# S/4HANA Essentials Workshop

## What every IT and Business Professional Must know About SAP S/4HANA - Finance

Vicki Chung, Solution Manager, SAP Hong Kong

PUBLIC

Hong Kong SUG

THE BEST RUN SAP

# Disclaimer

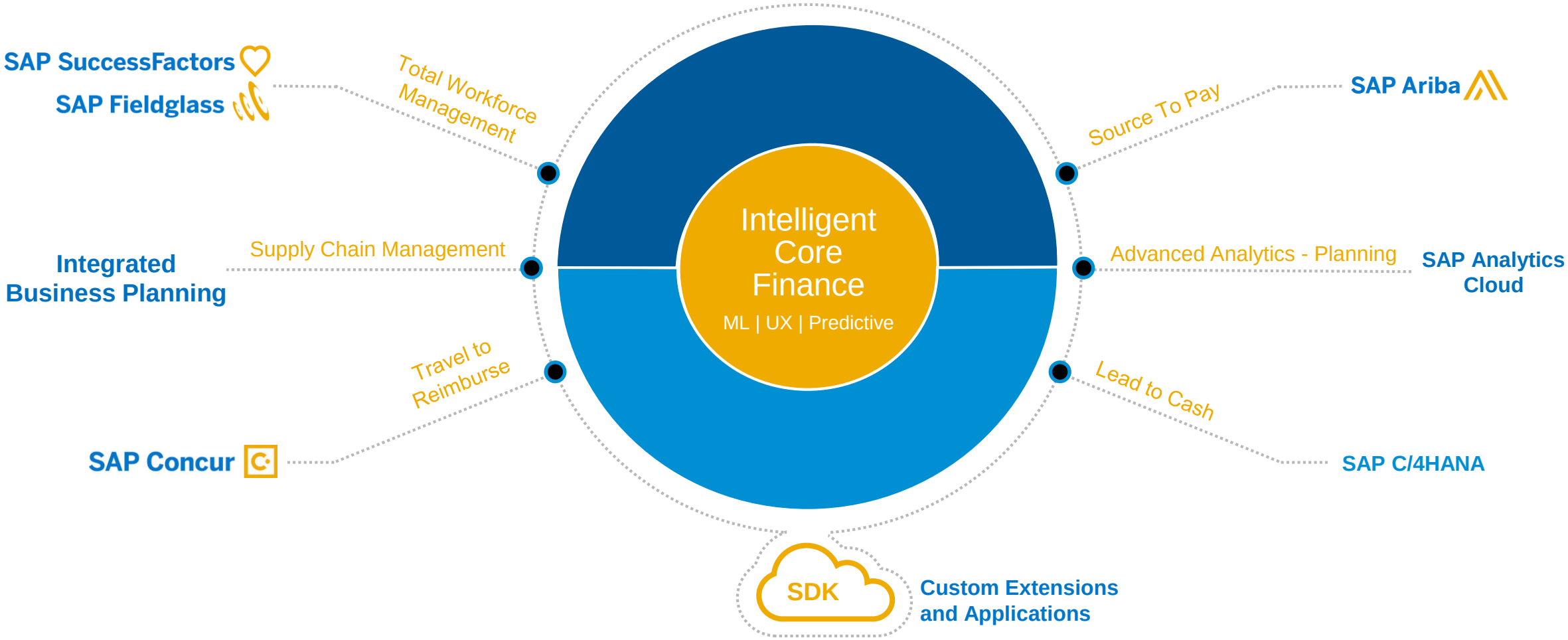
The information in this presentation is confidential and proprietary to SAP and may not be disclosed without the permission of SAP. Except for your obligation to protect confidential information, this presentation is not subject to your license agreement or any other service or subscription agreement with SAP. SAP has no obligation to pursue any course of business outlined in this presentation or any related document, or to develop or release any functionality mentioned therein.

This presentation, or any related document and SAP's strategy and possible future developments, products and or platforms directions and functionality are all subject to change and may be changed by SAP at any time for any reason without notice. The information in this presentation is not a commitment, promise or legal obligation to deliver any material, code or functionality. This presentation is provided without a warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement. This presentation is for informational purposes and may not be incorporated into a contract. SAP assumes no responsibility for errors or omissions in this presentation, except if such damages were caused by SAP’s intentional or gross negligence.

All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.

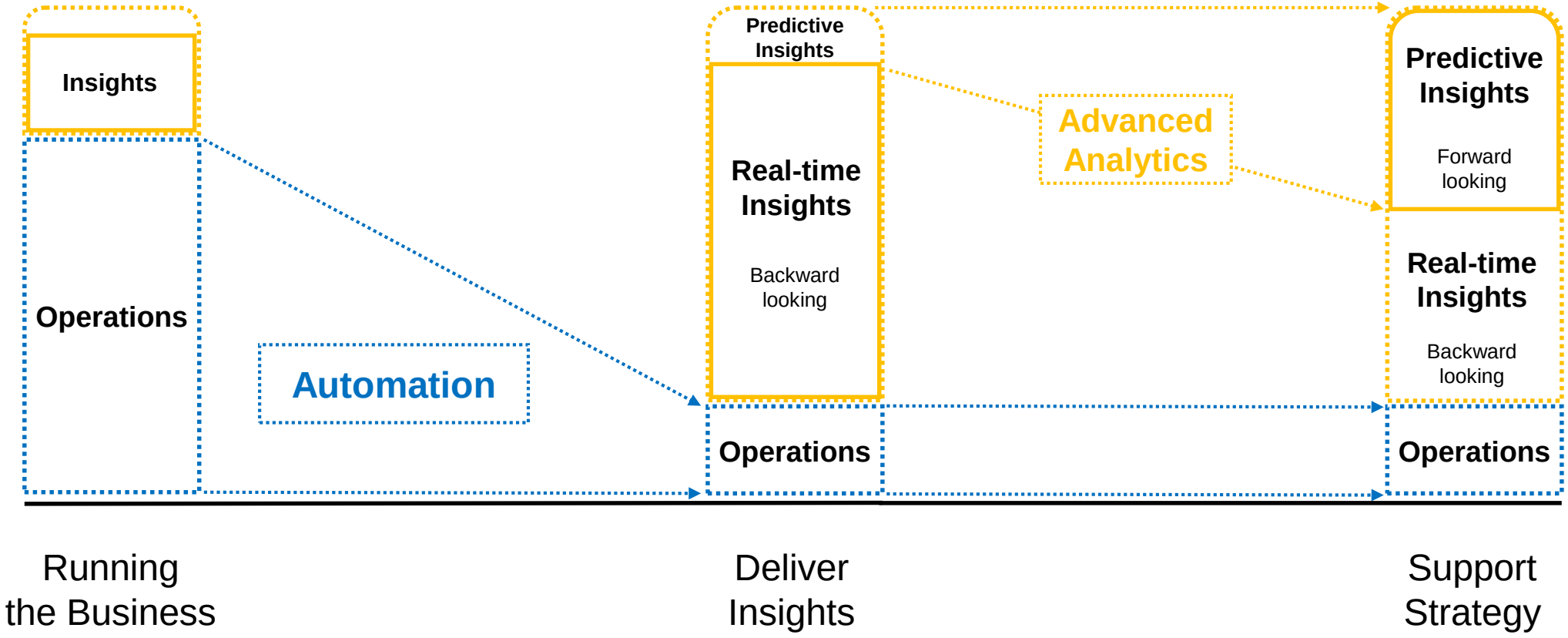
© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# **Intelligent ERP:** Unparalleled capabilities to support finance processes



# Vision of Finance Transformation

From daily routine to supporting growth and new business models




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Use Cases across the entire Finance Value Chain

## SAP S/4HANA Finance

Chief Financial Officer

| VP of Finance | Head of Corporate Reporting | Corporate Treasurer | Head of Finance Operations | Governance, risk, and compliance |
|---|---|---|---|---|
| **Financial Planning & Analysis** | **Accounting & Financial Close** | **Treasury management** | **Financial Operations** | **Enterprise Risk & Compliance Management** |
| Mergers and acquisitions | Continuous accounting | Real-time actual to plan cash cycle | Real-time receivables management | Three lines of defense |
| Dynamic planning and analysis | Continuous consolidation | Bank counter-party risk management | Automated cash application processes | Access governance |
| Real-time customer and product profitability | Real-time line manager insights | Foreign exchange risks | Buyer-supplier integration | Cybersecurity monitoring and data protection |
| | Revenue recognition and lease accounting (IFRS 15/16) | | Corporate real estate management | International trade management |
| 50–100% reduction in financial forecasting error rate* | 40–50% reduction in days to close annual books* | 25–35% reduction in unnecessary capital requirements* | 10–25% reduction in accounts receivable management costs* | 25–30% reduction in risk management and compliance costs* |

*Benefits are based on early adopters of SAP S/4HANA® or conservative outside-in benefits due to moving from a traditional ERP to enhanced SAP S/4HANA + line-of-business (LoB) and cloud capabilities. As each enterprise is at a different level of maturity, our recommendation is to work with you to determine the value proposition for the enterprise.

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Evolution of SAP Accounting

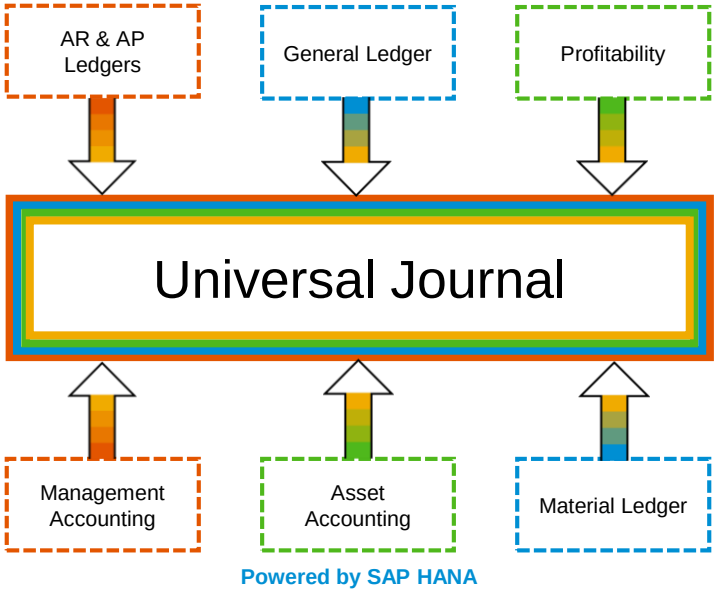
## R/3

- Classic General Ledger
- Special Ledger
- Profit Center Accounting
- Profitability Analysis
- Controlling
- Fixed Assets
- Material Ledger

## ERP

- New General Ledger
- Profitability Analysis
- Controlling
- Fixed Assets
- Material Ledger

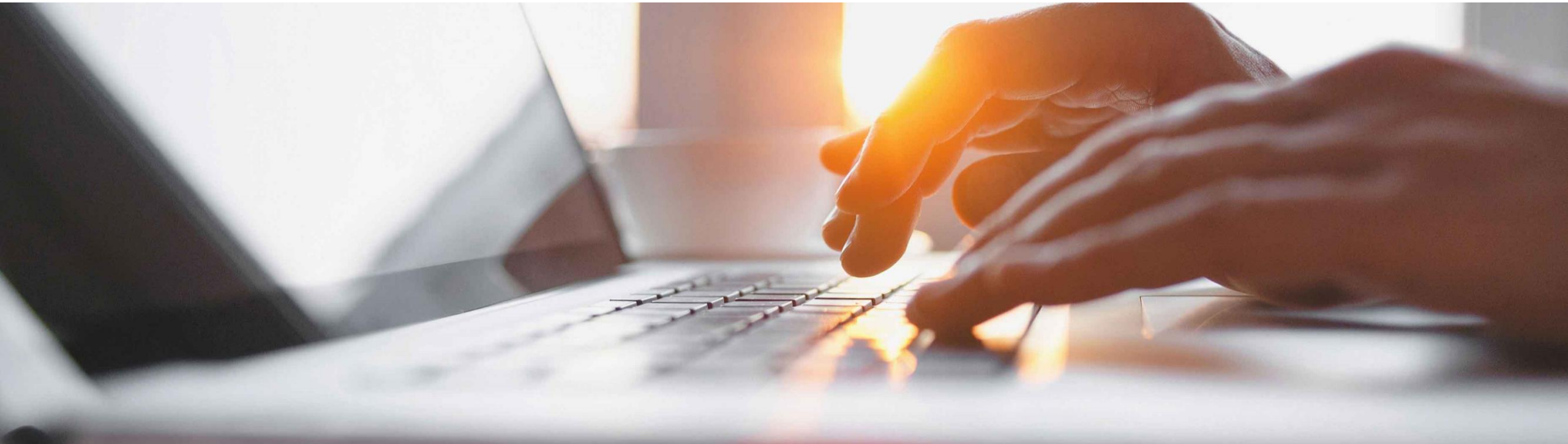
## SAP S/4HANA




https://www.youtube.com/watch?v=6Wwqwo7Towc

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Real Time Profitability



# Business Challenge Financial Reporting

## Traditional Financial Reporting always depended on the view…

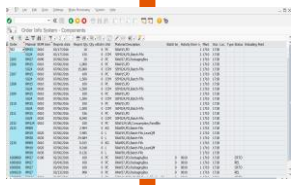
Finance by legal entity & account → Cost by responsible → Profitability by flexible segment → Valuation by Inventory view → Export, Enhance & Analyze

| Income Statement | |
|---|---|
| Revenue | 1.900 |
| - Cost of Goods Sold | 1.200 |
| Gross Margin | |
| - Marketing Cost | |
| - R&D Cost | |
| - Administration Cost | |
| +/- Other Revenue / Expenses | |
| +/- Amortization / Depreciation | |
| EBIT | |

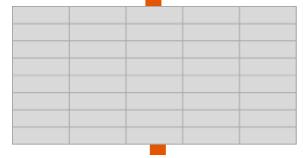
| Overhead / Cost Centers | |
|---|---|
| Product Costing | |
| Labor | 150 |
| External Labor | 250 |
| Material fix | 300 |
| Material variable | 250 |
| Overhead | 180 |
| Administration | 70 |
| Total / COGS | 1.200 |
| Variances | |

| Profitability Analysis | |
|---|---|
| Sales & Sales Deductions | 1.850 |
| Net Sales | |
| COGS<br>- Material fix/var ...<br>- Labor fix/ var ...<br>- .. | |
| Margin 1 | |
| Variances<br>- Scrap<br>...<br>- Price ...<br>- Quantity... | |
| Margin 2 | |

| Actual Costing & Transfer Prices |
|---|
| Material Price Analysis |
| Transfer Prices |
| Legal<br>Manual<br>.. |
| Actual Costing |
| Standard Costing<br>Variances<br>Redistribution of Price differences<br>Revaluation |
| Year End |
| Multiple local Requirements |



Analyze in Lists



Enhance in Spreadsheets

Export to BW

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Financial Reporting in SAP S/4HANA

SAP S/4HANA

Detect the power of full integration, access multiple integrated views, drill down to line items & related documents – but also stay fully flexible

Financial Statement & P&L by legal entity& account → Drilldown to product, project or responsibility → Report margin per segment & dimension → Drilldown to valuation view → Use flexible hierarchies via semantic tagging & Embedded KPI & Analysis

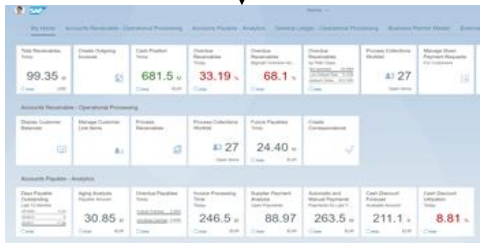
| G/L Account | | Amt in CO Area Crcy |
|---|---|---|
| – Financial Statement | 1720 | 23.242.770,59 EUR |
| – ASSETS | 17207 | 57.974.270,90 EUR |
| + Cash & Cash Equivale | 17208 | 20.226.295,92 EUR |
| + Accounts Receivable | 17209 | 24.707.130,33 EUR |
| + Inventories | 172010 | 13.040.844,65 EUR |

| Material | Amt in CO Area Crcy | Quantity |
|---|---|---|
| MZ-FG-C900 | -1.852.414,83 EUR | -12.676 PC |
| MZ-FG-C950 | -1.305.458,85 EUR | -6.611 PC |
| MZ-FG-C990 | -2.436.447,94 EUR | -9.625 PC |
| MZ-FG-E108 | 3.313,43 EUR | -15 PC |
| MZ-FG-E146 | -3.654.737,00 EUR | -4.000 PC |
| MZ-FG-E147 | -8.039.712,14 EUR | -8.035 PC |
| MZ-FG-E148 | -1.644.075,85 EUR | -2.000 PC |

| | |
|---|---|
| – Contribution Margin Report | -26.013.873,06 EUR |
| – P&L before Tax | -26.013.873,06 EUR |
| – CM III | -26.013.873,06 EUR |
| – CM II | -26.013.873,06 EUR |
| – CM I | -26.016.990,91 EUR |
| + Net Sales | -44.320.159,78 EUR |
| + Material Costs | 12.345.882,72 EUR |
| + Labor Costs | 1.851.067,26 EUR |
| + Manufact. costs | 2.779.000,61 EUR |
| + Overhead costs | 1.327.218,28 EUR |
| – Variances | 3.117,85 EUR |
| Loss from Productio... | 0,00 EUR |
| Input Price Variance | 0,14 EUR |
| Input Quantity Varia... | -134,87 EUR |
| Remaining Input Va... | 1.104,89 EUR |
| Output Price Variance | 0,05 EUR |

| Profit Center | Amount in CC Crcy |
|---|---|
| – CJTEST-GEO-10 | 30,660,238.17 EUR |
| – FUEL | 30,653,727.04 EUR |
| – DIESEL | 2,880.00 EUR |
| – Germany | 1,000.00 EUR |
| PC100 | 400.00 EUR |
| PC1003 | 600.00 EUR |
| + Hong Kong | 1,880.00 EUR |
| + GASOLINE | 30,650,847.04 EUR |
| + LUBRICANT | 6,511.13 EUR |
| + Not Assigned Profit Center (s) | 1,796,057,698.84 ... |

e.g. Geo mapping



Embedded Analysis & KPIs

## Comprehensive Financial Reporting in S/4HANA

- is not limited by application boundaries
- Run one report (e.g. P&L) and drill-down into numerous dimensions & views by just drag & drop
- Account based Profitability Analysis has been refined to reflect the cost component split & the variances on the G/L account – to simplify reconciliation & closing
- Optional drilldown into different Valuations views (Legal/ Intercompany/ Transfer Prices)
- Use own Profit Center hierarchies and use flexible tagging to quickly react to organizational changes

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Real-time Multi-dimensional Reporting

Demo

IFRS Ledger | Local GAAP Ledger | Management Ledger

- Company Code
- Business Area
- Account
- Product
- Profit Centre
- Trading Partner
- Client Segment
- Cost Centre
- Internal Order
- Project
- Segment
- Partner Profit Centre

System: ECF / User BNKUSER
Company Code: US10
Posting Date From
Posting Date To

| Company Code | G/L Account | | Debit Balance $ | Credit Balance $ | Ending Balance $ |
|---|---|---|---|---|---|
| US10 | [-] Bank financial statement structure | FINB/0000010FINB | 6,715,186,250.22 | -6,715,186,250.22 | 0.00 |
| | [-] Assets | FINB/00000200ASSETS | 6,504,105,624.99 | -3,248,855,625.05 | 3,255,249,999.94 |
| | [+] Cash | FINB/0000030100100 | 252,784,791.58 | -1,493,125.01 | 251,291,666.57 |
| | [-] Financial Assets | FINB/0000110100200 | 2,804,587,500.03 | 0.00 | 2,804,587,500.03 |
| | [+] Financial Assets Held-for-Trading | FINB/0000120100210 | 122,962,499.99 | 0.00 | 122,962,499.99 |
| | [+] Financial Assets Fair Value through P&L | FINB/0000180100220 | 602,275,000.00 | 0.00 | 602,275,000.00 |
| | [+] Financial Assets DFV | FINB/0000230100230 | 2,904,166.68 | 0.00 | 2,904,166.68 |
| | [+] Financial Assets FVOCI | FINB/0000280100240 | 57,766,666.70 | 0.00 | 57,766,666.70 |
| | [+] Financial Assets Amortized Costs | FINB/0000330100250 | 2,018,679,166.66 | 0.00 | 2,018,679,166.66 |
| | [+] Other Assets | FINB/0000420100400 | 199,370,833.34 | 0.00 | 199,370,833.34 |
| | [+] Assets Offset | FINB/0000610199999 | 3,247,362,500.04 | -3,247,362,500.04 | 0.00 |
| | [+] Liabilities and Equity | FINB/00006300LIABILITS | 1,493,125.01 | -3,256,743,124.95 | -3,255,249,999.94 |
| | [-] Profit and Loss Statement | FINB/0001290400000 | 209,587,500.22 | -209,587,500.22 | 0.00 |
| | [+] Interest Income | FINB/0001300400100 | 0.00 | -59,805,625.04 | -59,805,625.04 |
| | [+] Non-Interest Income | FINB/0001460400200 | 0.00 | -48,931,875.02 | -48,931,875.02 |
| | [+] Interest Expense | FINB/0001850400300 | 70,595,000.13 | 0.00 | 70,595,000.13 |
| | [+] Non-Interest Expense | FINB/0001990400400 | 30,255,000.03 | 0.00 | 30,255,000.03 |
| | [+] P&L offset clearing | FINB/0002390700000 | 108,737,500.06 | -100,850,000.16 | 7,887,499.90 |
| **Overall Result** | | | **6,715,186,250.22** | **-6,715,186,250.22** | **0.00** |

Available fields / dimensions

Analysis

Find

DATA SOURCE

- Trial Balance
- Measures
- Order
- Account Assignment
- Account Type
- Account Type
- Activity
- Activity Type
- Altern. G/L Account
- Asset Value Date
- Assignment
- AstDepreciationArea
- Billing Type
- Budget Period
- Bus. Transac. Type
- Business Area
- Business partner
- Business Process
- Chart of Accounts
- Clearing Doc. No.
- Clearing Fisc. Year
- Company Code
- Company Code Crcy
- Completion indicator
- Controlling Area

Local Currency

Functional Currency

Group Currency

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Profitability Analysis in the Universal Journal

## Integrated - Real-time - No Reconciliation Effort

**Sales**
**Invoice with Conditions**
Sales
Sales Deductions

**Product Costing**
**Delivery with Valuation**
Variable COGS
Fix COGS

**Produc-tion**
**Settlement**
Production Variances

**Project System**
**Attr. PSG/ Settlement**
R & D Costs

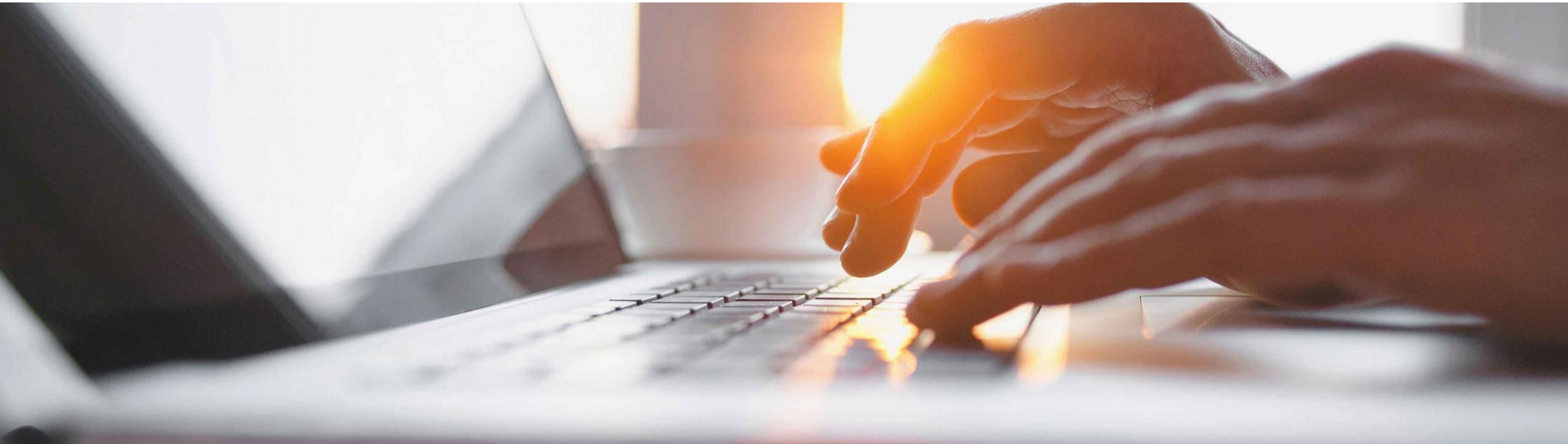
**Overhead Mgmt**
**Attr. PSG/ Allocation**
Sales & Admin Costs
Marketing Costs

SAP Market Segments - Actuals

| G/L Account | G/L Account \| Product Sold Group | Actual Amount in Trans Crcy | | |
|---|---|---|---|---|
| | | Cruise | Mountain | Racing |
| YPA2/0YPA2 | SAP Best Practices C | $ -12,105,845.57 | $ -17,139,382.79 | $ -12,998,903.22 |
| YPA2/00NOTASSGND | | $ -1,080,403.18 | $ 5,136,633.45 | $ 5,662,841.49 |
| YPA2/08 | Contribution Margin | $ -11,025,442.39 | $ -22,276,016.24 | $ -18,661,744.71 |
| YPA2/09 | P&L before Tax | $ -11,025,442.39 | $ -22,276,016.24 | $ -18,661,744.71 |
| YPA2/010 | CM III | $ -11,057,045.24 | $ -22,346,260.84 | $ -18,726,312.77 |
| YPA2/012 | CM II | $ -24,940,763.53 | $ -53,206,021.23 | $ -47,092,263.58 |
| YPA2/015 | CM I | $ -22,998,269.45 | $ -52,498,372.10 | $ -54,283,833.64 |
| YPA2/020 | Net Sales | $ -119,351,920.00 | $ -184,111,690.00 | $ -234,601,469.00 |
| YPA2/023 | Revenue | $ -119,351,920.00 | $ -184,111,690.00 | $ -234,601,469.00 |
| YPA2/038 | Cost of Goods Sold | $ 96,353,650.55 | $ 131,613,317.90 | $ 180,317,635.36 |
| YPA2/024 | Material Costs | $ 65,491,856.45 | $ 85,903,255.57 | $ 123,875,290.89 |
| YPA2/027 | Labor Costs | $ 10,453,978.98 | $ 17,460,541.22 | $ 13,028,981.93 |
| YPA2/028 | Manufact. costs Setu | $ 5,984,159.72 | $ 10,150,181.92 | $ 17,368,958.85 |
| YPA2/029 | Manufact. costs Mach | $ 7,450,374.89 | $ 8,477,312.00 | $ 13,030,308.76 |
| YPA2/030 | Overhead costs-Mater | $ 4,584,427.75 | $ 6,013,224.85 | $ 8,671,268.65 |
| YPA2/036 | Overhead costs-Produ | $ 2,388,852.76 | $ 3,608,802.34 | $ 4,342,826.28 |
| YPA2/022 | Variances | $ -1,942,494.08 | $ -707,649.13 | $ 7,191,570.06 |
| YPA2/016 | Admin. Overhead | $ 2,770,638.17 | $ 6,158,381.15 | $ 5,660,715.94 |
| YPA2/017 | Sales Overhead | $ 6,400,217.91 | $ 14,225,957.91 | $ 13,076,343.36 |
| YPA2/018 | Marketing | $ 1,426,313.07 | $ 3,170,309.19 | $ 2,914,113.17 |
| YPA2/019 | R&D Cost Center | $ 3,286,549.14 | $ 7,305,112.14 | $ 6,714,778.34 |
| YPA2/014 | Non Operationg Expen | $ 31,602.85 | $ 70,244.60 | $ 64,568.06 |

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Streamlined Finance Operations and Working Capital Management



S/4 HANA Finance for Cash-Management

S/4 HANA Finance for Treasury and Risk Management

S/4 HANA Finance for In-House Cash

**Market Data**

Bloomberg

THOMSON REUTERS

**Trading Platforms**

360T TREASURY SYSTEMS

FXall

Customers & Vendors

Bank Bank Bank Bank

Johnny Cash

Head of Treasury

**Multi-Bank Connectivity**

SWIFT

Sub

Bank Bank Bank

Sub

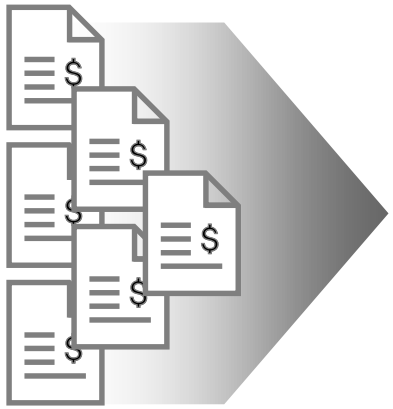
Bank Bank Bank

Customers & Vendors

# Time Intensive Tasks in Accounts Receivables

**Incoming Payments**

Customer payments for invoices



**ERP**

ERP statement generation & clearing

**AR Accountant**
Joanne

Manual processing: clarification, matching and posting

- Missing info
- Lump sum
- Discounts
- $≠€ Exchange
- Customer call

**Result**

Cumbersome & time-consuming manual processing

**Example in Figures**

100 payments received from customers

**100%**

30 payments posted by system (full match of amount, invoice no., name)

**30%**

70 payments to be cleared manually

**70%**

**Automation rate: 30%**

**Manual rate: 70%**

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I CUSTOMER

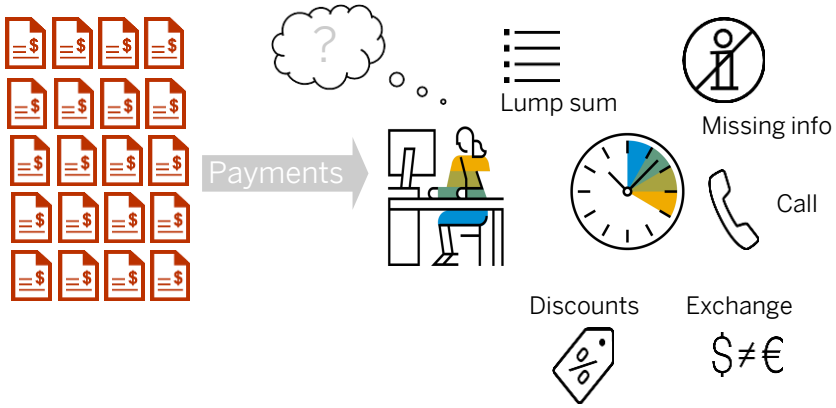
# SAP S/4HANA Finance: SAP Cash Application

Demo

SAP Leonardo Machine Learning

SAP Cash Application** intelligently learns matching criteria from your history and automatically clears payments.

## Traditional System of Record




SAP S/4HANA

On premise Cloud

## SAP Cash Application

Cloud

**Training process**

Historical clearing documents

**Machine-learning training**

Automatically select and arrange decision criteria & values
Currently supporting 48 matching criteria & growing

**Inference and Clearing process**

Open bank statement items plus receivables

Matching proposals

Matches autocleared, proposals viewed over SAP Fiori apps
Reprocess Bank Statement Items
Equivalent to FEBA / FEBAN

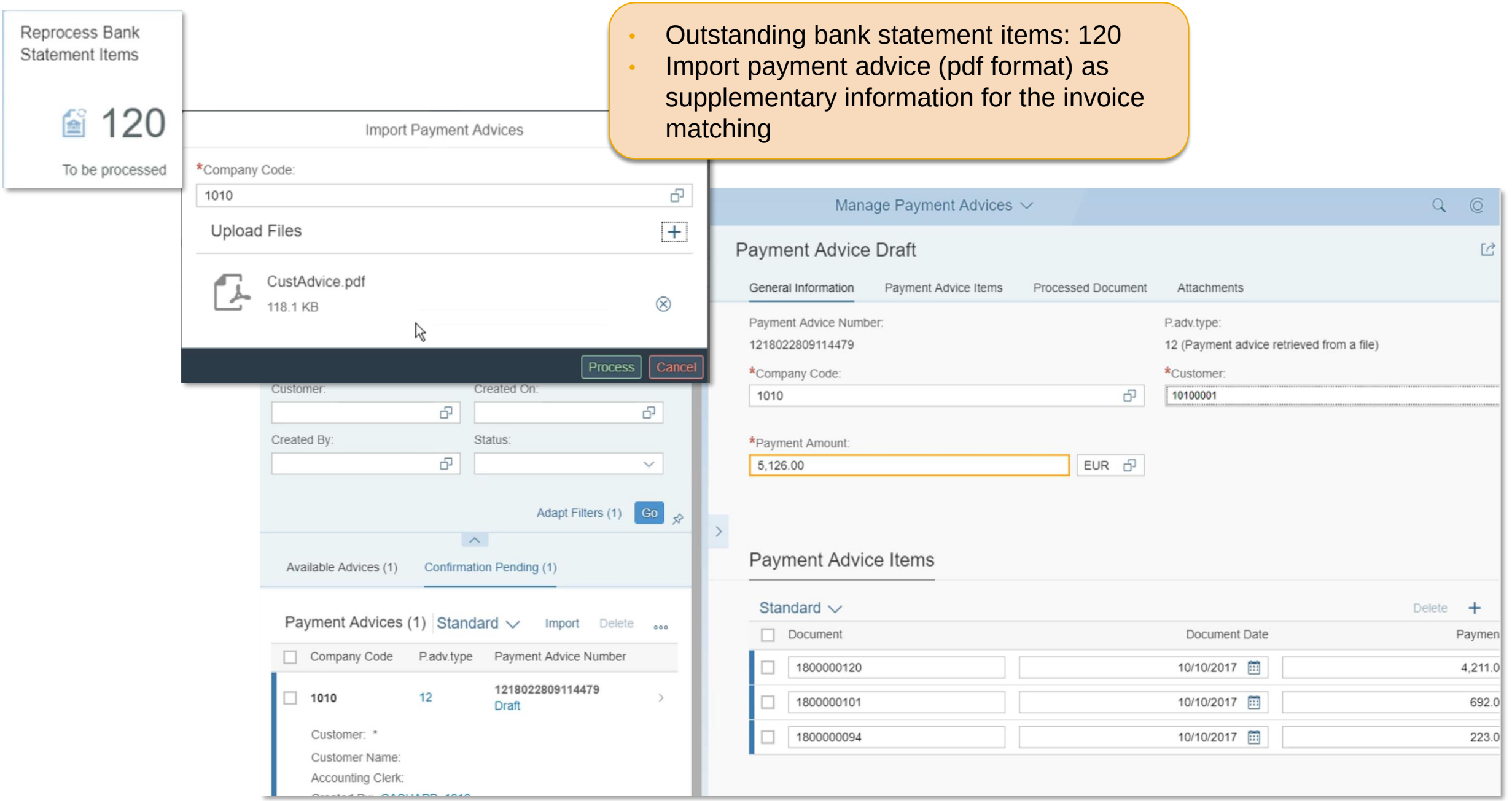
**Run invoice-matching service**

- Proposals returned to S/4HANA
- Proposals satisfying confidence threshold are automatically cleared
- Increase incoming bank statements clearing with Machine Learning proposals update FPS01
- Extend Cash Application to support payment advice update FPS01

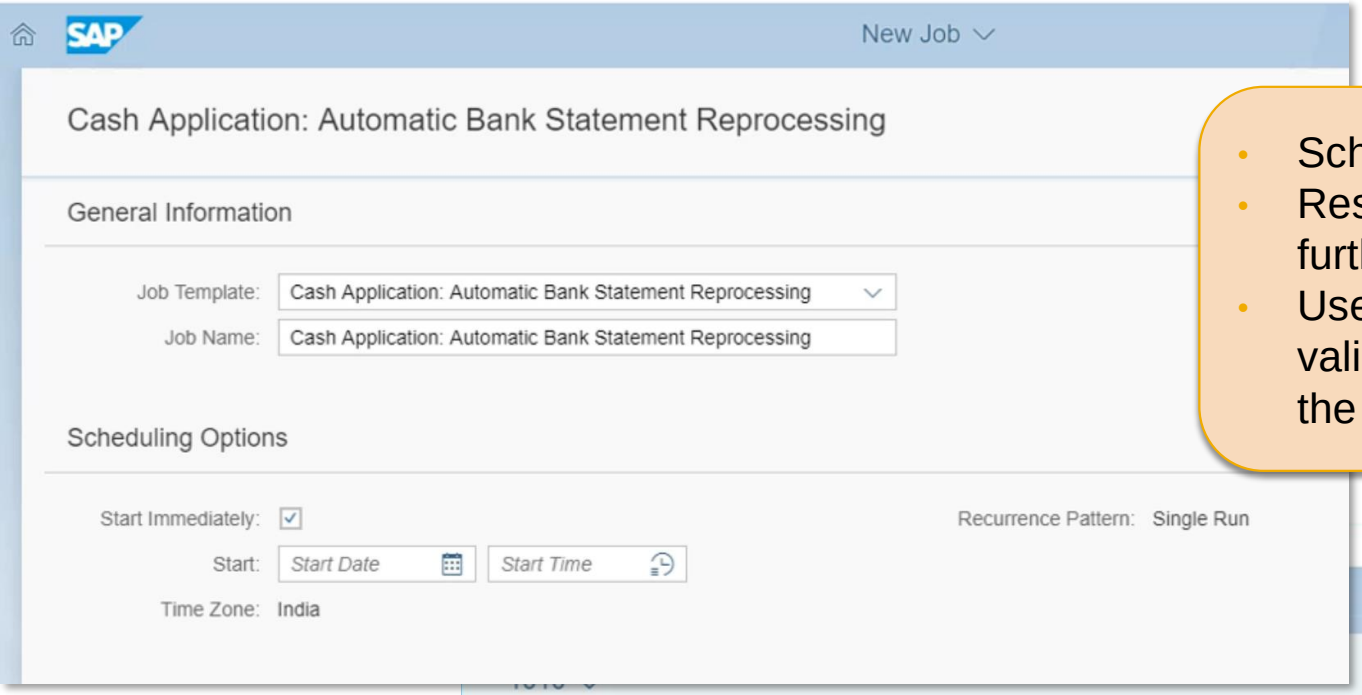
** Required license

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

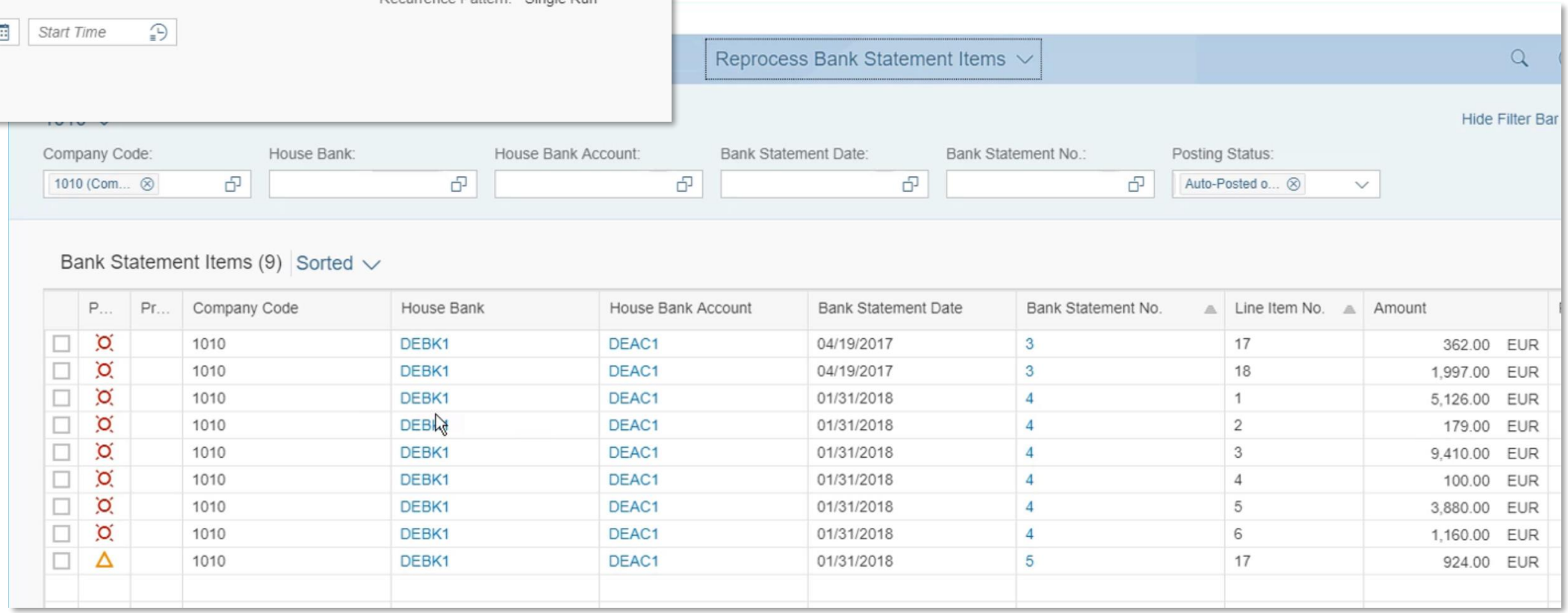
- Outstanding bank statement items: 120
- Import payment advice (pdf format) as supplementary information for the invoice matching




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC




- Schedule the auto matching periodic job
- Resulting with a few unmatched invoices for further processing
- User can define auto posting, or proposal for validation depending on the confidence level of the machine learning result

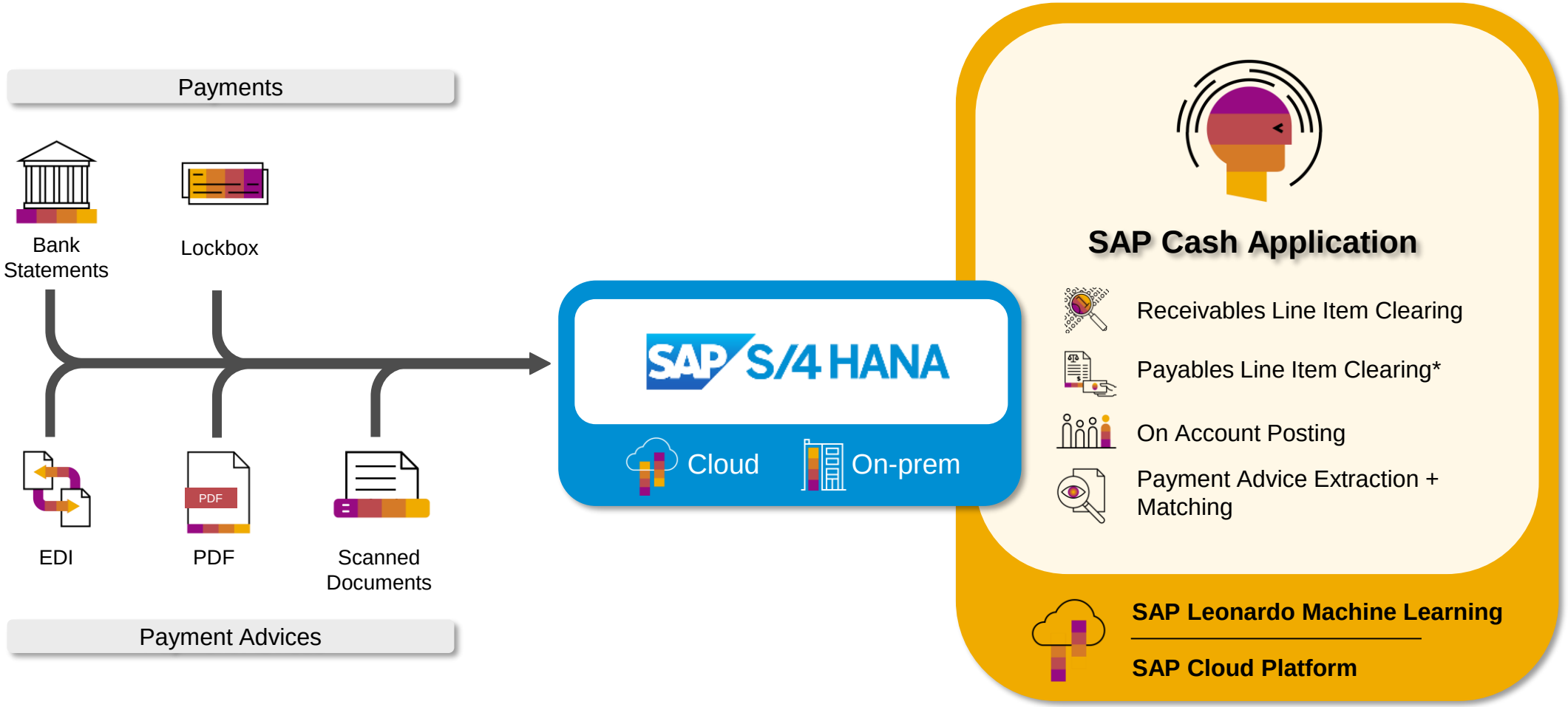



| P... | Pr... | Company Code | House Bank | House Bank Account | Bank Statement Date | Bank Statement No. | Line Item No. | Amount |
|---|---|---|---|---|---|---|---|---|
| | | 1010 | DEBK1 | DEAC1 | 04/19/2017 | 3 | 17 | 362.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 04/19/2017 | 3 | 18 | 1,997.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 4 | 1 | 5,126.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 4 | 2 | 179.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 4 | 3 | 9,410.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 4 | 4 | 100.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 4 | 5 | 3,880.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 4 | 6 | 1,160.00 EUR |
| | | 1010 | DEBK1 | DEAC1 | 01/31/2018 | 5 | 17 | 924.00 EUR |

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Solution Overview

End-to-end process automation with SAP Leonardo Machine Learning



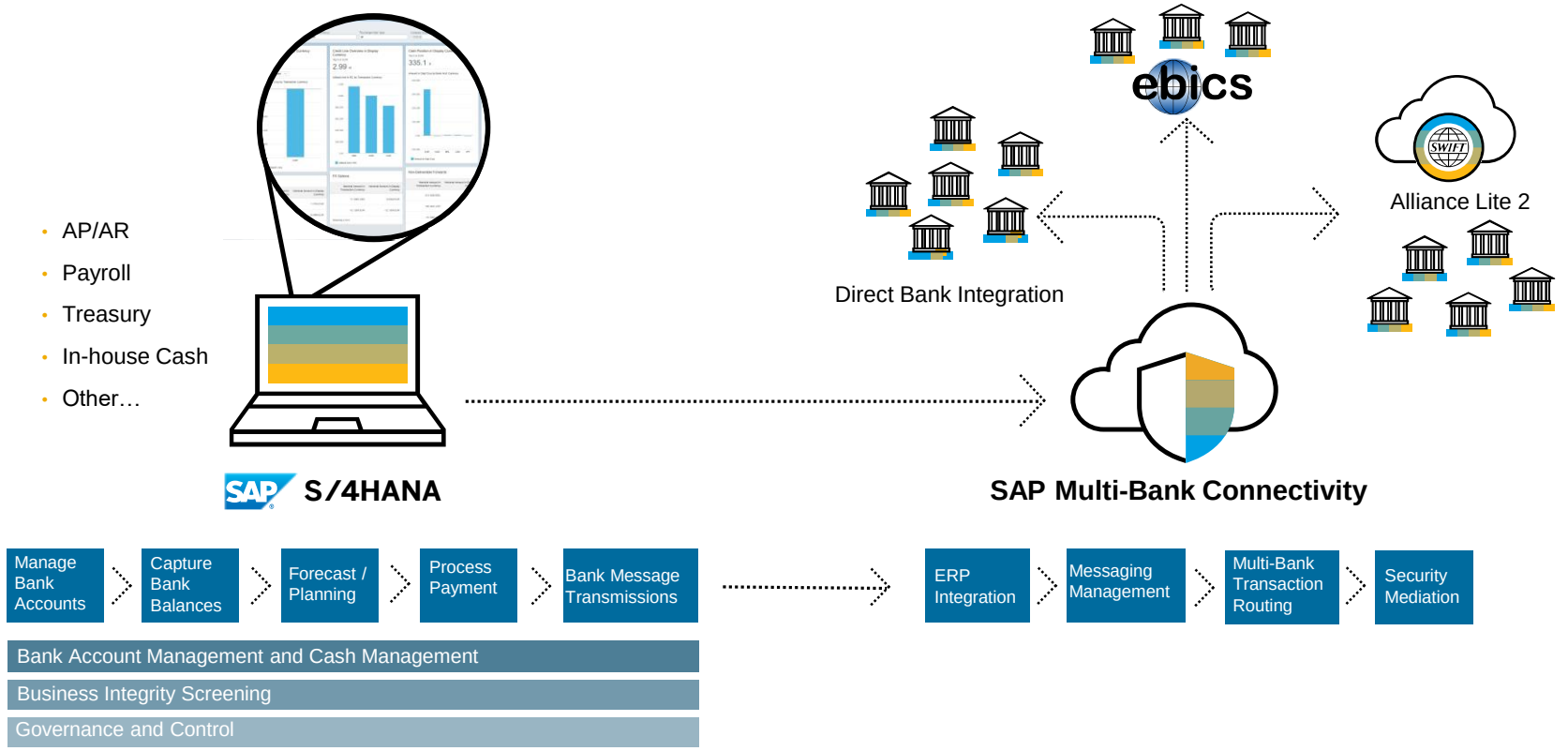

*Direct-debit payments only

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I CUSTOMER

# Cash Management, Payments and Bank Connectivity

## Create global cash visibility in real-time

- **Consolidate cash flow data** from SAP and non-SAP systems on a single Treasury Platform
- **Review KPIs** and **execute decisions** without switching systems
- **Centralize bank account management** including overdraft limits and analysis of bank risk
- Run **end-to-end processes** for payments and statements
- **Improve control and compliance** with embedded tools for workflow, monitoring and change tracking




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

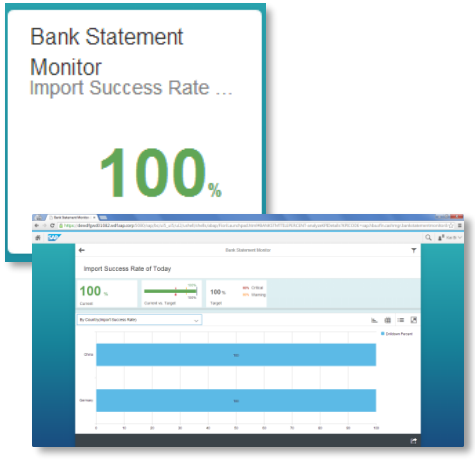
# Cash Operations

## Typical day in the life of a Cash Manager

Demo

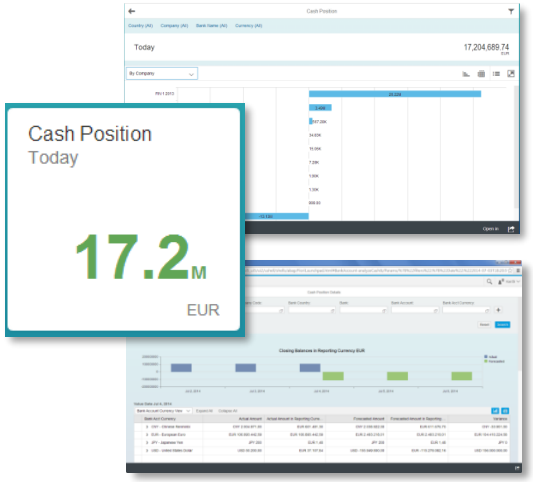
### Bank Statement

Monitor whether bank statements have all been imported successfully.



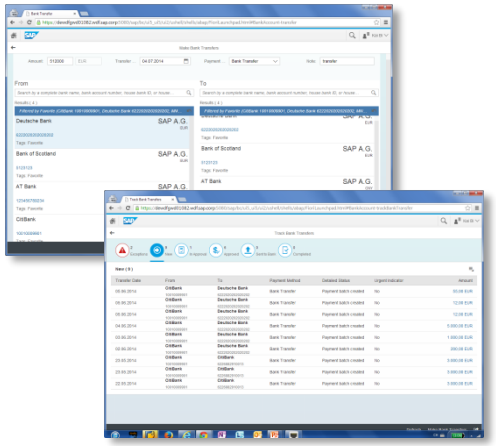

### Cash Position

Review yesterday's bank-confirmed position, and forecast today's closing balance.



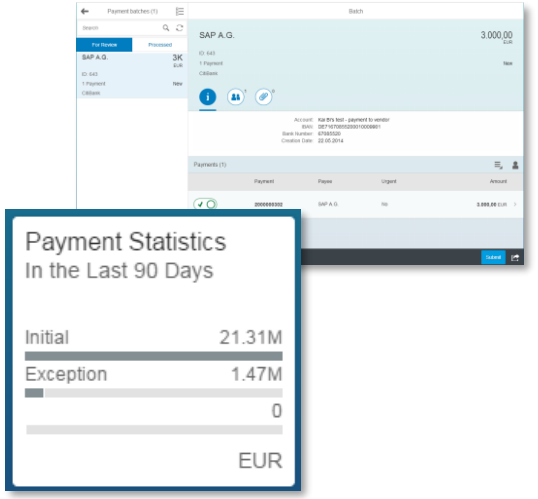

### Bank Transfer

Initiate bank transfers in case of deficit or surplus.



### Payment Approval

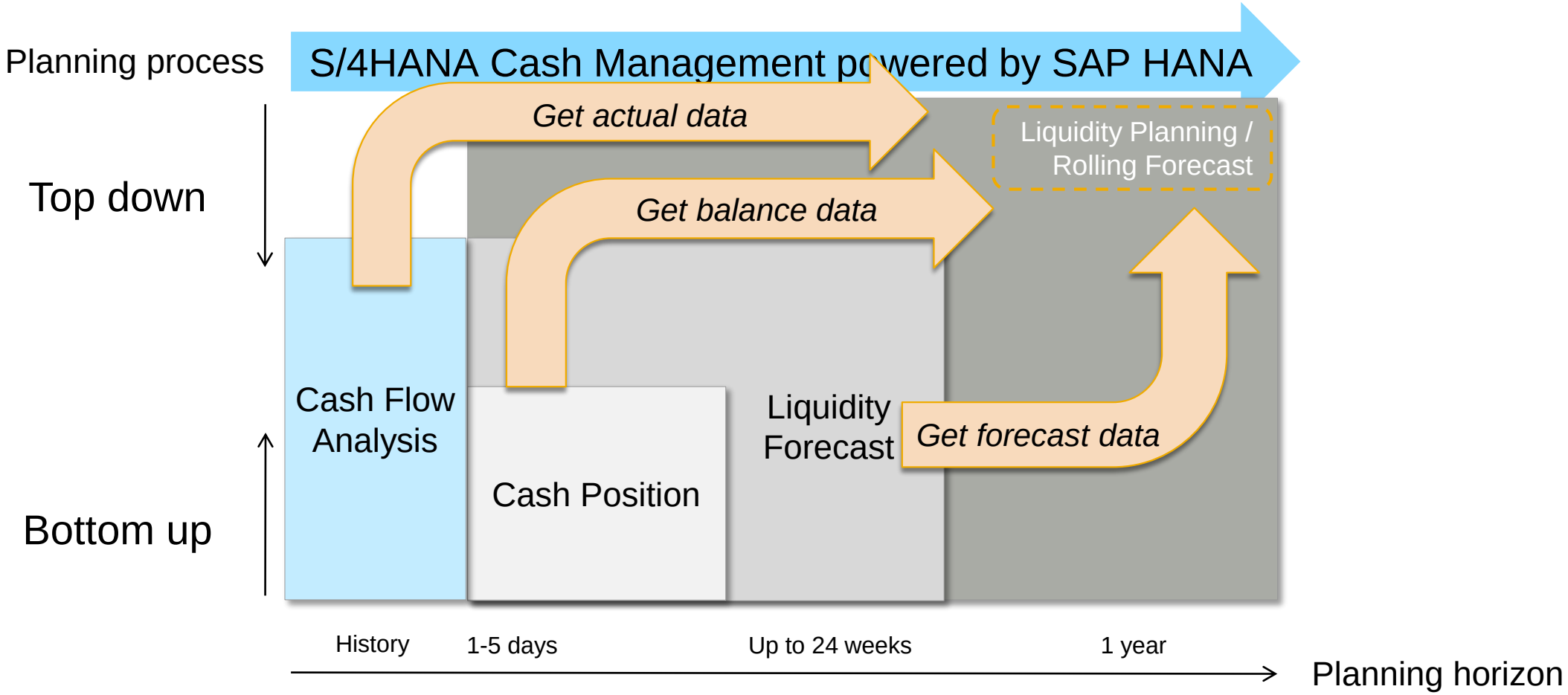
Approving payments using the new payment approval app




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# S/4HANA Cash Management

## Short – Mid – Long Term Liquidity Management



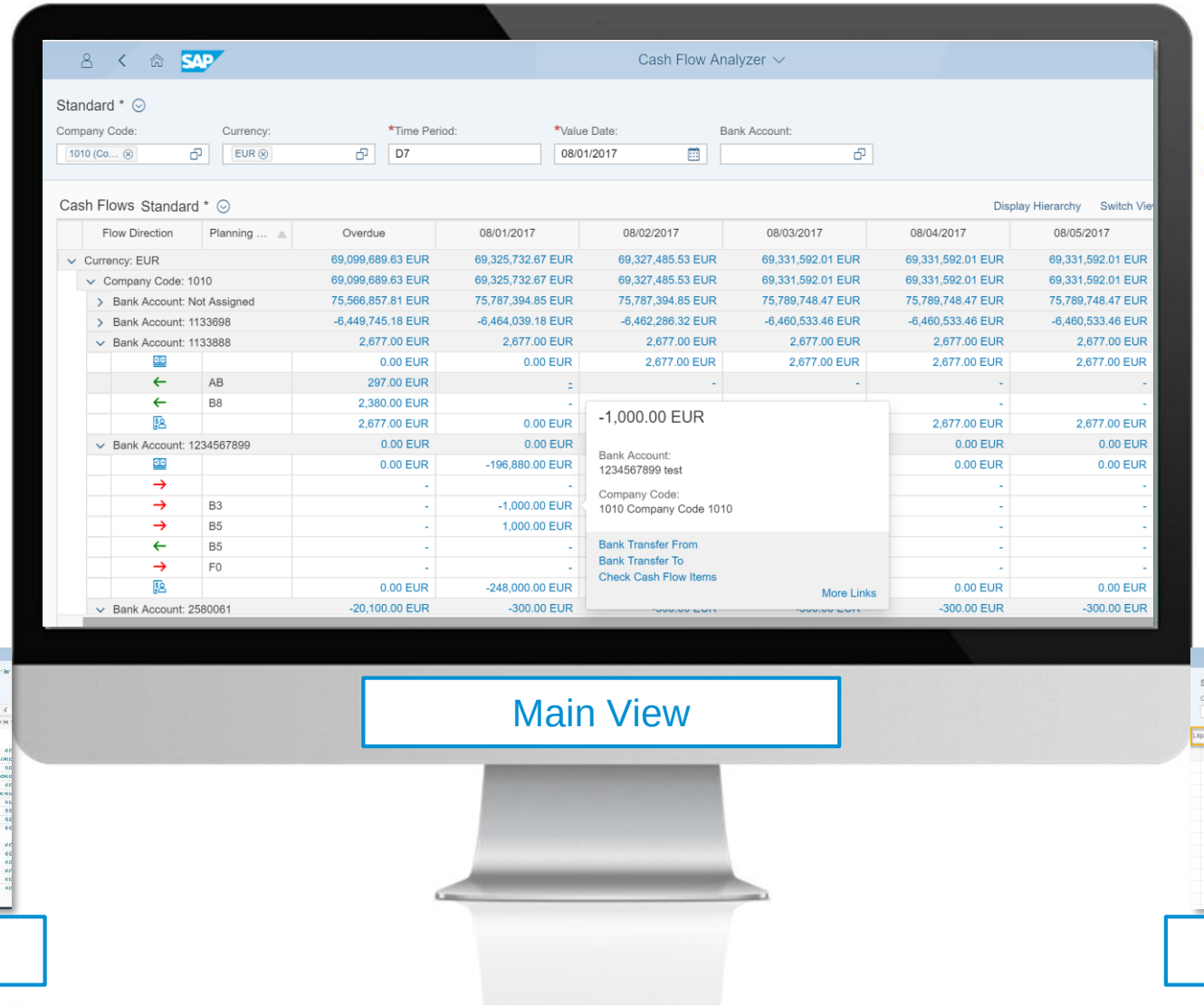

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Cash Flow Analyzer

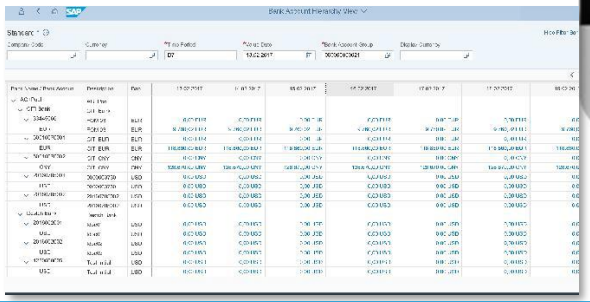
Demo

Variants
- Cash Position Details Analysis
- Liquidity Forecast Details Analysis
- Actual Cash Flow
- Customization

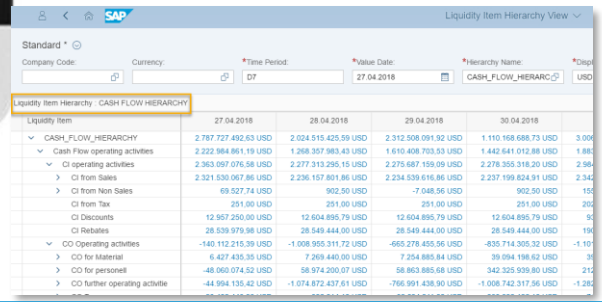
Data Sources
- Financial Accounting Posting
- Bank Statement
- Treasury Contracts
- Purchase Orders
- Manual Memo Record




Main View



Bank Account Group View



Liquidity Item Hierarchy View

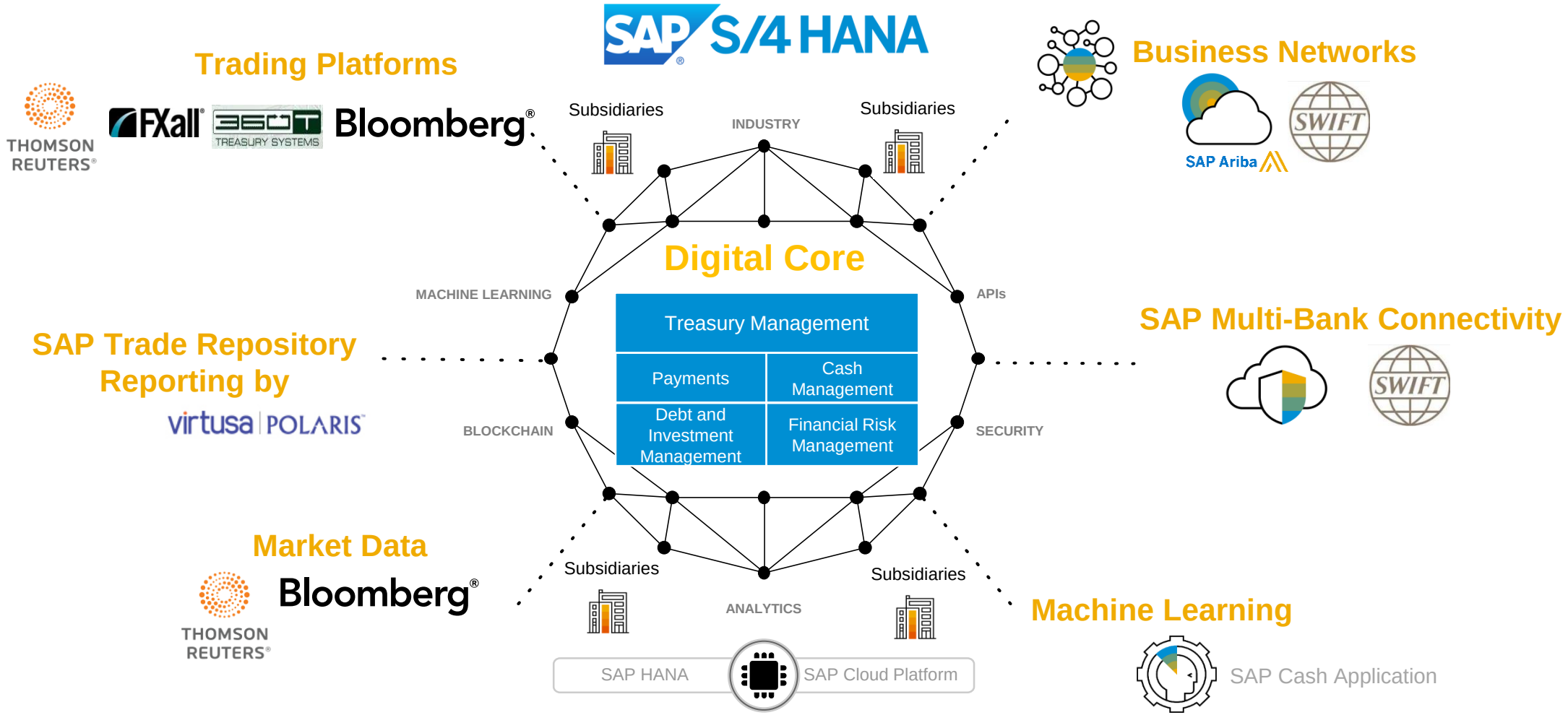
Navigate to other Apps
- Check Cash Flow Item
- Make Bank Transfer

Other features
- Various dimensions and filters
- Dynamic data source
- Hierarchical structures
- Currency comparison
- Balance view and delta view

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

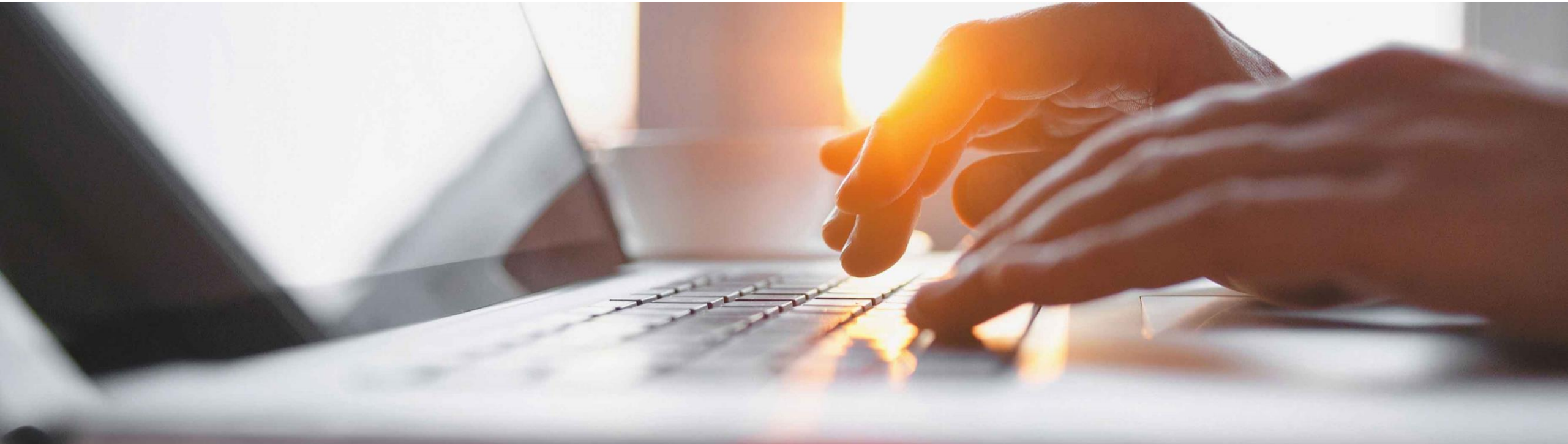
# Treasury as part of the Digital Core

## End-to-end processes with value-added extensions




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Accelerate the Accounting Close



# Accounting and Financial Closing Challenges in the Digital World

Digitalization requires better quality, speed, efficiency and insight across accounting and closing challenges

## Governance

Complex and Dynamic Organizations

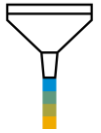
Effective Controls

Multiple Accounting Standards

## Processes

Lack of Automation, Standardization and Collaboration

Inconsistent master data



Bottlenecks due to lagging Insight

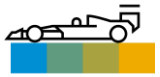
## Technology

No access to real-time information

No visibility or traceability of data

Disparate systems with poor integration

**Quality**



**Speed**

**Efficiency**

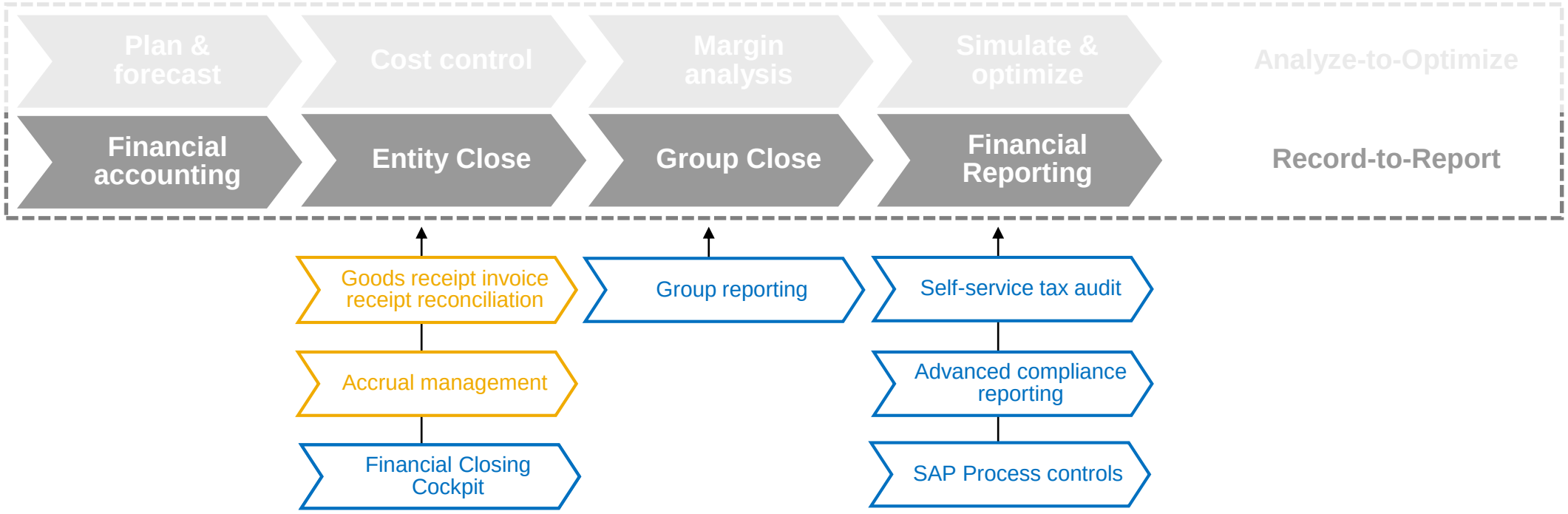
**Insight**

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Intelligent Accounting & Financial Close

## The Complete Process in S/4HANA

### Closing Process



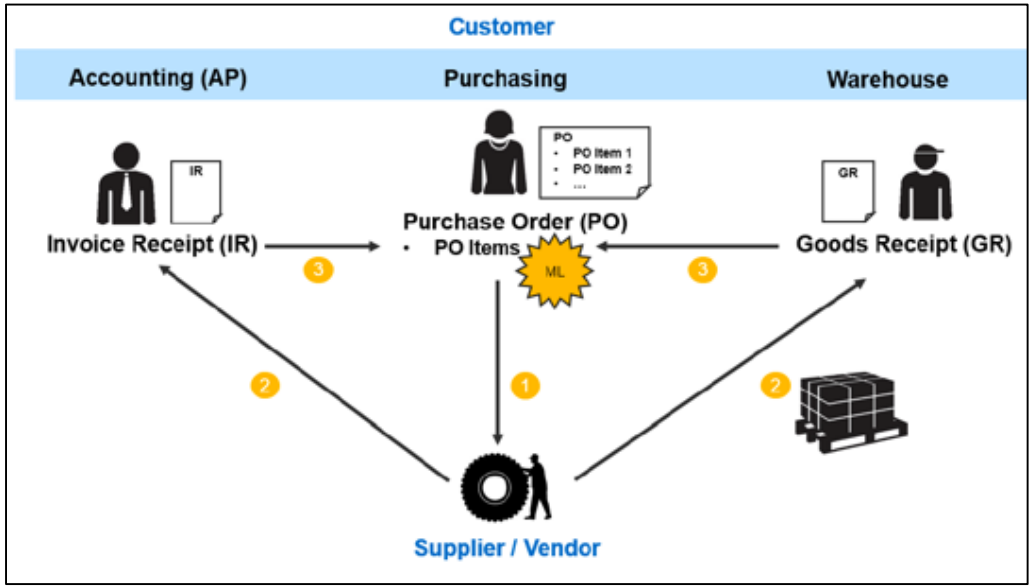

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# The Business Challenge

- The GR/IR Account Reconciliation process is an exception handling process for all purchase order items, where invoices and goods receipts don‘t balance after some time.

- The G/L accountant and other involved parties need to understand the business situation on the level of a purchase order item and decide how to solve the situation.

- The purpose of our application consists of supporting all involved parties in
  - understanding the root cause as quickly as possible
  - performing the right series of actions to solve the issue




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Goods Receipt / Invoice Receipt Monitor Status Proposal

Demo

## Goal

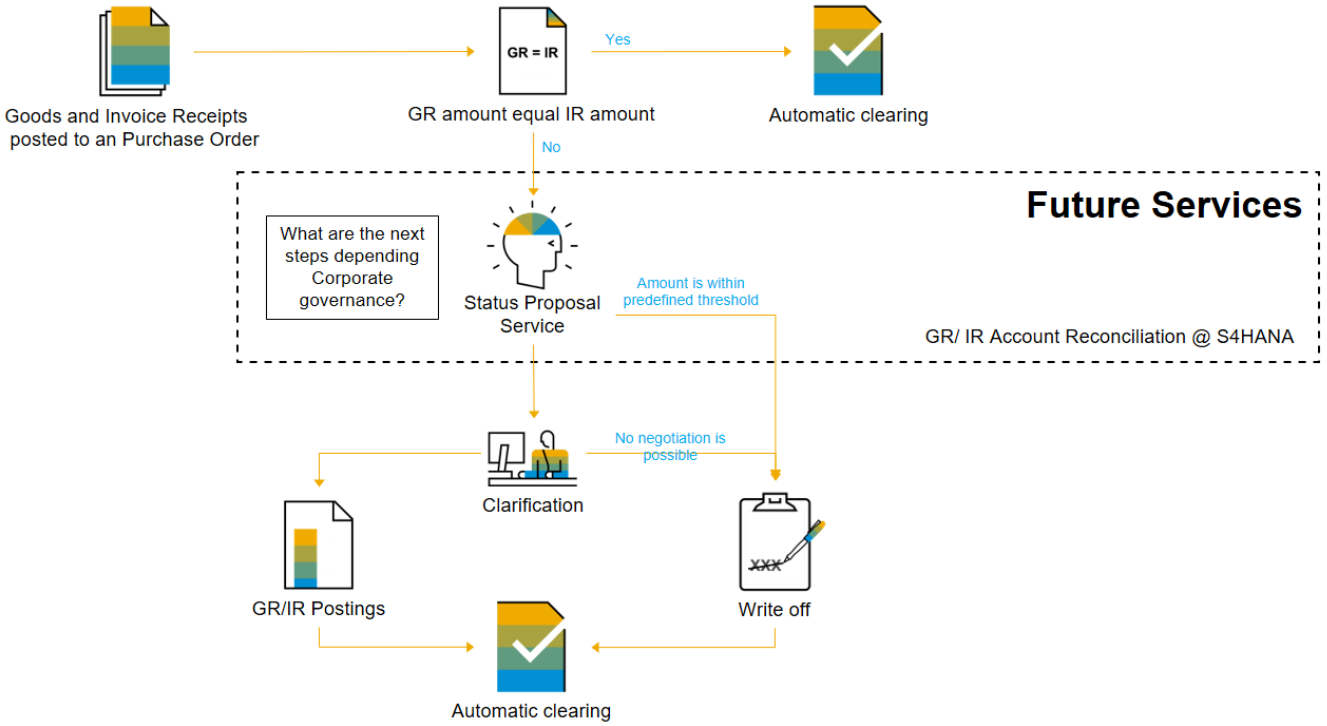
- Reduce cost and effort
- Speed up the decision process

## Challenge

- Amounts on goods receipts and invoice receipts do not match
- Next steps are difficult to identify and predict

## Solution

- Make status proposal depending on the situation of a purchase order item
- Identify the next steps for FI postings on purchase order item, depending on the experiences from the past




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

Goods and Invoice Receipt Reconciliation Overview

Standard *

Adapt Filters

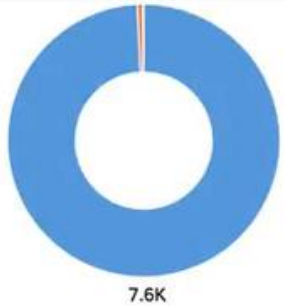
## GR/IR Reconciliation Processing

Number of Purchasing Document Items

8 K

Grouped by Processor

- Grouped by Processor
- Grouped by Processing Department
- Grouped by Process Status
- Grouped by Priority
- Grouped by Root Cause




CB9980011783
CB9980000087
D025860
CB9980001594
D026587
TEST

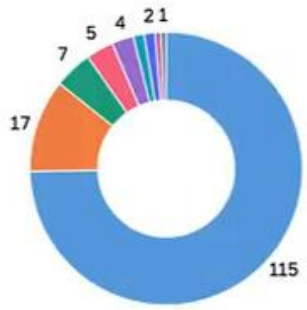
## IR Amount Surplus

Number of Purchasing Document Items

154

Grouped by Supplier

Items by Supplier




Domestic US Supplier 1099M Withhold
Inlandslieferant DE 1
Inlandslieferant DE 6 (Retouren)
Domestic US Subcontractor A
...

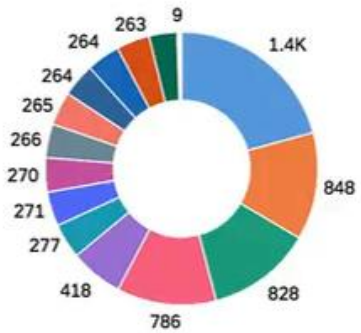
## GR Amount Surplus

Number of Purchasing Document Items

7 K

Grouped by Company Code

Items by Company Code




1010 3710 3010 3310
1710 2410 5810 1910
6310 6910 1210 5410
6410 1110 1810 2510
4310 2210 2310 ...

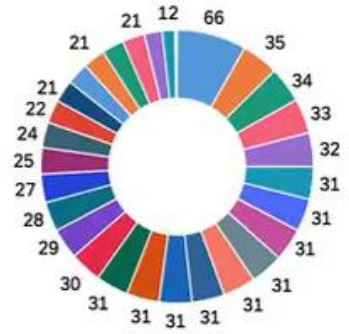
## GR Amount equals IR Amount

Number of Purchasing Document Items

800

Grouped by Company Code

Items by Company Code




1010 3310 2210 5410
1610 1310 1910 2110
3710 4310 5110 6310
6910 6J10 3910 6110
4410 3210 6210 ...

Standard * | NOP 7.6K | Adapt Filters (2)

Company Code:

Supplier:

Purchasing Document:

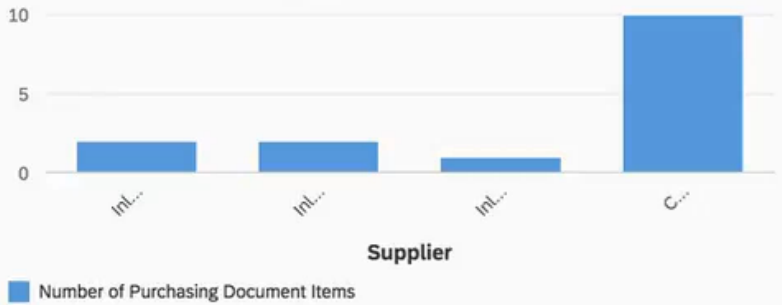
Latest Open Item Posting Date: Last 30 to 90 Days (01/24/20

Smart Facts:

Priority: =1

Purchasing Docu... | Standard * | Details

Company Code / Status / Supplier




Purchasing Document Items (... | Standard *

| Purchasing Document | Purch... | Latest Posting Date | Supplie |
|---|---|---|---|
| 4500005180 | 10 | 03/06/2018 | 103000 |
| 4500005184 | 10 | 03/05/2018 | 103000 |
| 4500005213 | 10 | 03/08/2018 | 103000 |
| 4500004046 | 10 | 02/09/2018 | 103000 |
| 4500004346 | 10 | 02/20/2018 | 103000 |

# 4500005180 10

Assign

Company Code: 1010
Supplier: Inlandslieferant DE 2 (10300002)
Buying Agent: _SAPD064280
Requisitioner:

Ordered Quantity: 10.000 EA

Balance: 102,142.86 EUR

Status: Initial
Priority: High
Processor:
Processing Department:
Root Cause:

Overview | Financial Accounting Open Items | Purchasing Document History | Processing Log

## Smart Facts

Is Invoice Goods Amount Surplus

Is Invoice Goods Quantity Surplus

- Single cockpit to check various in both FI view and MM (PO) view

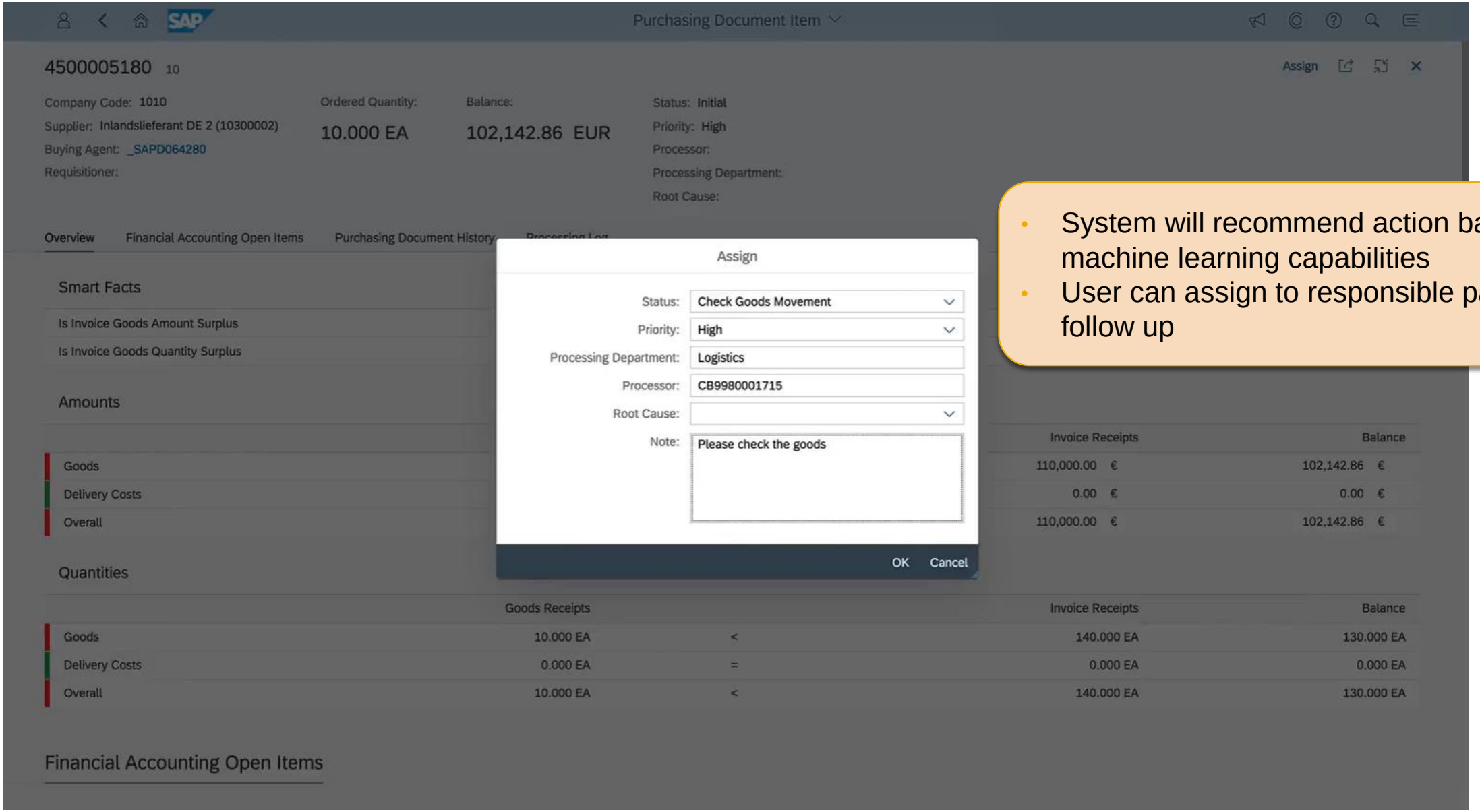
## Amounts

| | Goods Receipts | | Invoice Receipts | Balance |
|---|---|---|---|---|
| Goods | 7,857.14 € | < | 110,000.00 € | 102,142.86 € |
| Delivery Costs | 0.00 € | = | 0.00 € | 0.00 € |
| Overall | 7,857.14 € | < | 110,000.00 € | 102,142.86 € |

## Quantities

| | Goods Receipts | | Invoice Receipts | Balance |
|---|---|---|---|---|
| Goods | 10.000 EA | < | 140.000 EA | 130.000 EA |
| Delivery Costs | 0.000 EA | = | 0.000 EA | 0.000 EA |
| Overall | 10.000 EA | < | 140.000 EA | 130.000 EA |

## Financial Accounting Open Items



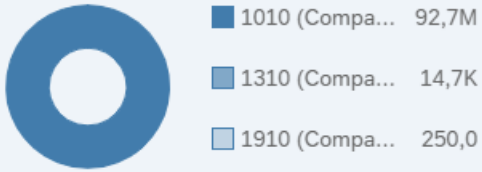

- System will recommend action based on machine learning capabilities
- User can assign to responsible party for follow up

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

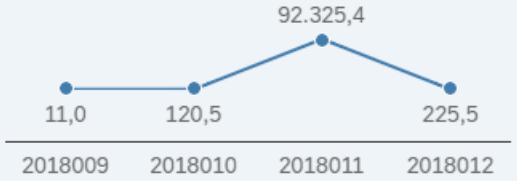
KMD *

# Accrual Management

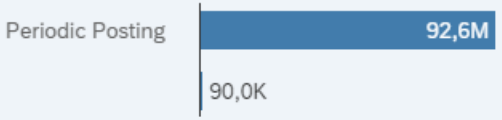
Amount by Company Code | EUR




Amount by Fiscal Year Period | K EUR




Amount by Posting Type | EUR




Adapt Filters (3) Go

## Accrual Postings

Details View By

## Accrual Postings (1.005)

| Accrual Object | Accrual Subobject | Journal Entry | Amount | Posting Date | Transacti... | Amount in Trans Crcy | G/L Acco... | Fiscal Period | Fiscal Year | Cost Center | Company Cc |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Company Code: 1010 | | | | | | | | | | | |
| 4500003091 | 00010-01 | 100011419 | 90.000,00 EUR | 10/31/2018 | EUR | 90.000,00 EUR | 65009000 | 10 | 2018 | 10101101 | 1010 (Comp |
| 4500003610 | 00020-01 | 100011547 | 12.000,00 EUR | 10/31/2018 | EUR | 12.000,00 EUR | 65008000 | 10 | 2018 | 10101201 | 1010 (Comp |
| 4500003610 | 00020-01 | 100011548 | -36.000,00 EUR | 10/31/2018 | EUR | -36.000,00 EUR | 65008000 | 10 | 2018 | 10101201 | 1010 (Comp |
| 4500003638 | 00010-01 | 100011550 | 12.000,00 EUR | 10/31/2018 | EUR | 12.000,00 EUR | 65008000 | 10 | 2018 | 10101201 | 1010 (Comp |
| | | | **92.682.354,09 EUR** | | * | Show Details | | | | | |

KMD

*Journal Entry: 100012265/1010/0L/2018 | Currency Type: Company Code Currency | *Company Code: 1010 | *Fiscal Year: 2018 | *Ledger: 0L | Adapt Filters (5) | Go

Journal Entries: 1

Journal Entry 100012265
Company Code: 1010
Fiscal Year: 2018
Ledger: 0L
Creation Time: 11/14/2018, 09:15:19
Tag:

## Accounting Impact

Total Balance: **0 EUR**

### Balance Sheet Accounts

Credit: 73,427,885.52 EUR

21725000
Accr.Exp.Goods/Serv.
1010/0L/2018
Credit: 73,427,885.52 EUR

| Debit | Credit |
|---|---|
| | **73,427,885.52 EUR**<br>Journal Entry: 100012265<br>Posting Date: 11/30/2018 |

### Profit and Loss Accounts

Debit: 73,427,885.52 EUR

61002000
3rd party material
1010/0L/2018
Debit: 73,427,885.52 EUR

| Debit | Credit |
|---|---|
| **73,427,885.52 EUR**<br>Journal Entry: 100012265<br>Posting Date: 11/30/2018 | |

Standard

*Journal Entry: 5100000437/1010/3L/2018 1 More | Currency Type: Company Code Currency | *Company Code: 1010 | *Fiscal Year: 2018 | *Ledger: 3L | Adapt Filters (2) | Go

Journal Entries: 2

Sorted by Creation Time - Ascending

Journal Entry 5100000437
Company Code: 1010
Fiscal Year: 2018
Ledger: 3L
Creation Time: 11/16/2018, 07:58:14
Tag:

Journal Entry 5100000438
Company Code: 1010
Fiscal Year: 2018
Ledger: 3L
Creation Time: 11/16/2018, 07:59:29
Tag:

## Accounting Impact

Total Balance: **0 EUR**

### Balance Sheet Accounts

Credit: 108.4 EUR

**12600000**
Input Tax (VST)
1010/3L/2018
Debit: 20.6 EUR

| Debit | Credit |
|---|---|
| **1.6 EUR**<br>Journal Entry: 5100000437<br>Posting Date: 11/16/2018 | |
| **19 EUR**<br>Journal Entry: 5100000438<br>Posting Date: 11/16/2018 | |

**21100000**
Paybls Domestic
1010/3L/2018
Credit: 129 EUR

| Debit | Credit |
|---|---|
| | **10 EUR**<br>Journal Entry: 5100000437<br>Posting Date: 11/16/2018 |
| | **119 EUR**<br>Journal Entry: 5100000438<br>Posting Date: 11/16/2018 |

### Profit and Loss Accounts

Debit: 108.4 EUR

**52560000**
Gain Sml Prc Diff IR
1010/3L/2018
Credit: 1.6 EUR

| Debit | Credit |
|---|---|
| | **1.6 EUR**<br>Journal Entry: 5100000437<br>Posting Date: 11/16/2018 |

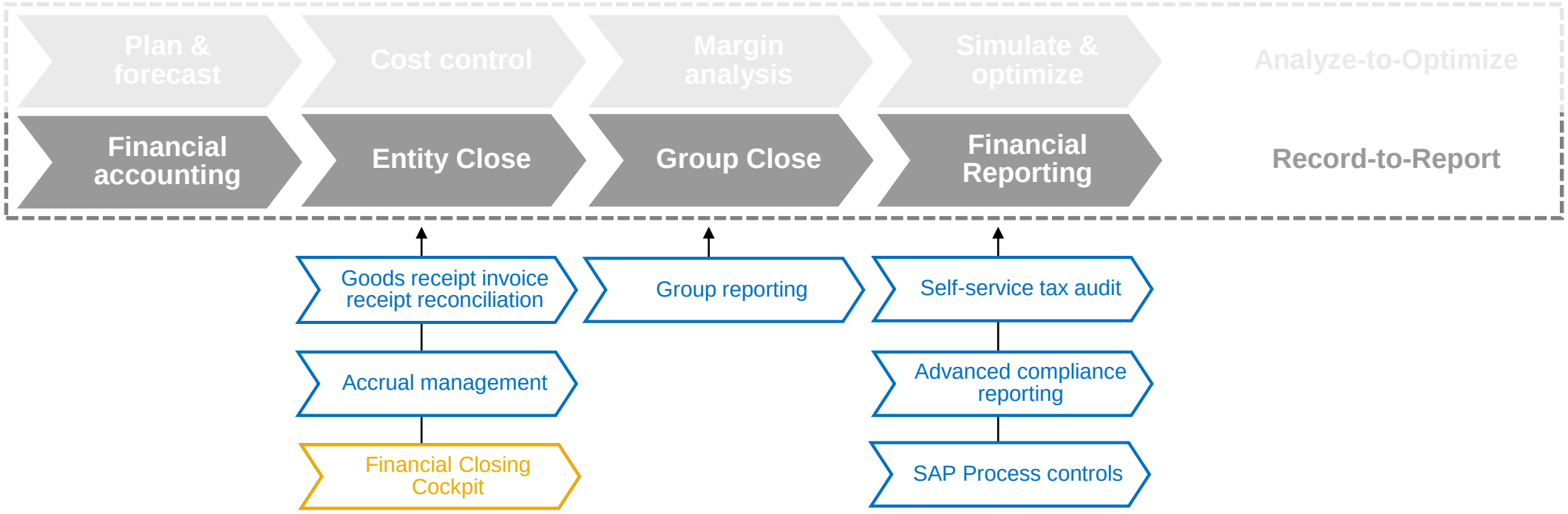
**65009000**
Other activity costs
1010/3L/2018
Debit: 110 EUR

| Debit | Credit |
|---|---|
| **10 EUR**<br>Journal Entry: 5100000437<br>Posting Date: 11/16/2018 | |
| **100 EUR**<br>Journal Entry: 5100000438<br>Posting Date: 11/16/2018 | |

# Intelligent Accounting & Financial Close

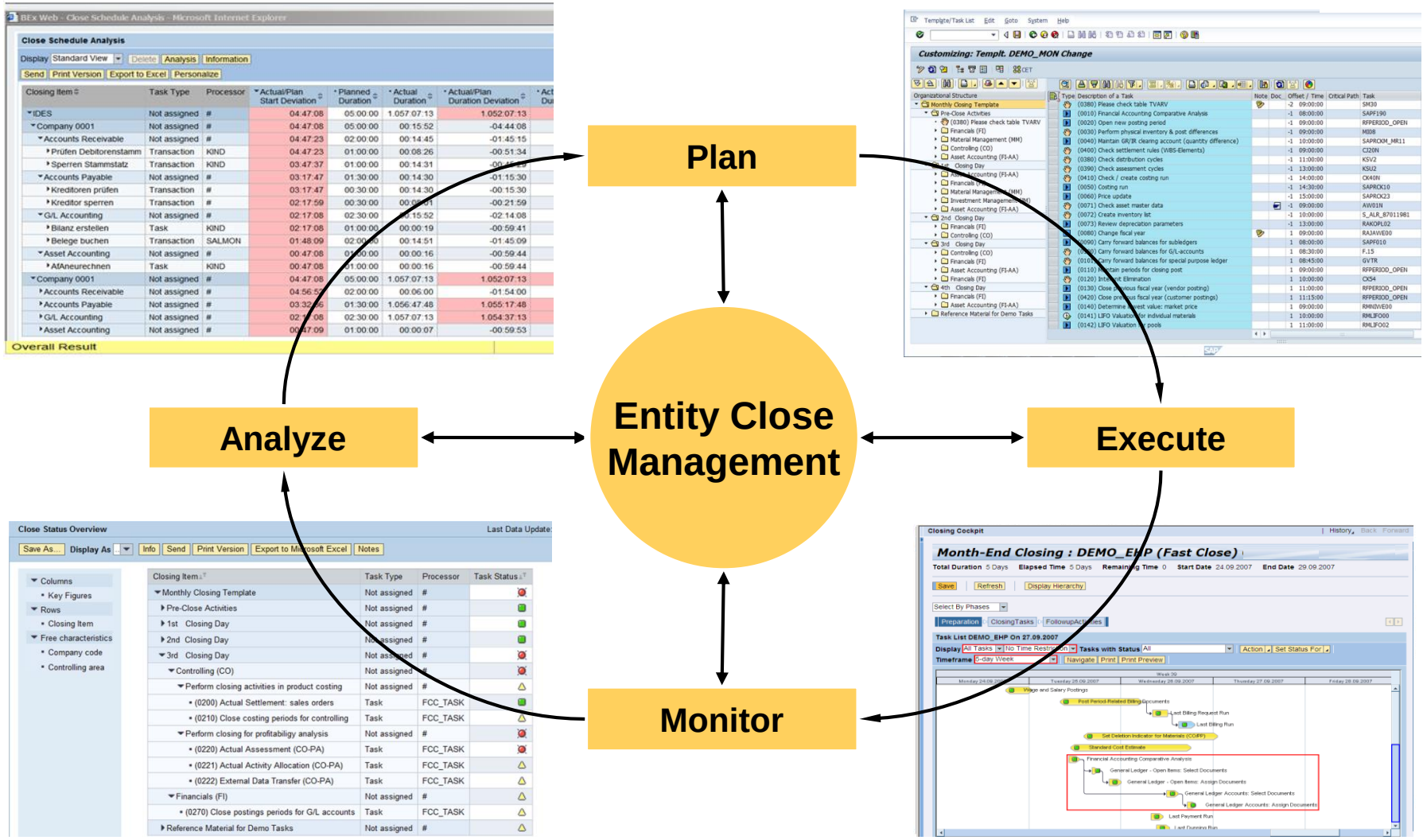
## The Complete Process in S/4HANA

### Closing Process




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Perfect Planning, Automation and Monitoring




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# SAP S/4HANA Financial Closing cockpit

Demo

## Benefits

Faster Entity Close through improved closing efficiency

Governance and Compliance

Transparency and Insight

## Capabilities

Automated closing tasks, even in remote systems and powerful, user-friendly application for manual tasks

Collaboration, notifications, and workflows

Define a global game plan for the entity close; leverage it for multiple org units and closing cycles

Audit trail, logging, documentation

Real-time insight into the closing status

Monitoring by subsidiaries and headquarter

Close Analysis

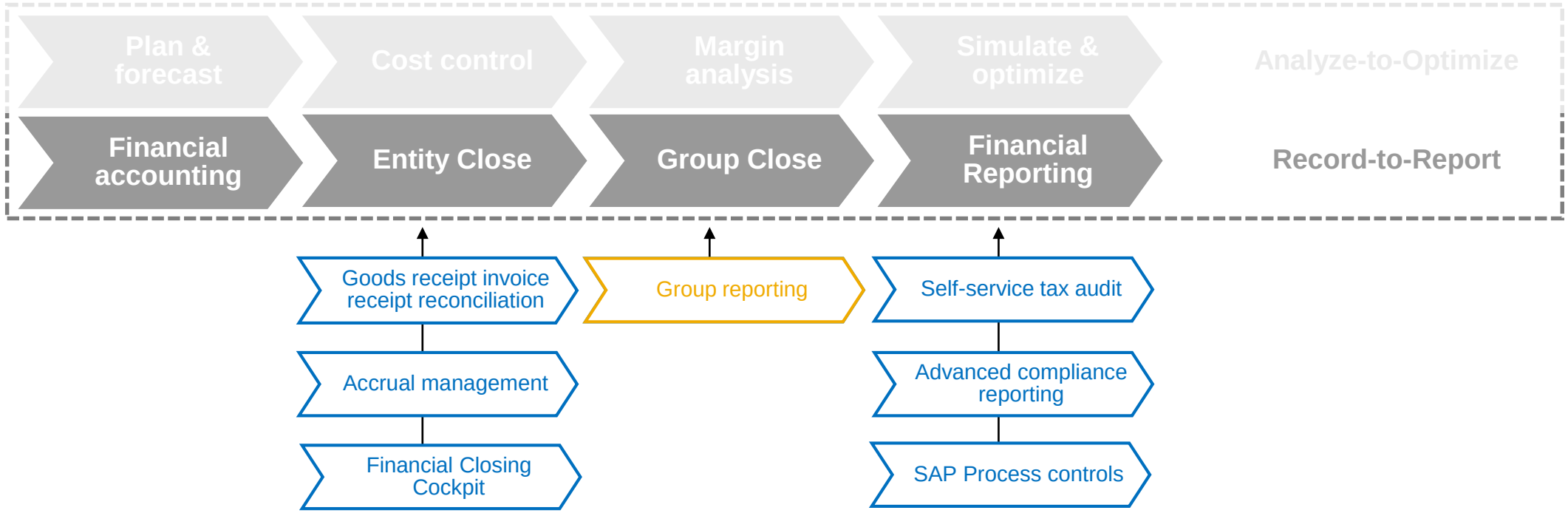
**15-25%** Faster Closing cycle – while ensuring high quality compliant results

Source: SAP Performance Benchmarking

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Intelligent Accounting & Financial Close

## Group Reporting is part of a Complete Process in S/4HANA




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# “Consolidation is coming home.”

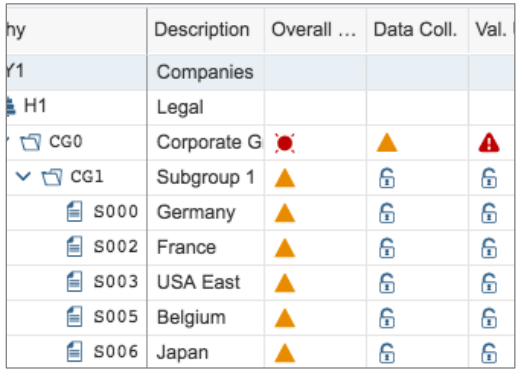
Unknown

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Positioning for Group Reporting

Standing on the shoulders of previous generations

## EC-CS / BCS

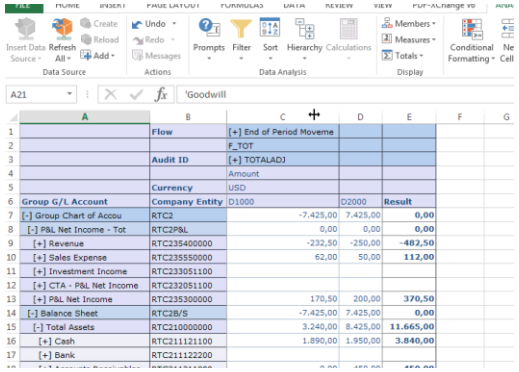



Accounting document principle and logs

Process Monitor

Automatic Cons of Investment and IPI
(as alternative model for customers with higher automation needs)

## BPC




Rule-based eliminations

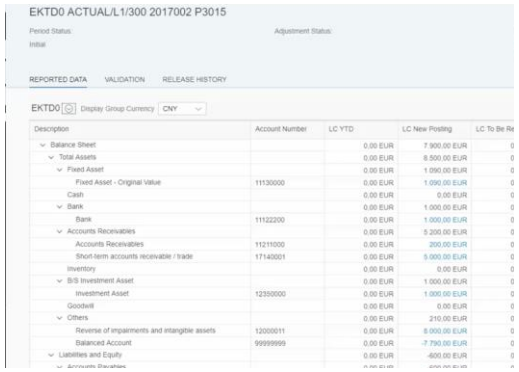
Master-data driven rules

Flows on all B/S items-principle

Rule-based reports (inspired by BPC account transformations)

*Subgroup currencies*

## SAP S/4HANA Real-time Consolidation



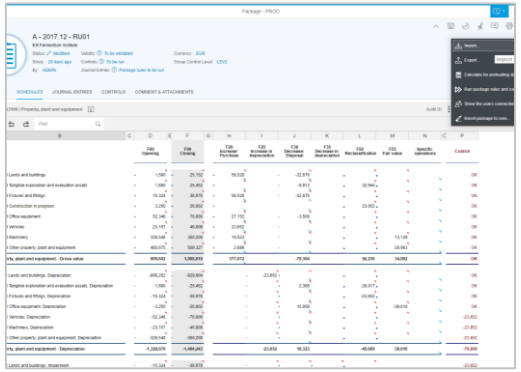

SAP S/4HANA integration

Concept of instant access to universal journal data

Data release process

Validation-at-source

## Financial Consolidation




Data Collection incl. comments and unstructured data

*Rules Engine*

Data mapping features

Flows on all B/S items-principle

*Restatements*

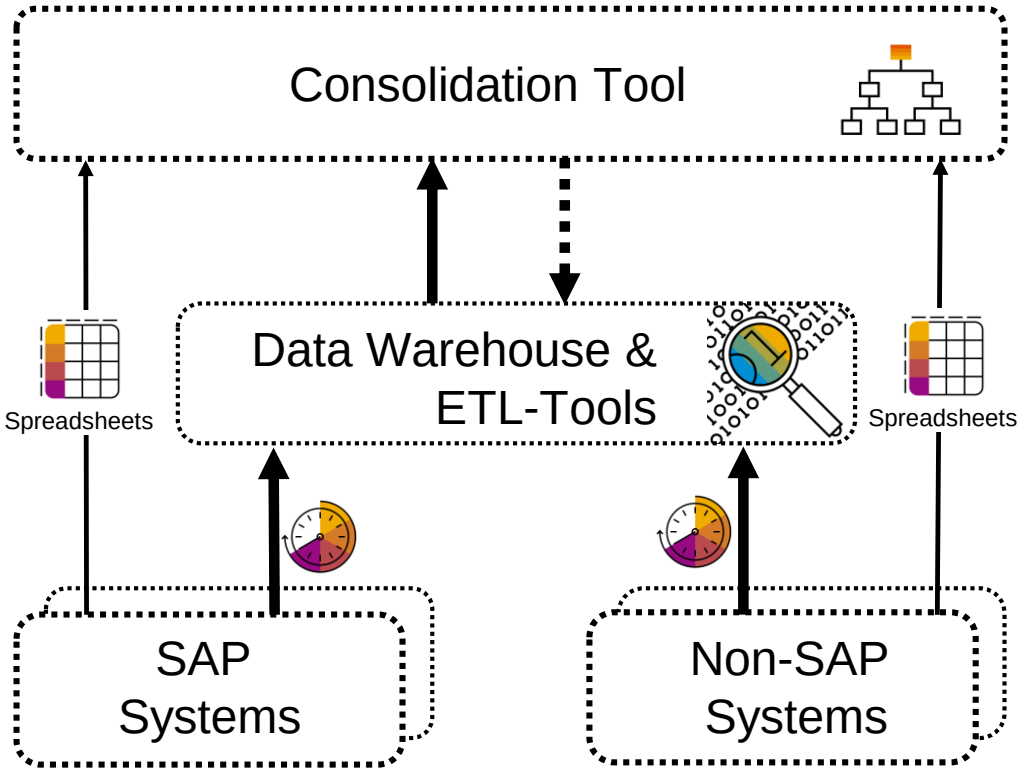
*Italic topics in discussion*

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

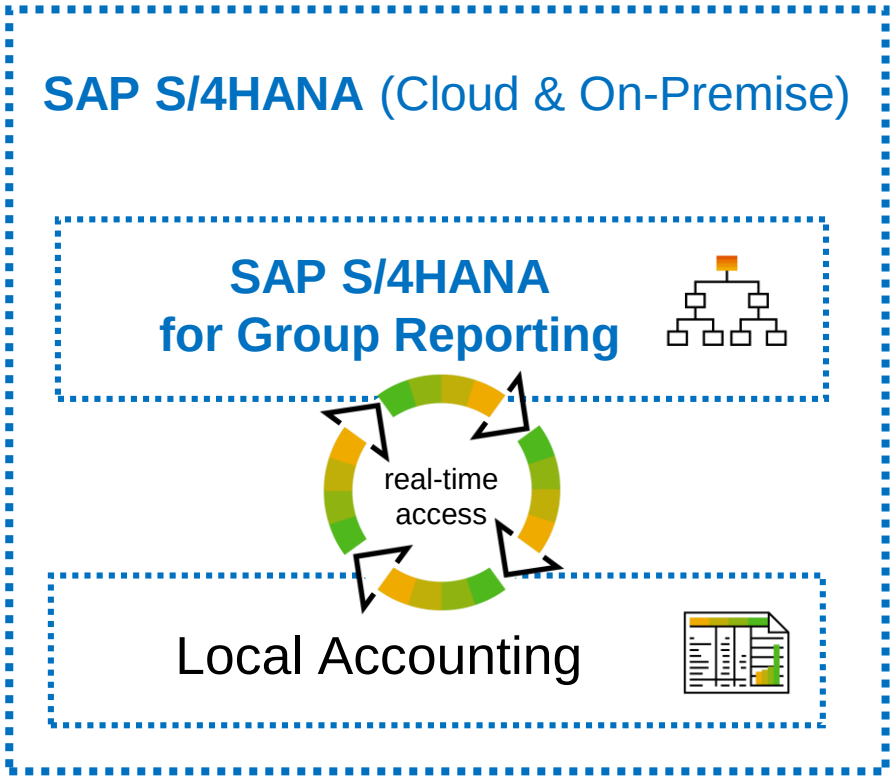
# The World of Consolidation is changing

## Simplification of Group Reporting in SAP S/4HANA & SAP S/4HANA Cloud

### Traditional Consolidation Applications:



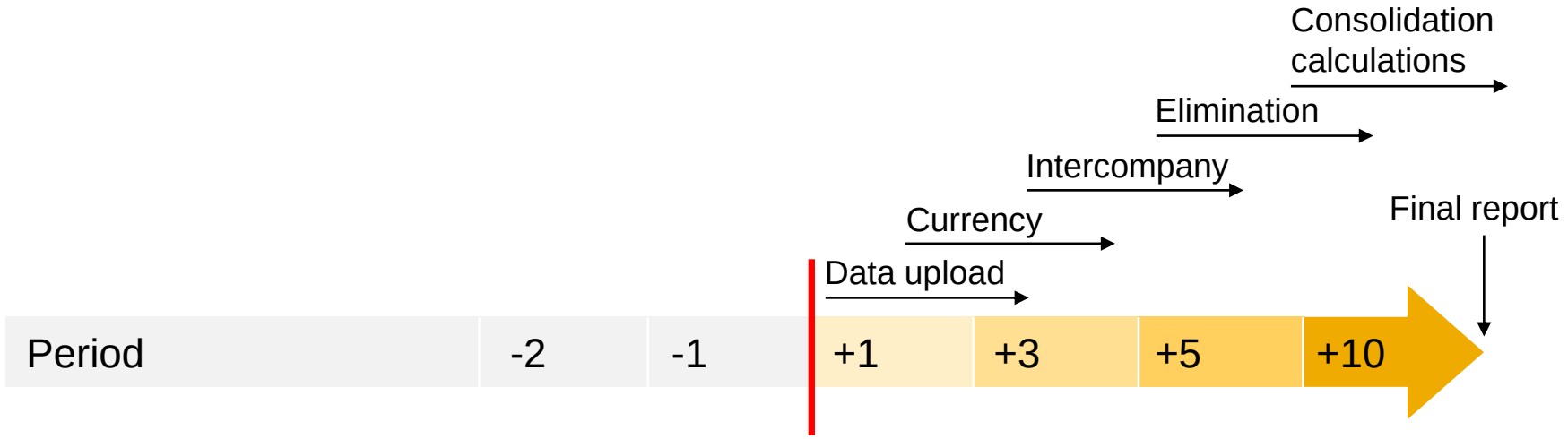

### With SAP S/4HANA



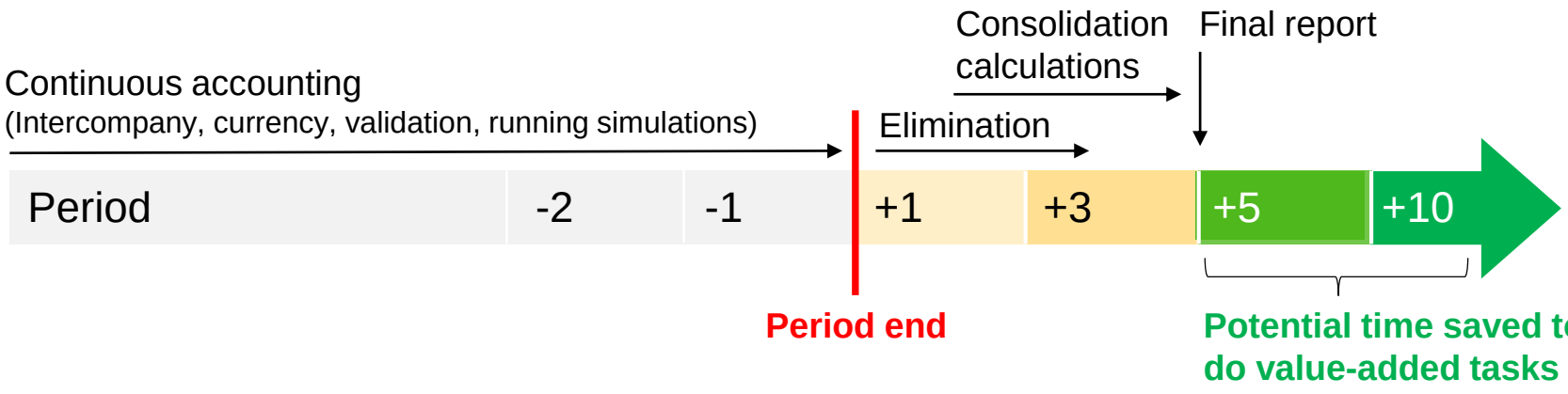

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

This presentation and SAP's strategy and possible future developments are subject to change and may be changed by SAP at any time for any reason without notice. This document is provided without a warranty of any kind, either express or implied, including but not limited to the implied warranties of merchantability, fitness for a particular purpose, or noninfringement.

# The potential close-calendar of the future with continuous accounting




**Traditional consolidation**




**Continuous accounting and consolidation**

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

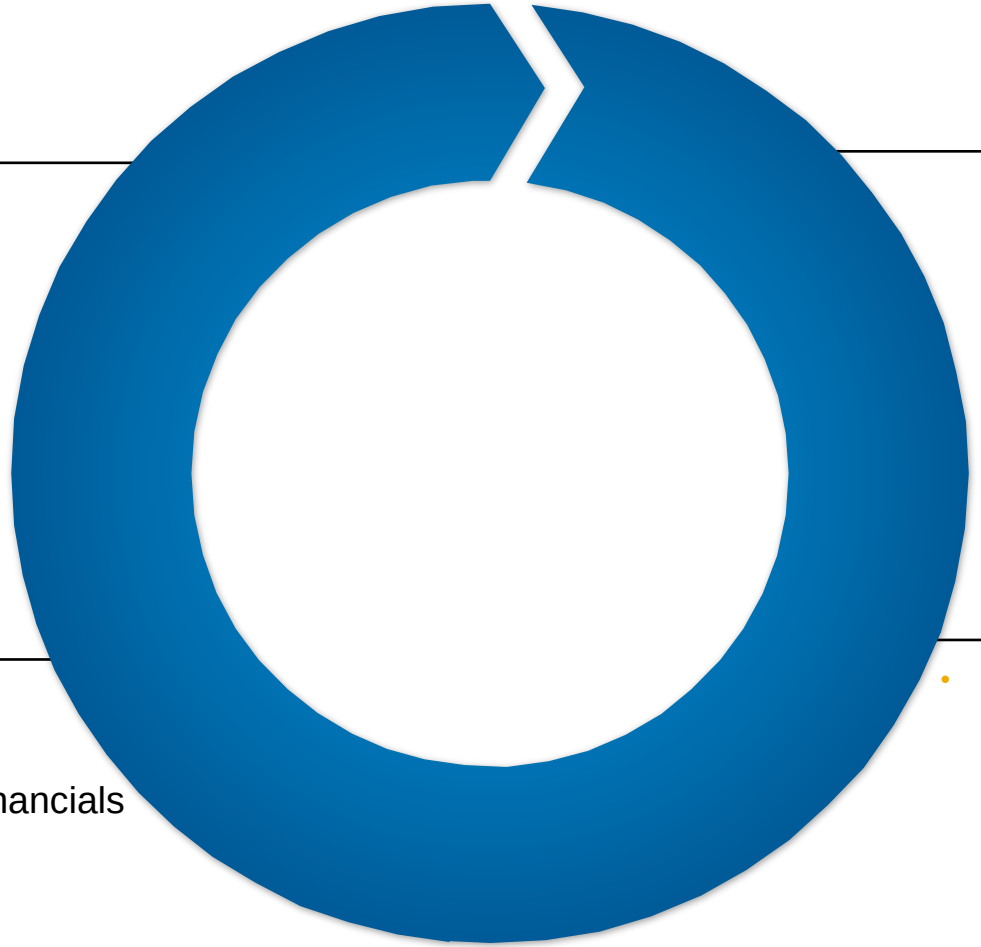
# Group Reporting (Consolidations) Functional Scope

## Consolidated Reporting

- Cash Flow
- Balance Sheet
- Income Statement
- Statement of changes
- Inter-co Reconciliation
- Statement of Changes in Equity
- Currency Translation

## Consolidations Monitor

- InterCo Eliminations
- Minority Interest Calculation
- Adjustments to Consolidated Financials



## Master Data

- Consolidated Chart of Accounts
- Consolidation Units
- Group Hierarchy
- Company Ownership %

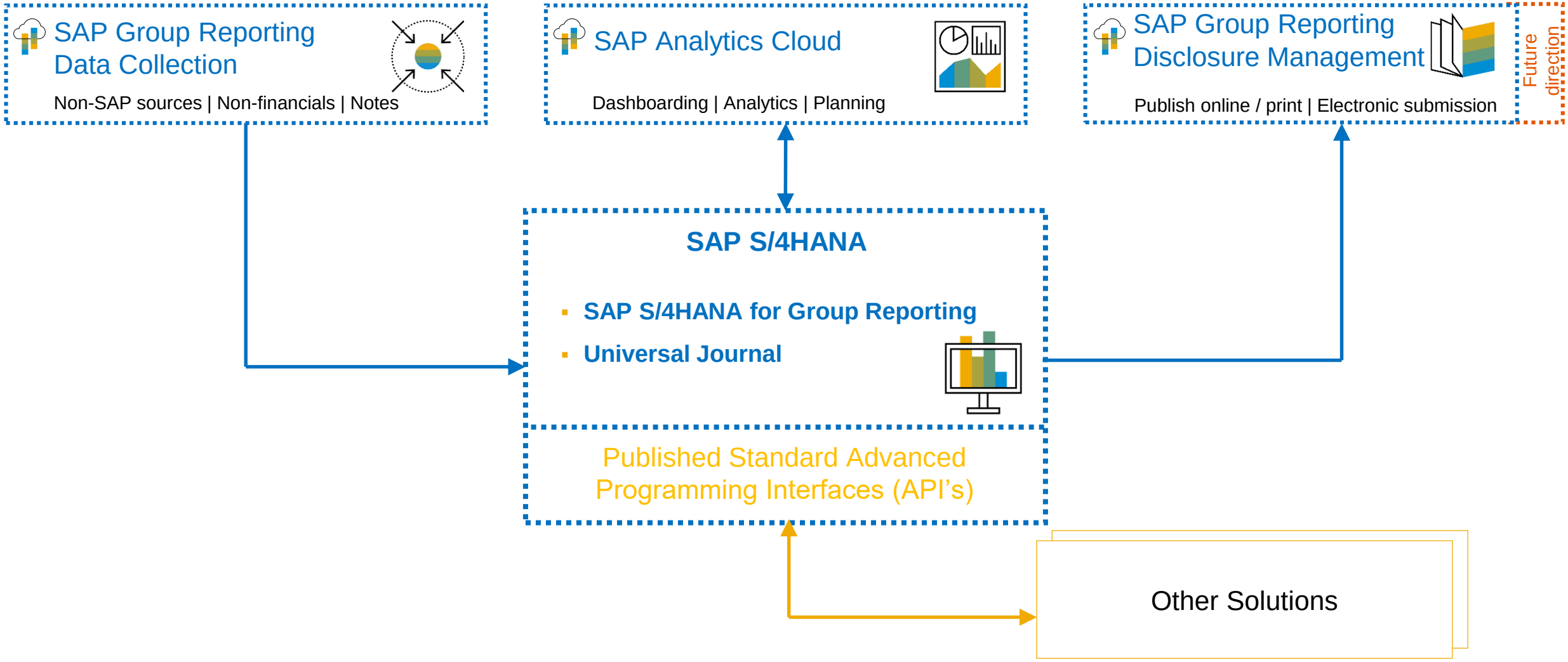
## Data Monitor

- Direct load from Universal Journal
- Flexible 3rd party Upload
- Calculate Retained Earnings
- Adjustments to Reported Data
- Foreign Currency Translation
- Validations

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Overall vision for SAP S/HANA for Group Reporting

## Fully unified reporting platform for integrated Group Reporting



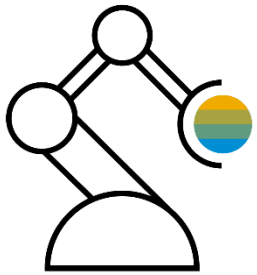

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

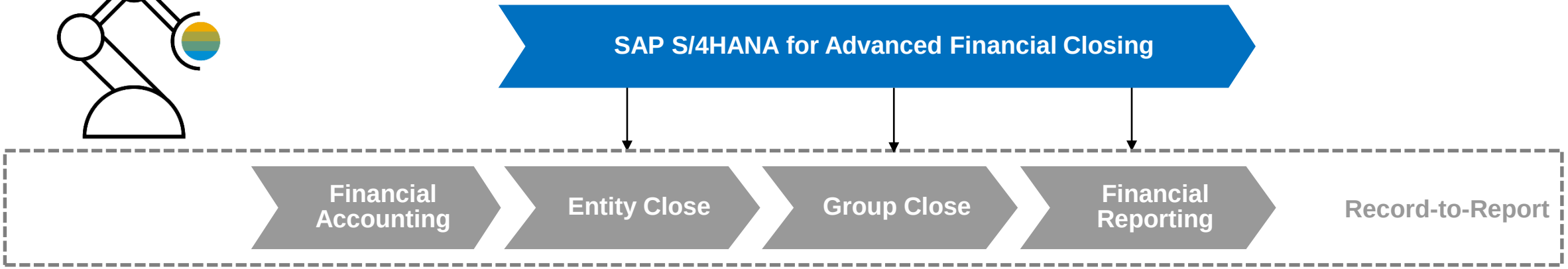
# SAP S/4HANA for Advanced Financial Closing

Product Direction: Support for Group Reporting and Financial Reporting

SAP Labs preview

Fast, reliable,
low touch Close

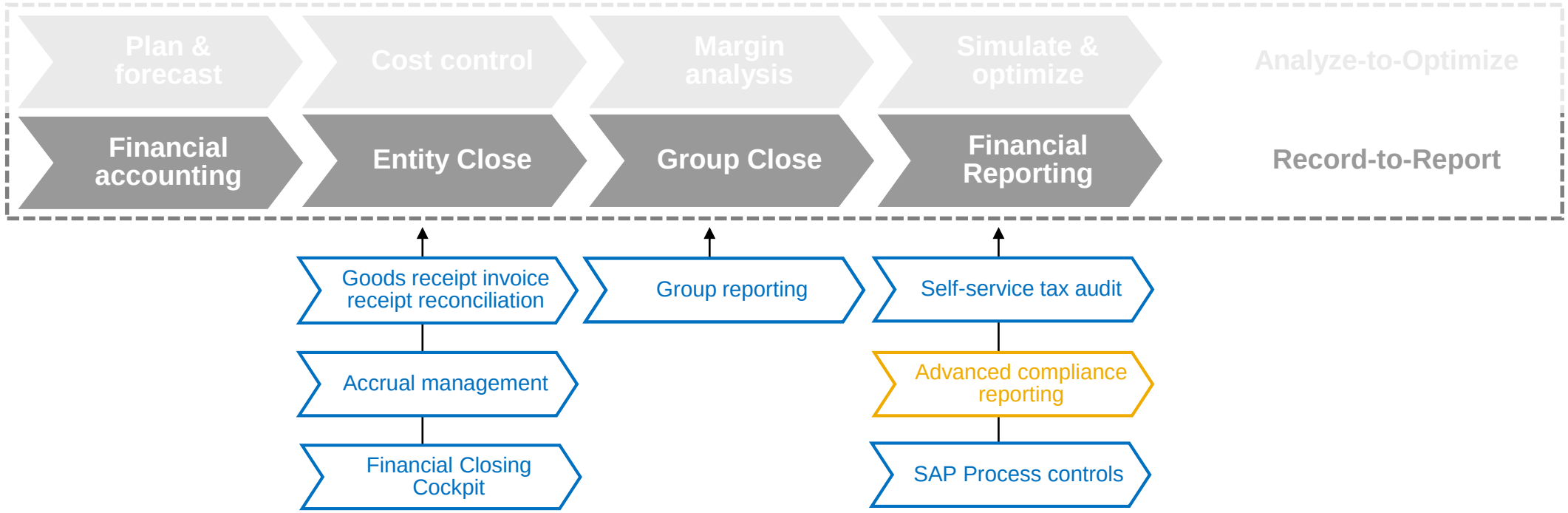





© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Intelligent Accounting & Financial Close

## Group Reporting is part of a Complete Process in S/4HANA




© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

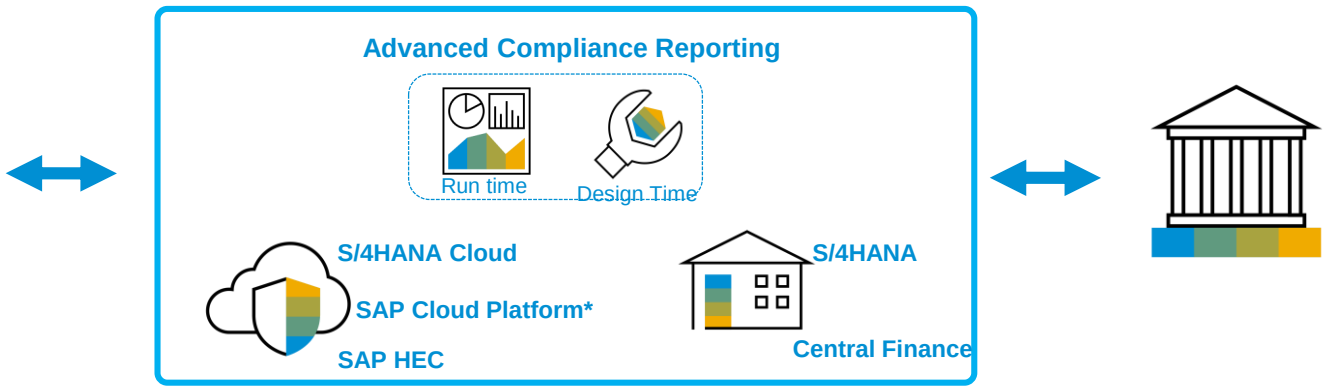
# Advanced Compliance Reporting

Next generation legal reporting platform

- VAT Periodic Return
- Withholding Tax
- EC Sales List
- Financial Statement
- Audit Files
- VAT Sales and Purchase Ledger
- Balance of Payments
- Asset Reporting
- Foreign trade declaration
- Transport Tax
- Goods and Service Tax

...

Any legal reporting requirement




**Legal Authorities**

...

Next generation solution to **manage statutory reporting worldwide** enabling simple adoption of constant legal reforms in your digital business transformation while **reducing cost**-and providing **transparency** in an **efficient** way

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

*for limited scenarios

# GB VAT RETURN - With ACR Service

Demo

## Run Report

Run Compliance Reports

UK GL R

Pe

## Select Reporting Period

Run Advanced Compliance Reports

Hide Filter Bar | Go

Due Date Status: Soon, Overdue | Due Date: d MMM y - d MMM y | Report Name: KSA VAT de... | Reporting Status: ss, Not Started | Reporting Entity:

Advanced Compliance Reports (7)

| Due Date Status |
| --- |
| Overdue 167 days |
| Overdue 139 days |
| Overdue 108 days |
| Overdue 78 days |

Run Advanced Compliance Reports

GB VAT Return (GB_VAT_DCL)

Reporting Period: 1 Mar 2018 - 31 Mar 2018 / 2018

Reporting Entity: GB Group Entity

Report Activity: Standard (STD)

In Process

Overdue 108 days

Due Date : 10 Apr 2018

Submitted (0)

| Submitted On | Report Run Status |
| --- | --- |

Generated (4)

| Created On | Report Run Status |
| --- | --- |
| 25 Jul 2018, 10:45:10 | Generated Successfully |
| 25 Jul 2018, 09:51:32 | Generated Successfully |

Run 17.01.2018, 14:53:03

Reporting Entity: GB Group Entity

Phase: Declaration

Report Name: GB VAT Return

Reporting Period: Quarter 3 / 2017

Generated by: GARGAA

Content Verified by Government

LEGAL REPORTING | SELECTION CRITERIA | LOG | ATTACHMENTS

Confirmation Required

Do you really want to submit the selected report run to the government?

Yes | No

Download

| Document Name | Format | | Action |
| --- | --- | --- | --- |
| VAT Return Body | XML | 1002.00 Bytes | |

## Report Generated and submitted

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# ACR Built-in Legal Reports – Overall Availability for SAP S/4HANA until 1809 (123)

## AMERICAS

- **Argentina**: Daily VAT, Sales VAT, Purchase VAT, VAT Return
- **Canada**: GST Reports - HST, PST, RITC & QST
- **Columbia**: DIAN Magnetic Media Reports - Format 1001, 1003, 1005, 1006, 1007, 1008, 1009
- **Mexico**: DIOT Report, Chart of Accounts Report, Account Balance Report, VAT Declaration, Journal Entry Details Reporting, Account Auxiliary Reporting, Withholding Tax -37A
- **USA**: Withholding Tax Reports - 1099 MISC, 1099 G, 1099 K, 1099 INT, 1042 S
- **Venezuela**: VAT Return, Sales VAT, Purchase VAT

## APJ

- **Australia**: GST Data summary for BAS Report
- **China**: Transfer Input VAT, Construct Input VAT, Audit Reports - Asset Accounting, Account Payables and Receivables, Common Information, General Ledger, Cash Flow Report (Direct)
- **Japan**: Withholding Tax Reports: Blue Returns, White Returns
- **India**: Withholding Tax – Quarterly Declaration - 26Q, 27Q and 27EQ
- **Indonesia**: VAT Return, Withholding Tax Report – PPH 23/26, PPH 4, PPH 15, PPH 22, e-Tax Invoices – VAT In/Out
- **Malaysia**: GST03 Reporting, GST Audit File - GAF
- **Philippines**: Tax Summary List - Summary List of Importations, Sales & Purchases, Withholding Tax Reporting – BIR 2307 , VAT Return - Quarterly, VAT Declaration – Monthly , Computerized Accounting System Reports - General Journal, General Ledger, Inventory Book, Purchase Journal, Sales Journal
- **Singapore**: GST Return
- **South Korea**: Withholding Tax Reports - Business Income/ Other Income, VAT Returns - Tax Invoices of Sales & Purchases
- **Taiwan**: VAT - BAN.TXT, BAN.T02 and BAN.T08
- **Thailand**: VAT Return, VAT Exceeded 6M Return

## EMEA

- **Austria**: EC Sales List, Balance of Payments – L1
- **Belgium**: EC Sales list, Withholding Tax Declaration 281.50, Annual Sales List, Balance of Payments - F01DGS, F01MER, F02CMS & F02CMS
- **Denmark** : EC Sales List
- **France**: EC Sales list, Withholding Tax report - DAS2, Balance of Payments - ECO & RTE, VAT Returns - CA3, Deferred, Overdue Invoices Reporting
- **Great Britain**: VAT Return, EC Sales list, Withholding Tax Report – CIS 300
- **Hungary**: Domestic Sales - 65M, EC Sales and Purchase List - A60, Audit Files – AEA, VAT
- Return- 65A
- **Italy**: Quarterly VAT Declaration, Withholding Tax Declaration - CU
- **Ireland**: VAT Return – VAT3, EC Sales list – VIES, Withholding Tax – Deduction Summary
- **Luxembourg**: EC Sales list, Balance of Payments - STATEC Form 26
- **Netherlands**: EC Sales list – ICP, VAT Return
- **Russia**: VAT Purchase Ledger, VAT Sales Ledger, Invoice Journal, VAT Return
- **South Africa**: VAT Return – Summary Report , VAT Declaration- Line Items, BBBEE Vendor
- Classification Report
- **Spain**: EC Sales and Purchase List – Model 349, VAT Return – Model 303, Withholding Tax – Model 190, Form 347 - Annual Transaction Statement, Incoming Cash Transaction
- **Sweden**: EC Sales list
- **Switzerland**: National Bank Reporting (Balance of Payments), VAT return

## MENA

- **Egypt**: VAT Return
- **Israel**: VAT Return
- **Saudi Arabia:** VAT Return, Withholding Tax Declaration - Form 06
- **United Arab Emirates**: VAT Return, FAF Audit Report File for VAT line items

**DISCLAIMER:** This map represents SAP's current plan, but subject to change without any prior notification. Certain planning constraints such as regulatory and licensing issues are outside of our control and may impact the timelines

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# SAP Solutions for Global Tax Management

Real time tax documents

## SAP Document Compliance

Comply with many local regulations mandating real-time exchange of electronic documents like e-invoices

Communication to Authorities

## SAP Advanced Compliance Reporting

Manage statutory reporting worldwide with unified user experience

Analytic Reporting

Additional Legal Reports

SAP Cloud Platform

Transactional

Analytic

SAP HANA®

Tax calculation

## SAP Tax Service

Calculate accurate tax with minimum human intervention. Universal integration to partner tax engines

Additional Tax Calculation capabilities

Internal Controls

## SAP Tax Compliance

Automatically identify incorrect tax data and manage rectification

Tax Controls

Checks and Tax Validation Rules

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

Partner Content

# Accounting Highlights: Comply with new IFRS and other legal requirements

## IFRS 15 - ASC 606

### Revenue Recognition from contracts

Supports the single five-step model for recognizing revenue

Automates and simplifies revenue recognition

Provides native support for parallel reporting (multi-GAAP)

**SAP Solutions:**
**SAP Revenue Accounting and Reporting (RAR)**
**SAP S/4HANA Cloud – Revenue Recognition**

## IFRS 16 - ASC 842

### Leases

Automated lease accounting activities

Purpose-built real property business processes

Automated process for equipment events

**SAP Solutions:**
**SAP Flexible Real Estate Management (RE-FX);**
**SAP Cloud for Real Estate – Lease and Contract Management**

## IFRS 9 - ASC 815

### Classification and measurement

Revised approach according IFRS9 to measure all financial assets and Liabilities

### Impairments

Fundamental redesign of provisioning model for financial assets

### Hedge Accounting

Reduction of Volatility of Financial Position

**SAP Solutions: SAP S/4HANA;**
**SAP Treasury and Risk Management**

## Country by Country Reporting (CbCR, BEPS)

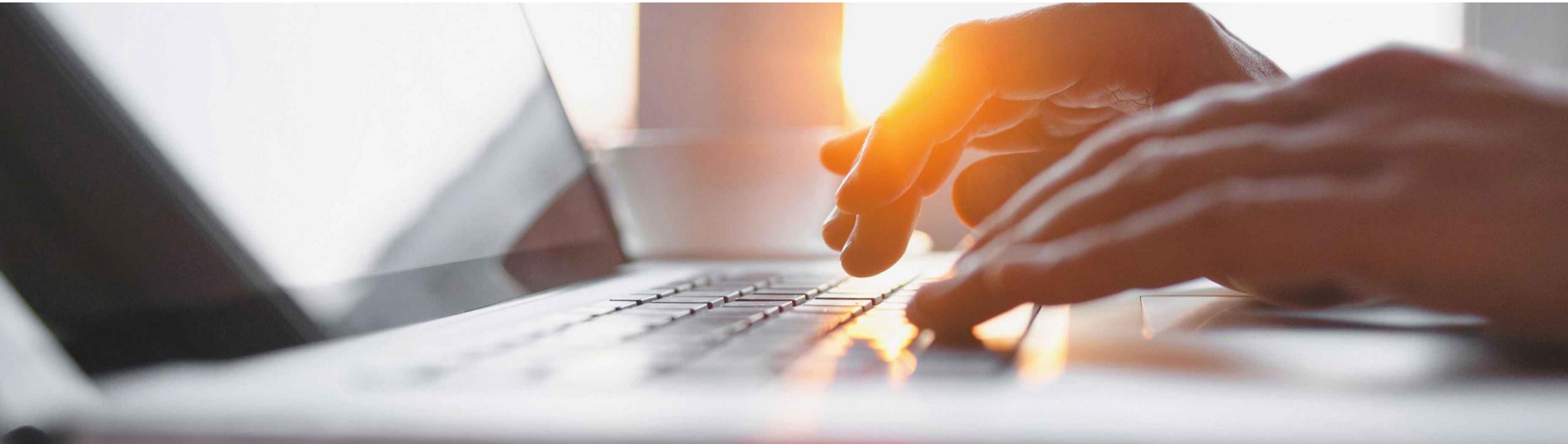
Preconfigured solution for data collection, validation and reporting

Reporting package for risk analysis and comparison

**SAP Solution:**
**Direct Tax Management Solutions**

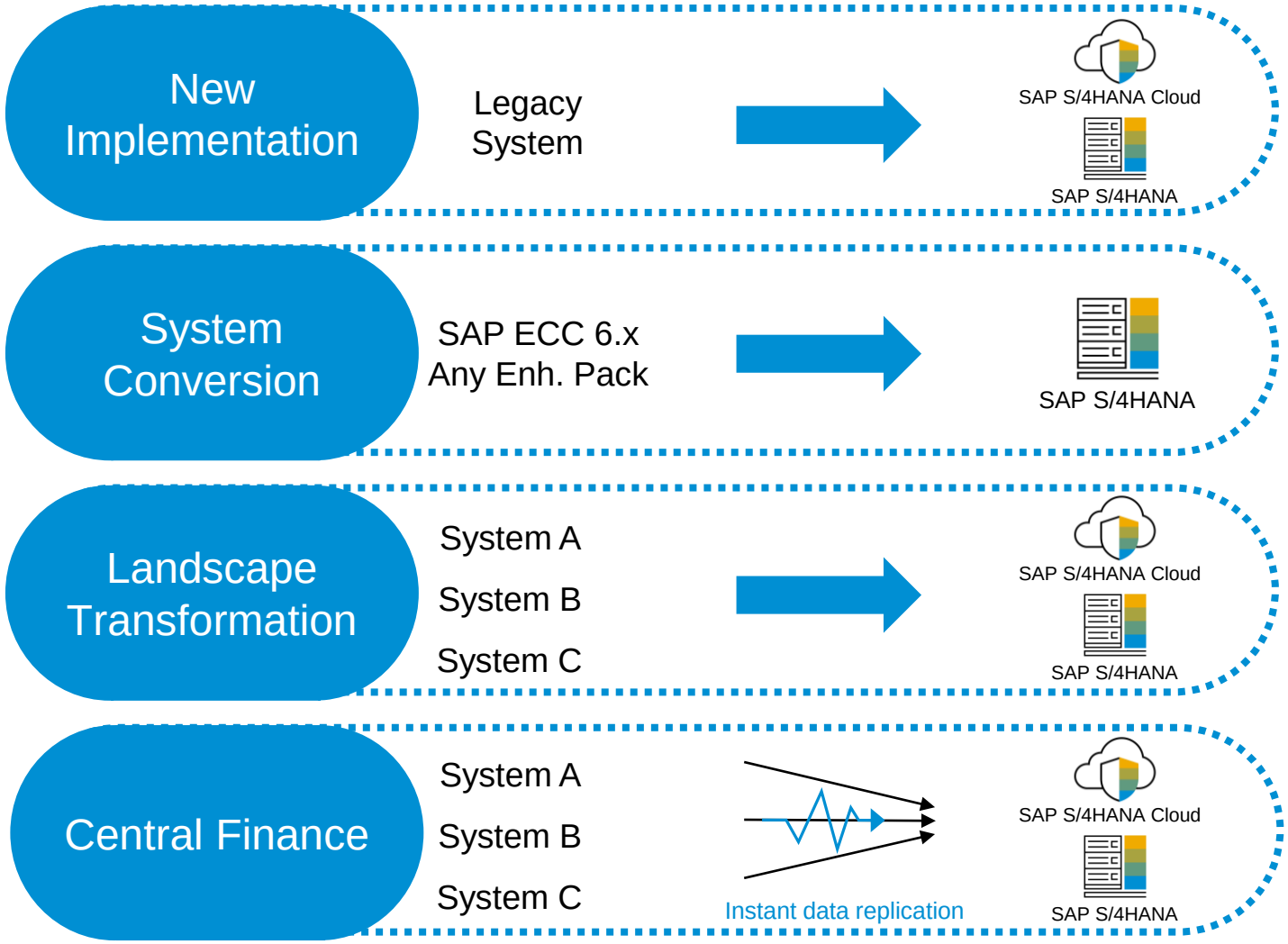
© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# How to MOVE



# SAP S/4HANA Finance Transition Paths

Choose the best option for rapid success




New or existing SAP customer implementing a new SAP S/4HANA system with an initial data load

Complete conversion of an existing SAP Business Suite system to SAP S/4HANA

Consolidation of current fragmented Business Suite landscape into one global SAP S/4HANA

Connection of current fragmented finance landscape into one central SAP S/4HANA Finance

© 2019 SAP SE or an SAP affiliate company. All rights reserved. I PUBLIC

# Thank you.

THE BEST RUN SAP®

Follow us

**www.sap.com/contactsap**

© 2019 SAP SE or an SAP affiliate company. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP SE or an SAP affiliate company.

The information contained herein may be changed without prior notice. Some software products marketed by SAP SE and its distributors contain proprietary software components of other software vendors. National product specifications may vary.

These materials are provided by SAP SE or an SAP affiliate company for informational purposes only, without representation or warranty of any kind, and SAP or its affiliated companies shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP or SAP affiliate company products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.

In particular, SAP SE or its affiliated companies have no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation, and SAP SE's or its affiliated companies' strategy and possible future developments, products, and/or platforms, directions, and functionality are all subject to change and may be changed by SAP SE or its affiliated companies at any time for any reason without notice. The information in this document is not a commitment, promise, or legal obligation to deliver any material, code, or functionality. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, and they should not be relied upon in making purchasing decisions.

SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP SE (or an SAP affiliate company) in Germany and other countries. All other product and service names mentioned are the trademarks of their respective companies.

See www.sap.com/copyright for additional trademark information and notices.

THE BEST RUN SAP®