation is posted to the accounts defined in Customizing. Note that the system always creates collective documents (not individual documents for each asset) when posting depreciation.

3.11 Year End Closing

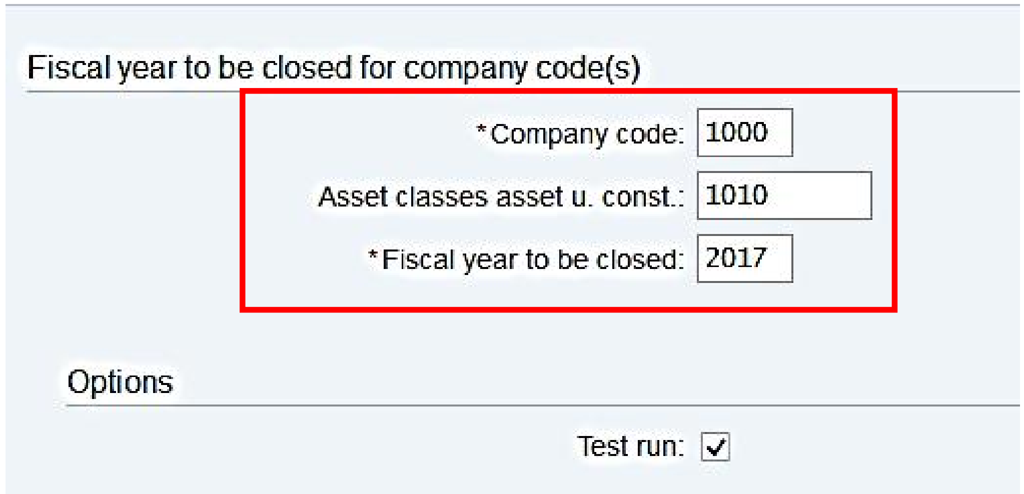
Use

You can use the year-end closing program to close the fiscal year for one or more company codes from an accounting perspective. Once the fiscal year is closed, you can no longer post or change values within Asset Accounting (for example, by recalculating depreciation). The fiscal year that is closed is always the year following the last closed fiscal year. You cannot close the current fiscal year.

Procedure

1. Open "Year End Closing"AppfromFiorilaunchpad.
2. On the Year-End closing Asset Accounting screen, make the following entries:

Field name	Description	User action and values	Comment
Company Code	IESCO	**1000**	
Fiscal Year to Be Closed		2017	
Test Run		Check/uncheck	If you want to test, activate this flag



3. Remove the Test Run and Choose *Execute*.

Carry out the year-end closing as a test run. If more than 1.000 assets exist in the system, you have to start the program by choosing (*NWBC: Menu* ì· *Program→Execute in Background*. The section on depreciation posting runs contains information on monitoring the job and spool.
An update run has to be executed in background.

You can undo a year-end closing that has already been performed. This might be necessary in case you have to additional corrections. You can undo the year-end closing for the entire company code or for each depreciation area. Check the chapter *Reversal of Process Steps* for details.

Result

If you have performed the year-end closing in update mode, you can no longer post to the closed fiscal year