

S/4 HANA Asset Configuration



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TABLE OF CONTENTS

INTRODUCTION	5
1 Organizational Structures	7
1.1 Copy Reference Chart of Depreciation/Depreciation areas	7
1.2 Specify Description of Chart of Depreciation	15
1.3 Copy/Delete Depreciation Areas	17
1.4 Specify Transfer of APC Values	28
1.5 Specify Transfer of Depreciation Terms	33
1.6 Specify Depreciation Area Type	35
1.7 Specify the Use of Parallel Currencies	38
1.8 Assign Input Tax Indicator for Non-Taxable Acquisitions	40
1.9 Assign Chart of Depreciation to company code	41
1.10 Specify Account Determination	42
1.11 Create Screen Layout Rules	43
1.12 Define Number Range Interval	44
1.13 Define Asset Classes	50
1.14 Specify Chart-of-Dep.-Dependent Screen Layout/Acct Assignment (Optional)	55
2 Integration with the General Ledger	56
2.1 Define How Depreciation Areas Post to General Ledgers	56
2.2 Assign G/L Accounts	57
2.3 Define Technical Clearing Account for Integrated Asset Acquisition	76
2.4 Specify Financial Statement Version for Asset Reports	76
2.5 Specify Document Type for Posting of Depreciation	78
2.6 Specify Intervals and Posting Rules	79
2.7 Activate Additional Account Assignment Objects	82
2.8 Specify Account Assignment Types for Account Assignment Objects	85
2.9 Specify Document Type for Posting of Depreciation	88
3 Valuation	90
3.1 Define Screen Layout for Asset Depreciation Areas	90
3.2 Deactivate Asset Class for Chart of Depreciation	92
3.3 Specify Max. Amt for Low-Value Assets+Asset Classes (Optional)	94
3.4 Specify Rounding of Net Book Value and/or Depreciation (Optional)	95
3.5 Specify Changeover Amount (Optional)	96
3.6 Specify Memo Value (Optional)	97
3.7 Specify Other Variants on Company Code Level (Optional)	99
3.8 Specify Other Variants on Depreciation Area Level (Optional)	100
3.9 Specify Depreciation Areas for Group Assets (Optional)	101
3.10 Specify Asset Classes for Group Assets (Optional)	102
4 Depreciation	103
4.1 Determine Depreciation Areas for Unplanned Depreciation	103
5 Configuring the depreciation key	104
5.1 Define Base Methods	104
5.2 Define Declining-Balance Methods (Optional)	107
5.3 Define Maximum Amount Methods (Optional)	108
5.4 Define Multi-Level Methods (Important)	109
5.5 Maintain Period Control Methods	115
5.6 Maintain Depreciation Key	116
5.7 Determine Depreciation Areas in the Asset Class	123

5.8	Define the Cutoff Value Key (Optional)	129
5.9	Define Maximum Base Value (Optional)	131
6	Master data	132
6.1	Define Screen Layout for Asset Master Data	132
7	Transactions	136
7.1	Maintain Allocation Structures	136
7.2	Define/Assign Settlement Profiles	142
7.3	Maintain Number Ranges for Documents for Line Item Settltmt	146
8	Information system	151
8.1	Define or Assign Forms	151
9	Asset data transfer	154
9.1	Define Offsetting Account for Legacy Data Transfer	154
9.2	Define Document Type for Legacy Data Transfer	154
9.3	Calculate Planned Values for Depreciation	155
9.4	Specify Transfer Date/Last Closed Fiscal Year	156
9.5	Specify Last Period Posted in Prv.System (Transf.During FY)	157
9.6	Create/Change/Display Legacy Asset(AS91, AS92, AS93)	161
9.7	Post Transfer Values	168
10	Preparing for Production Startup	174
10.1	Activate Company Code	174
11	Activating Asset Accounting	175
11.1	Migrate Chart of Depreciation	178
11.2	Check Prerequisites for Activating Asset Accounting	180
11.3	Activate Asset Accounting (New)	183
12	Activate Segment Reporting	187
12.1	Specify Account Assignment Types for Account Assignment Objects	188
12.2	Activate Segment Reporting	193
12.3	Fill Master Data for Segment Reporting	194

INTRODUCTION

Asset accounting module in SAP manages fixed assets data of an organization by way of asset master records. Asset accounting module thus acts as a sub ledger to the FI module for managing asset records.

SAP gives us the functionality in Asset module of managing depreciation and assets in parallel according to various reporting requirements i.e. Local Reporting, Parent company reporting, Tax reporting, US GAAP reporting and so on.

We must assign a chart of depreciation to each company code that is defined in Asset Accounting. SAP provides country-specific charts of depreciation with predefined depreciation areas. These charts of depreciation serve only as a reference for creating your own charts of depreciation, and are therefore not directly accessible in the SAP system. When creating a chart of depreciation, you have to copy the reference chart of depreciation.

S/4 HANA has redesigned the Asset Accounting module with the following functionality:-

- 1) Reference depreciation area is no longer needed for setting up multiple depreciation areas.
- 2) All depreciation areas now post acquisition and retirement online
- 3) New technical clearing account is needed to balance each depreciation area
- 4) No restriction of transaction type to a particular depreciation area.

This material covers an implementation approach for new installation of S4 HANA and does not cover the migration approach from Classic Asset Accounting to New Asset Accounting.

We configured in the SAP GL configuration in S/4 HANA a company code 6600 Universal Ltd. The currency of the company code is USD. The reporting period is April to March for the Group. The parent company of Universal Ltd is located in Germany. Therefore Universal Ltd. is required to report figures in EUR. 3 currencies are configured for the company code first is USD (Local reporting), second is group currency as EUR and third is global company currency as USD.

Universal Ltd is required to report depreciation for local reporting as per the statutory reporting requirement of USA. Further it is also required to report depreciation as per the parent company located in India.

We have 2 different reporting requirements:-

- 1) Parent (Group) reporting
- 2) Local Reporting

We will configure the following depreciation areas:-

- 01 Local depreciation
- 10 Local depreciation – USD
- 11 Local depreciation – Global currency
- 30 Group depreciation
- 31 Group depreciation – USD
- 32 Group depreciation – Global currency

Let us proceed with the configuration of Asset Accounting

1 Organizational Structures

For configuration we use the following path on the SAP application screen:-

SAP Menu → Tools → Customizing → IMG → SPRO - Execute Project →

 SAP Reference IMG

Configuration for all the modules will be done here. The above path will not refer henceforth; we will directly refer to the IMG node.

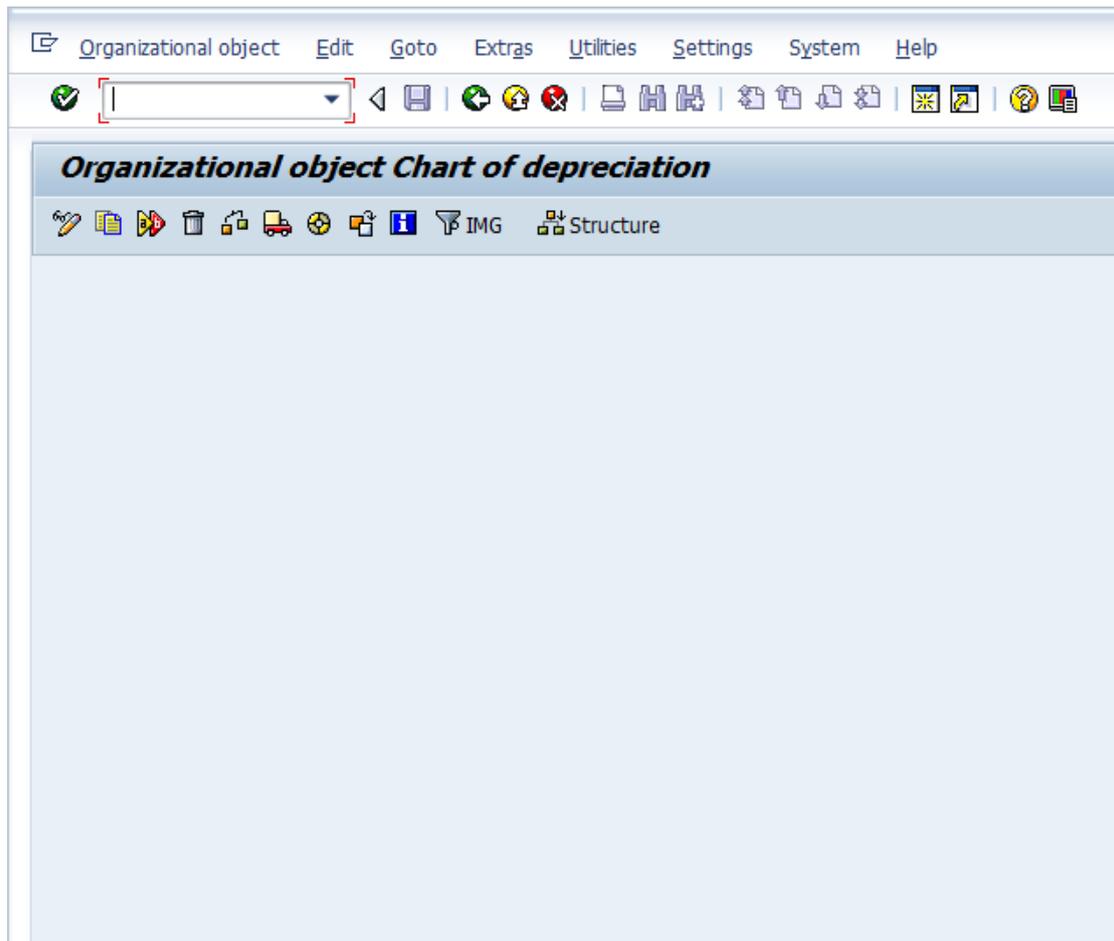
1.1 Copy Reference Chart of Depreciation/Depreciation areas

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Copy Reference Chart of Depreciation/Depreciation Areas

Here we define our chart of depreciation. The chart of depreciation is a list of depreciation areas arranged according to business and legal requirements. The chart of depreciation enables us to manage all rules for the valuation of assets in a particular country or region.

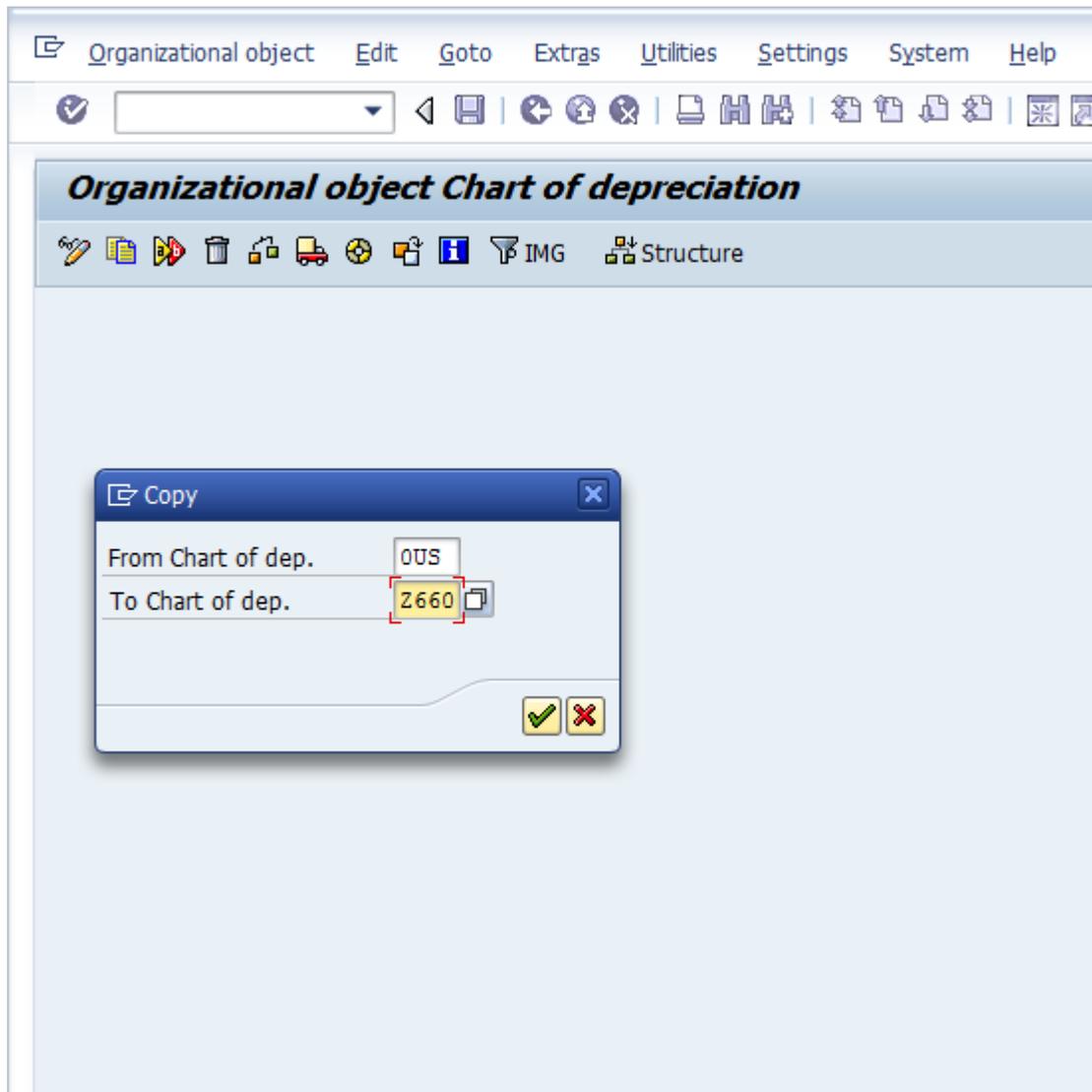
We assign a chart of depreciation to each company code that is defined in Asset Accounting. SAP provides country-specific charts of depreciation with predefined depreciation areas (for example, 0US for the USA). These charts of depreciation serve only as a reference for creating our own charts of depreciation, and are therefore not directly accessible in the SAP system. When creating a chart of depreciation, we have to copy the reference chart of depreciation.

Let us copy the chart of depreciation from US chart of depreciation to create new chart of depreciation.



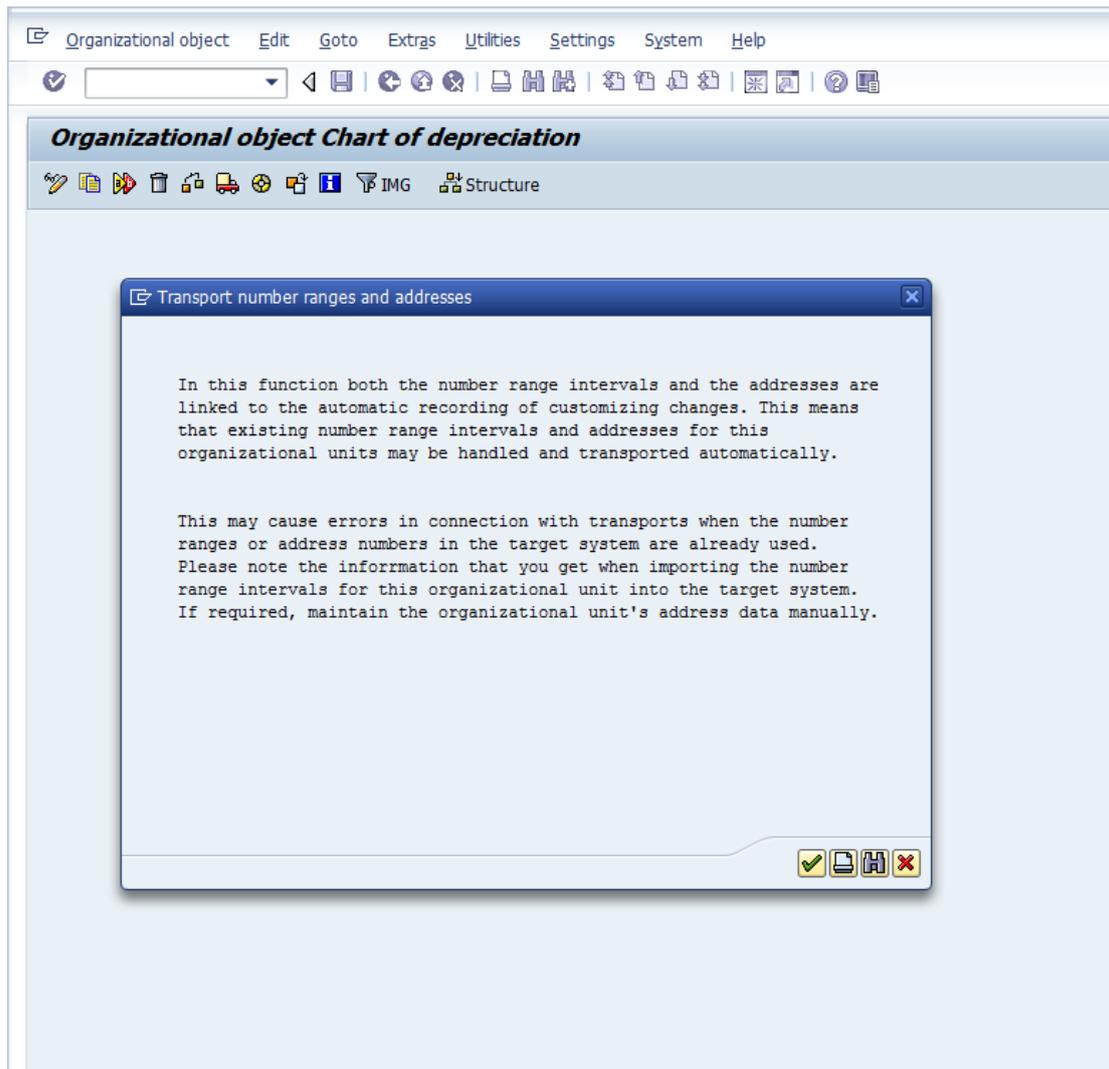
Click on Copy  and update the following: -

0US – Sample chart of depreciation: USA as the source to copy

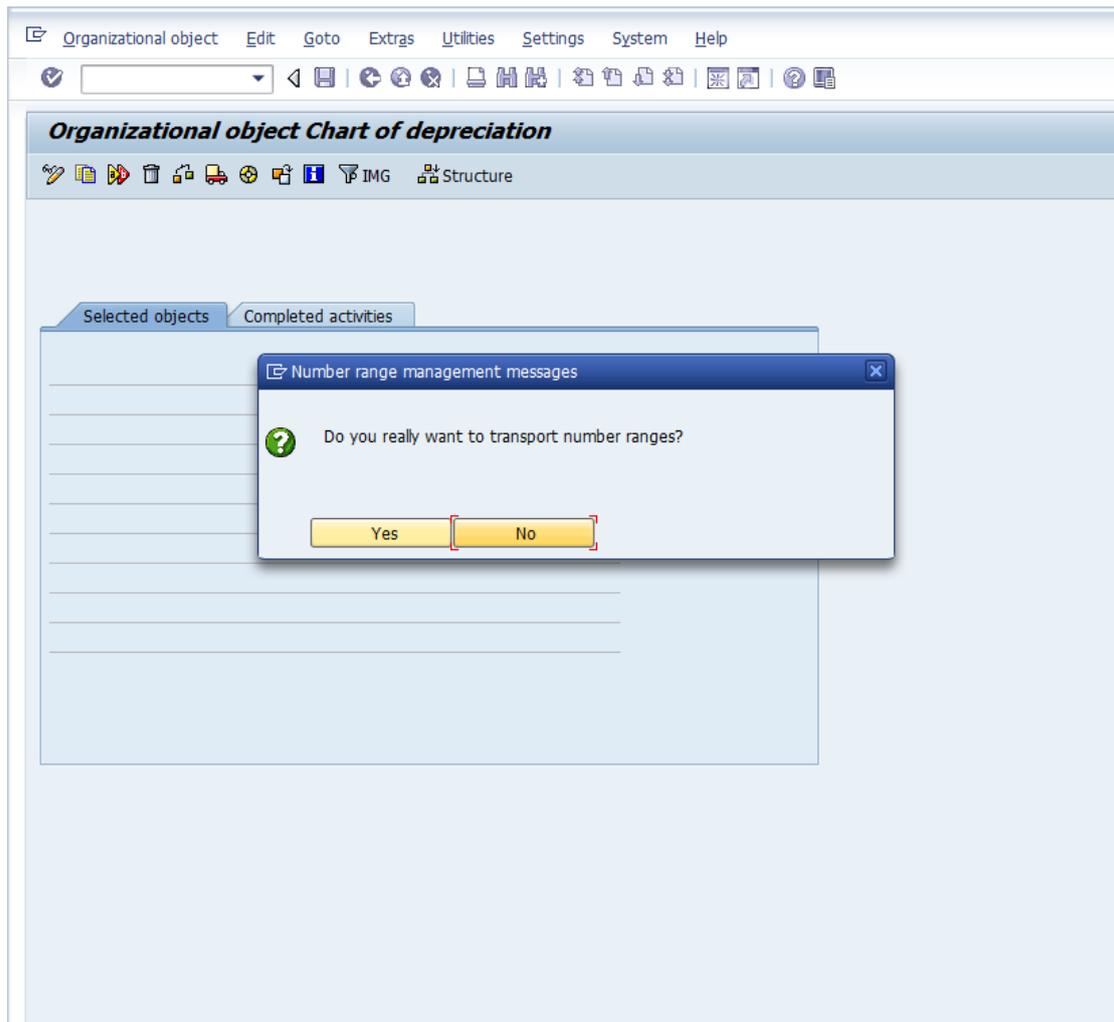


Click 

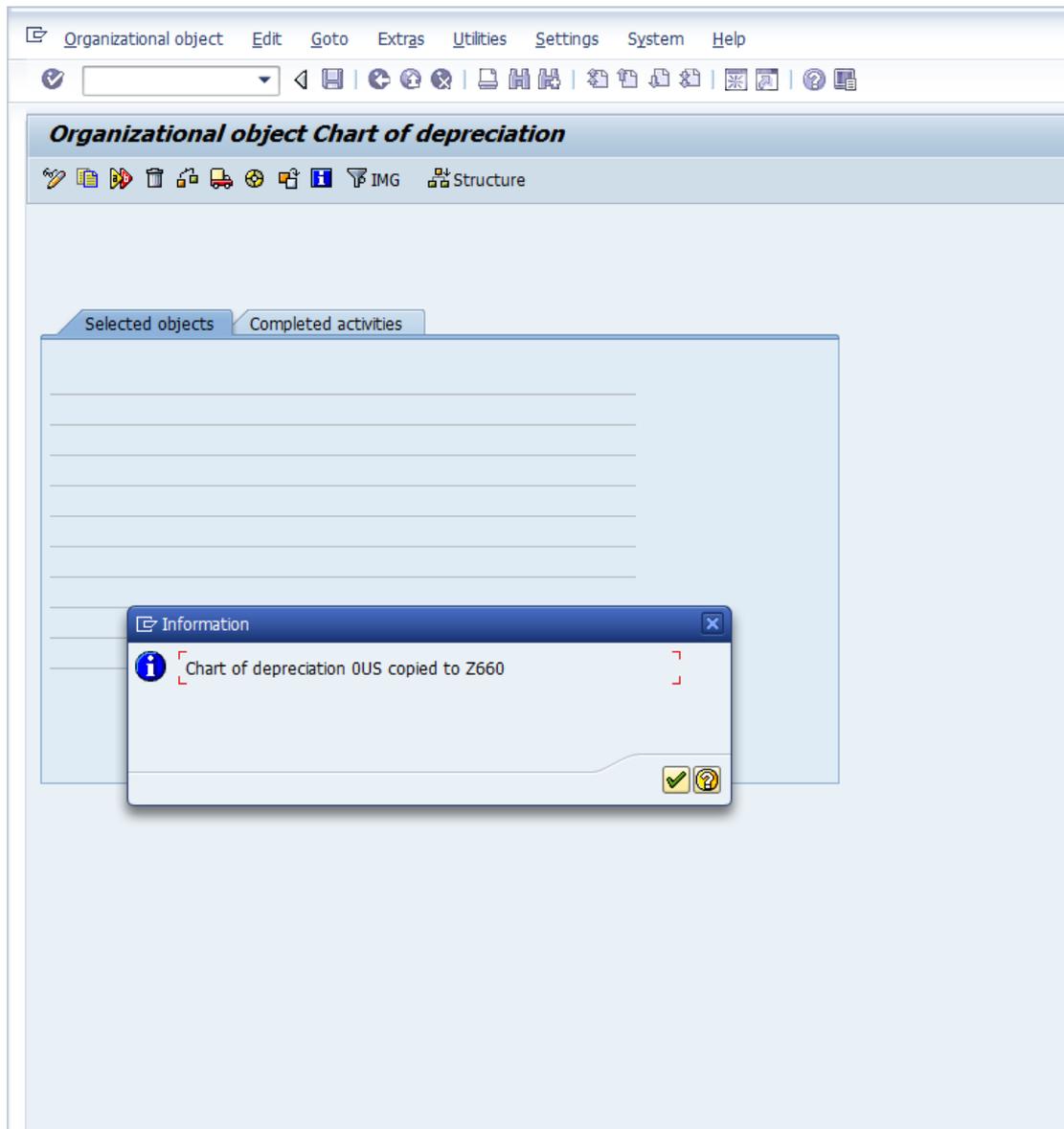
You get the message as follows:-

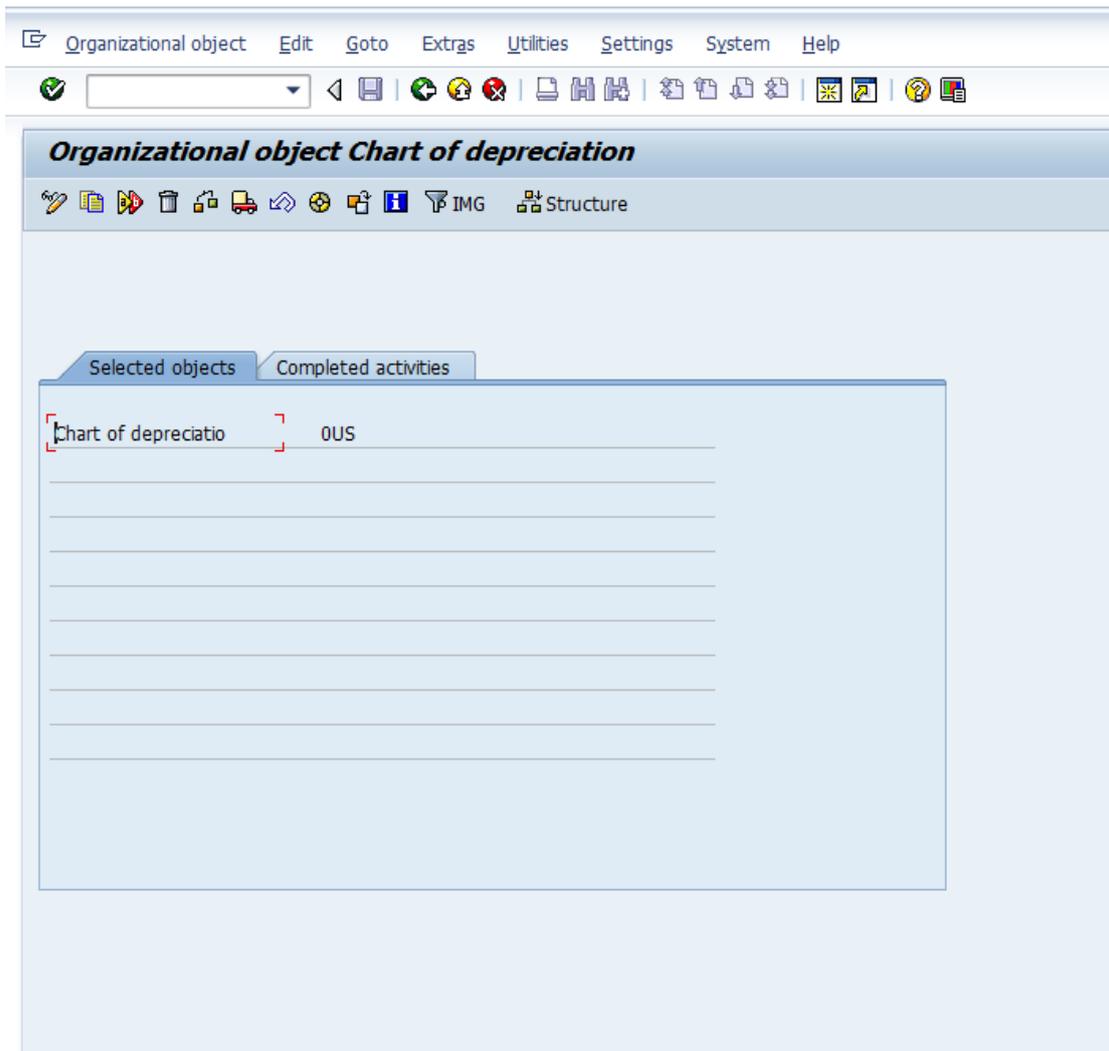


Click 

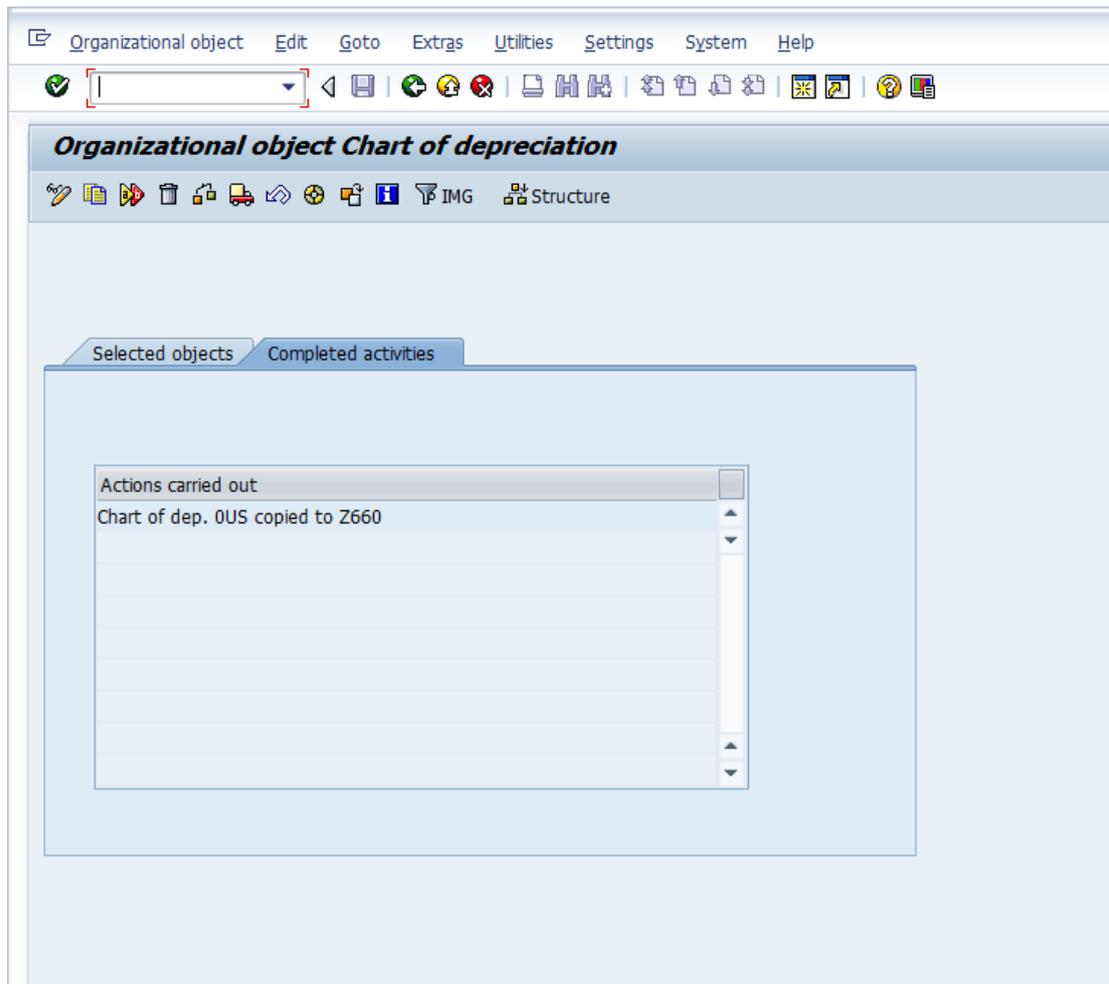


Click on  as we do not want to copy any number ranges. We will maintain them manually.





Click **Completed activities** to see the activities which are completed.

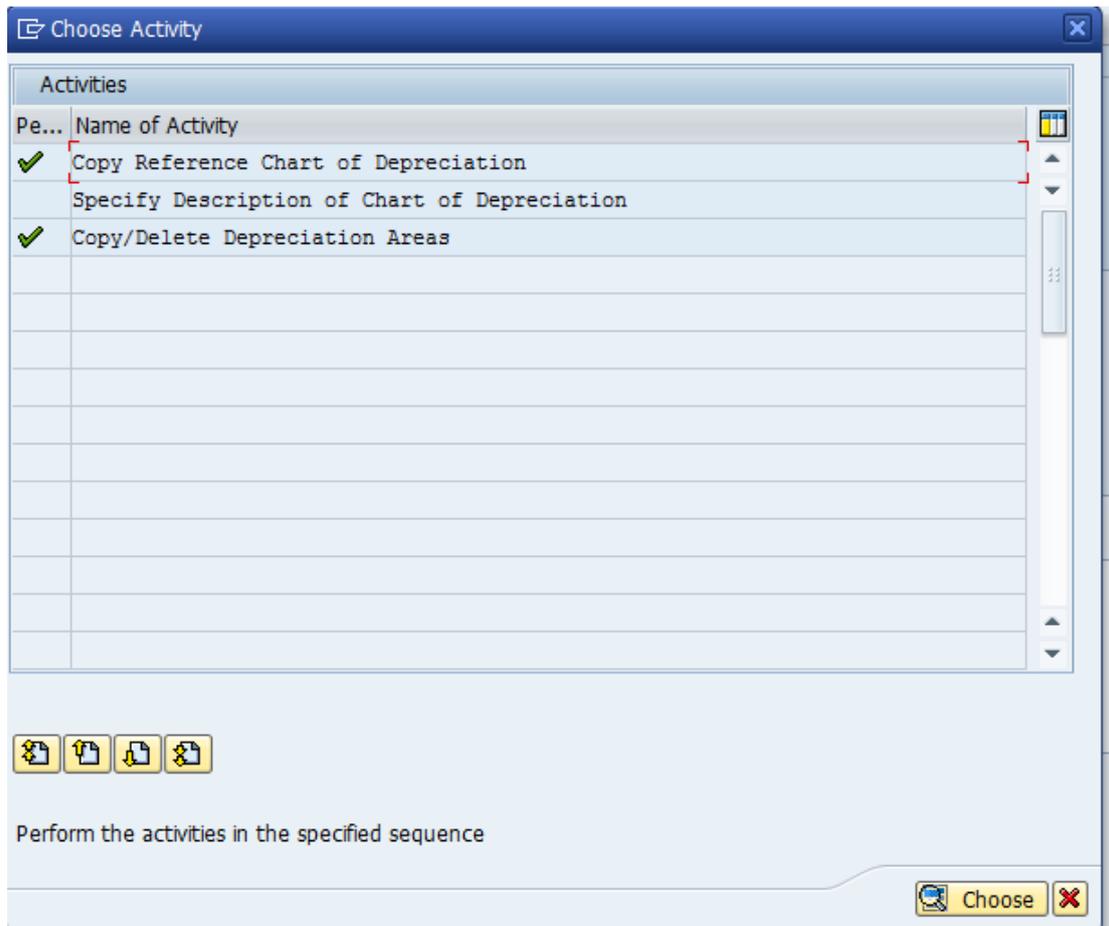


The chart of Depreciation is now copied from 0US to Z660.

1.2 Specify Description of Chart of Depreciation

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Copy Reference Chart of Depreciation/Depreciation Areas

Change the Description of chart of depreciation so copied.



Double Click Specify Description of Chart of Depreciation

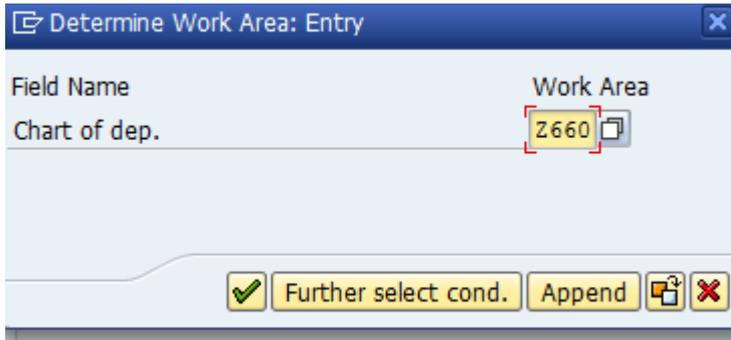
Change the description from

Z660 Sample chart of depreciation: USA

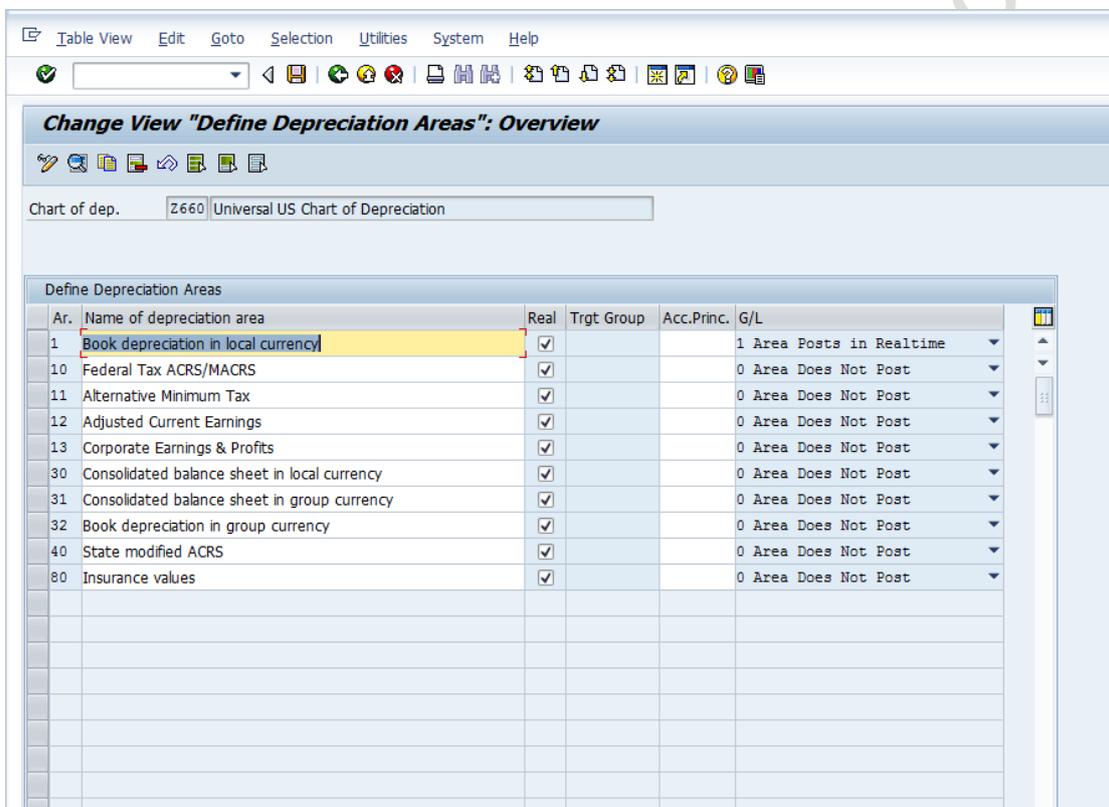
And update the following: -

Z660 Universal US Chart of Depreciation

Click on Save 



We will delete the unwanted depreciation areas which were copied from the reference chart of depreciation.



Update the description as follows:-

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Overview

Chart of dep. 2660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	Real	Trgt Group	Acc.Princ.	G/L
1	Local Depreciation	<input checked="" type="checkbox"/>			1 Area Posts in Realtime
10	Local Depreciation USD	<input checked="" type="checkbox"/>			0 Area Does Not Post
11	Local Depreciation - Global currency	<input checked="" type="checkbox"/>			0 Area Does Not Post
12	Adjusted Current Earnings	<input checked="" type="checkbox"/>			0 Area Does Not Post
13	Corporate Earnings & Profits	<input checked="" type="checkbox"/>			0 Area Does Not Post
30	Group Depreciation	<input checked="" type="checkbox"/>			0 Area Does Not Post
31	Group Depreciation - USD	<input checked="" type="checkbox"/>			0 Area Does Not Post
32	Group Depreciation - Global currency	<input checked="" type="checkbox"/>			0 Area Does Not Post
40	State modified ACRS	<input checked="" type="checkbox"/>			0 Area Does Not Post
80	Insurance values	<input checked="" type="checkbox"/>			0 Area Does Not Post

Delete the following depreciation areas:-

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Overview

Chart of dep. 2660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	Real	Trgt Group	Acc.Princ.	G/L
1	Local Depreciation	<input checked="" type="checkbox"/>			1 Area Posts in Realtime
10	Local Depreciation USD	<input checked="" type="checkbox"/>			0 Area Does Not Post
11	Local Depreciation - Global currency	<input checked="" type="checkbox"/>			0 Area Does Not Post
12	Adjusted Current Earnings	<input checked="" type="checkbox"/>			0 Area Does Not Post
13	Corporate Earnings & Profits	<input checked="" type="checkbox"/>			0 Area Does Not Post
30	Group Depreciation	<input checked="" type="checkbox"/>			0 Area Does Not Post
31	Group Depreciation - USD	<input checked="" type="checkbox"/>			0 Area Does Not Post
32	Group Depreciation - Global currency	<input checked="" type="checkbox"/>			0 Area Does Not Post
40	State modified ACRS	<input checked="" type="checkbox"/>			0 Area Does Not Post
80	Insurance values	<input checked="" type="checkbox"/>			0 Area Does Not Post

Then Click on Delete 

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Overview

Chart of dep. 2660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	Real	Trgt. Group	Acc.Princ.	G/L
	Local Depreciation	<input checked="" type="checkbox"/>			1 Area Posts in Realtime
10	Local Depreciation USD	<input checked="" type="checkbox"/>			0 Area Does Not Post
11	Local Depreciation - Global currency	<input checked="" type="checkbox"/>			0 Area Does Not Post
30	Group Depreciation	<input checked="" type="checkbox"/>			0 Area Does Not Post
31	Group Depreciation - USD	<input checked="" type="checkbox"/>			0 Area Does Not Post
32	Group Depreciation - Global currency	<input checked="" type="checkbox"/>			0 Area Does Not Post

Position... Entry 1 of 6

Number of deleted entries: 4

SAP

Since there are 3 currencies configured for company code 6600 i.e. Local currency, group currency and global currency we will need 3 depreciation areas for each reporting

Assign accounting principle the way it is assigned to the ledgers. In this case local depreciation area will be assigned to ZLOC and group depreciation area will be assigned to IFRS

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Overview

Chart of dep. Z660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	Real	Trgt Group	Acc.Princ.	G/L
1	Local Depreciation	<input checked="" type="checkbox"/>	Y1	ZLOC	1 Area Posts in Realtime
10	Local Depreciation USD	<input checked="" type="checkbox"/>	Y1	ZLOC	0 Area Does Not Post
11	Local Depreciation - Global currency	<input checked="" type="checkbox"/>	Y1	ZLOC	0 Area Does Not Post
30	Group Depreciation	<input checked="" type="checkbox"/>	0L	IFRS	0 Area Does Not Post
31	Group Depreciation - USD	<input checked="" type="checkbox"/>	0L	IFRS	0 Area Does Not Post
32	Group Depreciation - Global currency	<input checked="" type="checkbox"/>	0L	IFRS	0 Area Does Not Post

Double click

30	Group Depreciation	<input checked="" type="checkbox"/>	0L	IFRS	0 Area Does Not Post
----	--------------------	-------------------------------------	----	------	----------------------

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Details

Chart of dep. 2660 Universal US Chart of Depreciation

Deprec. area 30 Group Depreciation

Grp.loc.curr

Define Depreciation Areas

Real Depreciation Area

Accounting Principle IFRS International Financial Reporting Standards

Target Ledger Group OL ????????????????

Alternative Depreciation Area

Cross-syst.dep.area

Posting in G/L

Area Does Not Post

Area Posts in Realtime

Area Posts Depreciation Only

Area Posts APC Immediately, Depreciation Periodically

Value Maintenance

Acquisition value	+ Only Positive Values or Zero Allowed
Net book value	+ Only Positive Values or Zero Allowed
Investment grants	0 No Values Allowed
Revaluation	0 No Values Allowed
Ordinary depreciat.	- Only Negative Values or Zero Allowed
Special Depr.	0 No Values Allowed
Unplanned Depreciat.	- Only Negative Values or Zero Allowed
Transfer of reserves	0 No Values Allowed
Interest	0 No Values Allowed
Revaluation ord.dep.	0 No Values Allowed

Change to Area Post in Real time

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Details

Chart of dep. Z660 Universal US Chart of Depreciation

Deprec. area 30 Group Depreciation
Grp.loc.curr

Define Depreciation Areas

Real Depreciation Area

Accounting Principle IFRS International Financial Reporting Standards

Target Ledger Group 0L ???????????????

Alternative Depreciation Area

Cross-syst.dep.area

Posting in G/L

Area Does Not Post

Area Posts in Realtime

Area Posts Depreciation Only

Area Posts APC Immediately, Depreciation Periodically

Value Maintenance

Acquisition value	+ Only Positive Values or Zero Allowed
Net book value	+ Only Positive Values or Zero Allowed
Investment grants	0 No Values Allowed
Revaluation	0 No Values Allowed
Ordinary depreciat.	- Only Negative Values or Zero Allowed
Special Depr.	0 No Values Allowed
Unplanned Depreciat.	- Only Negative Values or Zero Allowed
Transfer of reserves	0 No Values Allowed
Interest	0 No Values Allowed
Revaluation ord.dep.	0 No Values Allowed

Click on 

Implementation Guide Edit Goto Additional Information Utilities System Help

Display IMG

Existing BC Sets BC Sets for Activity Activated BC Sets for Activity Release Notes Change Log

Choose Activity

Activities

Document lines: Display messages

Type	Item	Message Text	LT
■	Z66012	Area 12 will be deleted in other systems at the asset level	
■	Z66013	Area 13 will be deleted in other systems at the asset level	
▲	Z66030	Adoption of values not allowed for area 30 in chart of depreciation Z660	
▲	Z66030	You cannot transfer values for depreciation area 30 in chart of deprec. Z660	
▲	Z66030	Transfer of dep. terms is not allowed in area 30 of chart of deprec. Z660	
▲	Z66030	Transfer of dep. terms is not allowed in area 30 of chart of deprec. Z660	
▲	Z66032	Adoption of values not allowed for area 32 in chart of depreciation Z660	
▲	Z66032	Transfer of dep. terms is not allowed in area 32 of chart of dep. Z660	
■	Z66040	Area 40 will be deleted in other systems at the asset level	
■	Z66080	Area 80 will be deleted in other systems at the asset level	

Perform the activities in the specified sequence

Choose

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Overview

Chart of dep. Z660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	Real	Trgt Group	Acc.Princ.	G/L
1	Local Depreciation	<input checked="" type="checkbox"/>	Y1	ZLOC	1 Area Posts in Realtime
10	Local Depreciation USD	<input checked="" type="checkbox"/>	Y1	ZLOC	0 Area Does Not Post
11	Local Depreciation - Global currency	<input checked="" type="checkbox"/>	Y1	ZLOC	0 Area Does Not Post
30	Group Depreciation	<input checked="" type="checkbox"/>	0L	IFRS	1 Area Posts in Realtime
31	Group Depreciation - USD	<input checked="" type="checkbox"/>	0L	IFRS	0 Area Does Not Post
32	Group Depreciation - Global currency	<input checked="" type="checkbox"/>	0L	IFRS	0 Area Does Not Post

Double click each depreciation area and change the short description

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Details

Chart of dep. 2660 Universal US Chart of Depreciation

Deprec. area 1 Local Depreciation

Book deprec.

Define Depreciation Areas

Real Depreciation Area

Accounting Principle ZLOC Local Accounting Standard

Target Ledger Group Y1 Local Reporting

Alternative Depreciation Area

Cross-syst.dep.area

Posting in G/L

Area Does Not Post

Area Posts in Realtime

Area Posts Depreciation Only

Area Posts APC Immediately, Depreciation Periodically

Value Maintenance

Acquisition value	+ Only Positive Values or Zero Allowed
Net book value	+ Only Positive Values or Zero Allowed
Investment grants	0 No Values Allowed
Revaluation	0 No Values Allowed
Ordinary depreciat.	- Only Negative Values or Zero Allowed
Special Depr.	0 No Values Allowed
Unplanned Depreciat.	- Only Negative Values or Zero Allowed
Transfer of reserves	0 No Values Allowed
Interest	0 No Values Allowed
Revaluation ord.dep.	0 No Values Allowed

Change to

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Details

Chart of dep. Z660 Universal US Chart of Depreciation

Deprec. area 1 Local Depreciation

Local Dep

Define Depreciation Areas

Real Depreciation Area

Accounting Principle ZLOC Local Accounting Standard

Target Ledger Group Y1 Local Reporting

Alternative Depreciation Area

Cross-syst.dep.area

Posting in G/L

Area Does Not Post

Area Posts in Realtime

Area Posts Depreciation Only

Area Posts APC Immediately, Depreciation Periodically

Value Maintenance

Acquisition value	+ Only Positive Values or Zero Allowed
Net book value	+ Only Positive Values or Zero Allowed
Investment grants	0 No Values Allowed
Revaluation	0 No Values Allowed
Ordinary depreciat.	- Only Negative Values or Zero Allowed
Special Depr.	0 No Values Allowed
Unplanned Depreciat.	- Only Negative Values or Zero Allowed
Transfer of reserves	0 No Values Allowed
Interest	0 No Values Allowed
Revaluation ord.dep.	0 No Values Allowed

SAP

Similarly others...

Further one important change we need to do is for all depreciation areas make Acquisition value and Net book value as All values Allowed as shown below

Table View Edit Goto Selection Utilities System Help

Change View "Define Depreciation Areas": Details

Chart of dep. 2660 Universal US Chart of Depreciation

Deprec. area 1 Local Depreciation
Local Dep.

Define Depreciation Areas

Real Depreciation Area

Accounting Principle ZLOC Local GAAP

Target Ledger Group Y1 Local ledger

Alternative Depreciation Area

Cross-syst.dep.area

Posting in G/L

Area Does Not Post

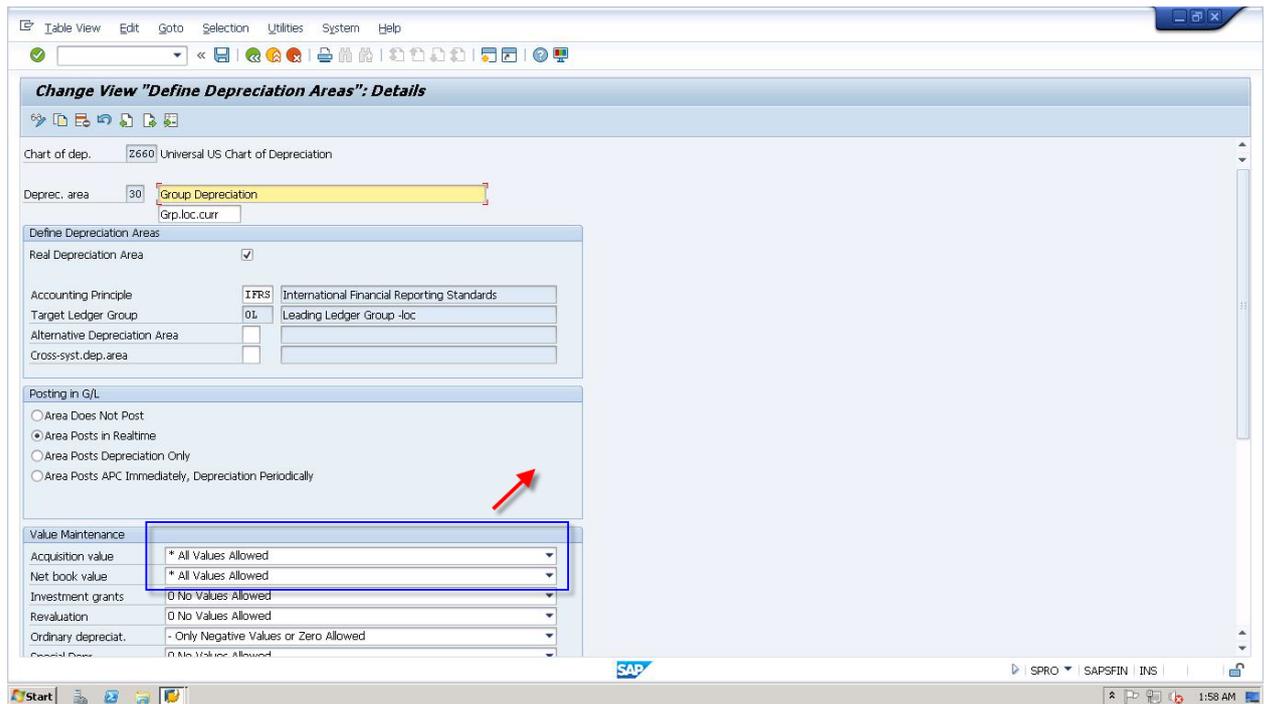
Area Posts in Realtime

Area Posts Depreciation Only

Area Posts APC Immediately, Depreciation Periodically

Value Maintenance

Acquisition value	* All Values Allowed
Net book value	* All Values Allowed
Investment grants	0 No Values Allowed
Revaluation	0 No Values Allowed
Ordinary depreciat.	- Only Negative Values or Zero Allowed
Special Depreciat.	0 No Values Allowed



Similarly update all other depreciation areas

Then save the changes.

1.4 Specify Transfer of APC Values

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → General Valuation → Depreciation Areas → Specify Transfer of APC Values

Here we define transfer rules for the posting values of depreciation areas. These transfer rules let us ensure that certain depreciation areas have identical asset values.

In this field, we specify the reference depreciation area that provides values to another depreciation area. The system transfers the posting amounts of any transactions that affect acquisition and production costs from this area to the dependent area.

Note: Major change in S/4 HANA is no inter dependency on depreciation areas. Different depreciation areas with different reporting requirements do not have to depend on a single depreciation area any longer i.e. earlier it was depreciation area 01.

So for example in our case we have 2 different reporting requirements Local and Group reporting. Depreciation area 01 and Depreciation area 30 Group reporting will not be dependent on each other. Values will be flowing to each of the depreciation area separately. No reference depreciation area will be set for them i.e. 00 will be set.

Reference depreciation area will only be set for the depreciation areas maintaining values in foreign currencies. The prerequisite being the depreciation areas must be assigned to the same accounting principle.

Change View "Depreciation areas: Rules for value takeover": Overview

Chart of dep. 2660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	ValAd	Id...
01	Local Depreciation	00	<input type="checkbox"/>
10	Local Depreciation USD	01	<input type="checkbox"/>
11	Local Depreciation - Global currency	10	<input checked="" type="checkbox"/>
30	Group Depreciation	01	<input type="checkbox"/>
31	Group Depreciation - USD	30	<input checked="" type="checkbox"/>
32	Group Depreciation - Global currency	01	<input checked="" type="checkbox"/>

Position... Entry 1 of 6

You see above that the Depreciation area 30 is referencing depreciation area 01, which is the traditional set up. But we no longer want this and do not want depreciation area 30 to reference any depreciation area and hence will make it 00.

Depreciation area 10 managing values in group currency is referencing depreciation area 01, which is fine and need not be changed

Depreciation area 11 managing global currency is referencing depreciation area 10, which is fine and need not be changed

Similarly depreciation 31 is referencing depreciation area 30 and depreciation area 30 which is fine.

Depreciation area 32 (Group depreciation global currency) is wrongly referencing depreciation area 01 and must be changed to depreciation area 31 or to depreciation area 30

Accordingly let us change to following:-

Table View Edit Goto Selection Utilities System Help

Change View "Depreciation areas: Rules for value takeover": Overview

Chart of dep. Universal US Chart of Depreciation

Ar.	Name of depreciation area	ValAd	Id...
01	Local Depreciation	00	<input type="checkbox"/>
10	Local Depreciation USD	01	<input type="checkbox"/>
11	Local Depreciation - Global currency	10	<input checked="" type="checkbox"/>
30	Group Depreciation		<input type="checkbox"/>
31	Group Depreciation - USD	30	<input checked="" type="checkbox"/>
32	Group Depreciation - Global currency	31	<input type="checkbox"/>

Position... Entry 1 of 6

Click 

Table View Edit Goto Selection Utilities System Help

Change View "Depreciation areas: Rules for value takeover": Overview

Chart of dep. Universal US Chart of Depreciation

Ar.	Name of depreciation area	ValAd	Id...
01	Local Depreciation	00	<input type="checkbox"/>
10	Local Depreciation USD	01	<input type="checkbox"/>
11	Local Depreciation - Global currency	10	<input checked="" type="checkbox"/>
30	Group Depreciation	00	<input type="checkbox"/>
31	Group Depreciation - USD	30	<input type="checkbox"/>
32	Group Depreciation - Global currency	31	<input checked="" type="checkbox"/>

Position... Entry 1 of 6

Click on 

1.5 Specify Transfer of Depreciation Terms

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → General Valuation → Depreciation Areas → Specify Transfer of Depreciation Terms

Similarly transfer of depreciation terms follows the same rules as for APC values.

We see below that Dep. Area 30 is referencing area 01 which needs to be changed to 00

Change View "Depreciation areas: Rules for takeover of deprec. terms":

Chart of dep. Z660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	TTr	Identical
01	Local Depreciation	00	<input type="checkbox"/>
10	Local Depreciation USD		<input type="checkbox"/>
11	Local Depreciation - Global currency		<input type="checkbox"/>
30	Group Depreciation	01	<input type="checkbox"/>
31	Group Depreciation - USD	30	<input checked="" type="checkbox"/>
32	Group Depreciation - Global currency	01	<input checked="" type="checkbox"/>

Position... Entry 1 of 6

Further depreciation area 10 should reference depreciation area 01 and depreciation area 11 should reference depreciation area 10.

Depreciation area 32 should reference depreciation area 31

Let us proceed with the changes as follows:-

Change View "Depreciation areas: Rules for takeover of deprec. terms":

Chart of dep. Universal US Chart of Depreciation

Ar.	Name of depreciation area	TTr	Identical
01	Local Depreciation	00	<input type="checkbox"/>
10	Local Depreciation USD	01	<input type="checkbox"/>
11	Local Depreciation - Global currency	10	<input type="checkbox"/>
30	Group Depreciation		<input type="checkbox"/>
31	Group Depreciation - USD	30	<input checked="" type="checkbox"/>
32	Group Depreciation - Global currency	31	<input checked="" type="checkbox"/>

Entry 1 of 6

Click 

Change View "Depreciation areas: Rules for takeover of deprec. terms":

Change View "Depreciation areas: Rules for takeover of deprec. terms":

Chart of dep. Universal US Chart of Depreciation

Ar.	Name of depreciation area	TTr	Identical
01	Local Depreciation	00	<input type="checkbox"/>
10	Local Depreciation USD	01	<input type="checkbox"/>
11	Local Depreciation - Global currency	10	<input checked="" type="checkbox"/>
30	Group Depreciation	00	<input type="checkbox"/>
31	Group Depreciation - USD	30	<input type="checkbox"/>
32	Group Depreciation - Global currency	31	<input checked="" type="checkbox"/>

Position... Entry 1 of 6

Click on 

1.6 Specify Depreciation Area Type

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → General Valuation → Depreciation Areas → Define Depreciation Areas

Table View Edit Goto Selection Utilities System Help

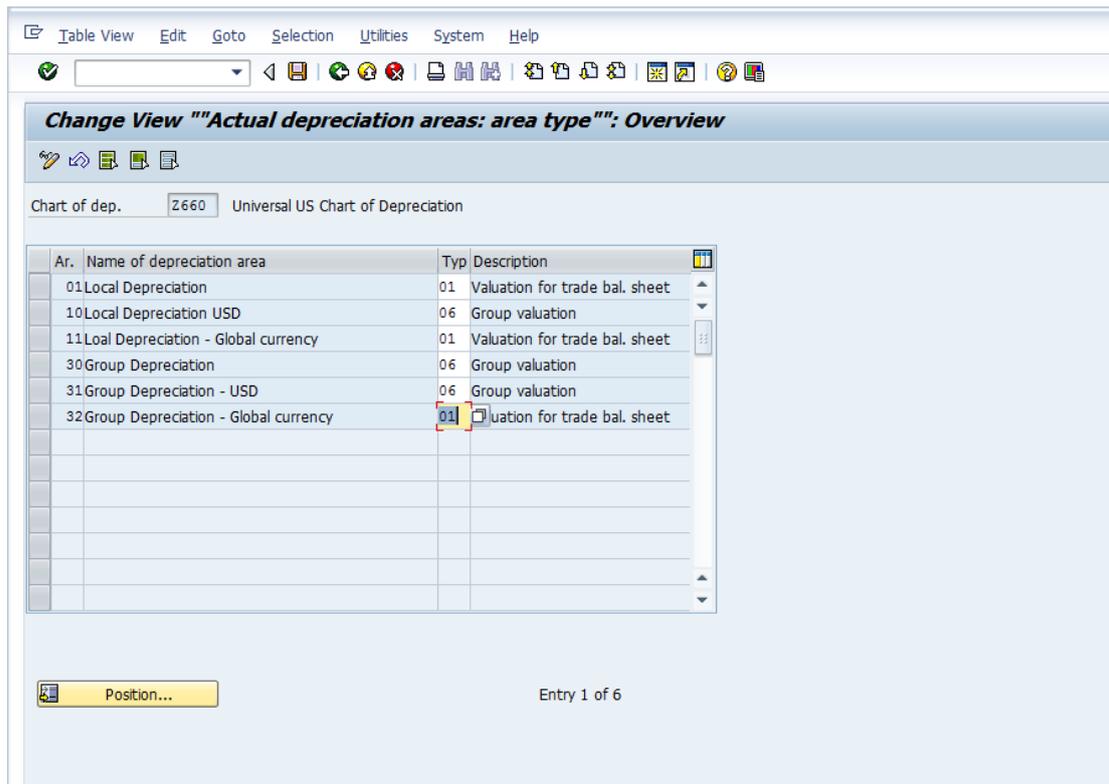
Change View "Actual depreciation areas: area type": Overview

Chart of dep. Z660 Universal US Chart of Depreciation

Ar.	Name of depreciation area	Typ	Description
01	Local Depreciation	01	Valuation for trade bal. sheet
10	Local Depreciation USD	10	US: Federal tax ACRS / MACRS
11	Local Depreciation - Global currency	12	US: ALTMIN - Alternative minim.
30	Group Depreciation	06	Group valuation
31	Group Depreciation - USD	06	Group valuation
32	Group Depreciation - Global currency	06	Group valuation

Position... Entry 1 of 6

Change to the following:-



Click on 

1.7 Specify the Use of Parallel Currencies

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → General Valuation → Currencies → Specify the Use of Parallel Currencies

Since parallel currencies are used in our company code we need to assign a currency type that is suitable for the given parallel currency to depreciation areas.

The system then automatically updates the corresponding posting documents with the additional values from these depreciation areas. The depreciation areas for the parallel currencies are not allowed to post to the general ledger.

Table View Edit Goto Selection Utilities System Help

Change View "Set Up Parallel Currencies": Overview

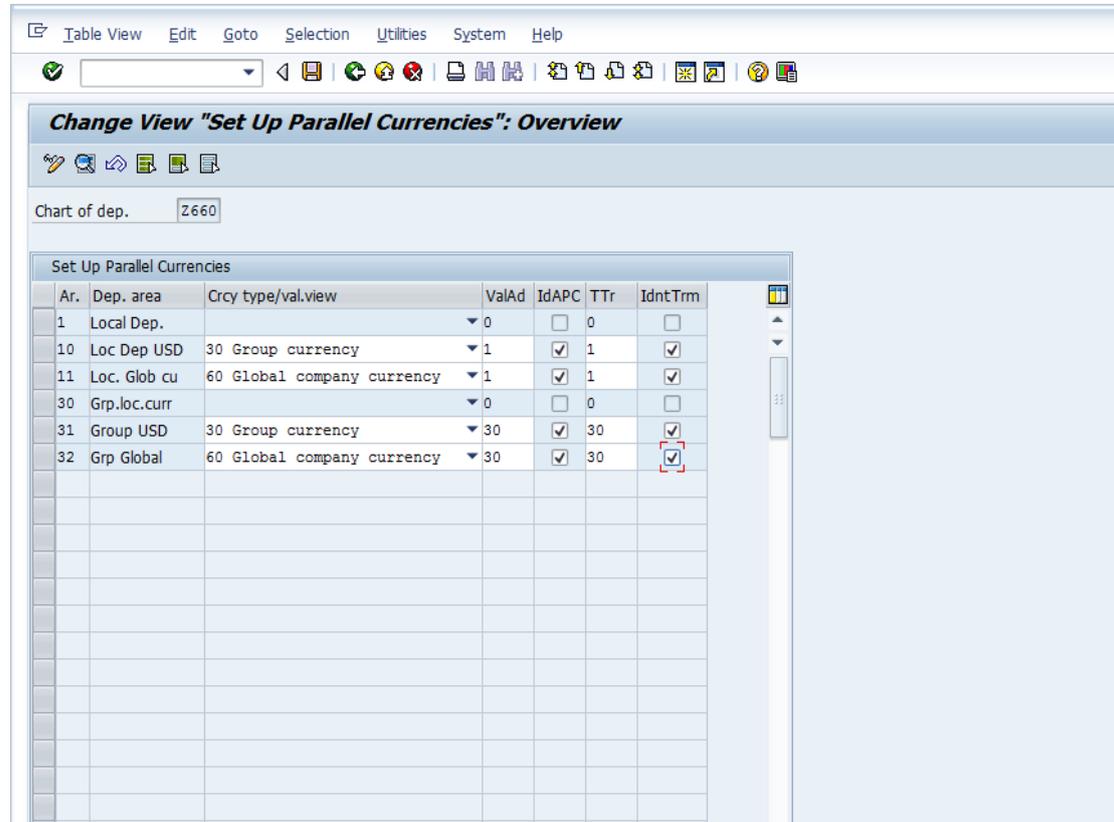
Chart of dep. 2660

Ar.	Dep. area	Crcy type/val.view	ValAd	IdAPC	TTr	IdntTrm
1	Local Dep.		0	<input type="checkbox"/>	0	<input type="checkbox"/>
10	Loc Dep USD		1	<input type="checkbox"/>	1	<input type="checkbox"/>
11	Loc. Glob cu		10	<input checked="" type="checkbox"/>	10	<input type="checkbox"/>
30	Grp.loc.curr		0	<input type="checkbox"/>	0	<input type="checkbox"/>
31	Group USD		30	<input type="checkbox"/>	30	<input checked="" type="checkbox"/>
32	Grp Global		31	<input checked="" type="checkbox"/>	31	<input checked="" type="checkbox"/>

Position... Entry 1 of 6

Update the group currency type 30 for depreciation area 10 and 31 which will manage the group currency.

Update the Global company currency type 60 for depreciation area 11 and depreciation area 32



Click on 

1.8 Assign Input Tax Indicator for Non-Taxable Acquisitions

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Integration with General Ledger Accounting → Assign Input Tax Indicator for Non-Taxable Acquisitions

In this step, we specify an input tax indicator per company code. The system then uses this indicator when we post acquisitions that are not subject to tax, but which are posted to accounts that are tax-relevant.

Assign input tax indicator I0 (Input tax 0%)

Assign output tax indicator O0 (output tax 0%) to company code 6600 Universal Ltd.

Change View "Allocate Co.Cd. -> Non-Taxable Transactions": Overview

CoCd	Company Name	City	Input ...	Outpu...	Jurisdic. c...
0001	SAP A.G.	Walldorf	V0	A0	
0MB1	IS-B Musterbank Deutschl.	Walldorf			
6600	Universal Ltd.	New York	I0	00	

Click on Save 

1.9 Assign Chart of Depreciation to company code

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Assign Chart of Depreciation to Company Code

One of the important steps is the assignment of chart of depreciation to the company code. Here by this step, we link the asset accounting module to the FI company code.

Change View "Maintain company code in Asset Accounting": Overview

CoCd	Company Name	Chrt dep	Description
0001	SAP A.G.		
0MB1	IS-B Musterbank Deutschl.		
6600	Universal Ltd.		
AR01	Country Template AR		
AR01	Country Template AR		

Assign Chart of depreciation Z660 to company code 6600

The screenshot shows the SAP S/4 HANA Asset Accounting Overview screen. The title bar reads "Change View 'Maintain company code in Asset Accounting': Overview". Below the title bar is a toolbar with various icons. The main area contains a table with the following data:

CoCd	Company Name	Chrt dep	Description
0001	SAP A.G.		
0MB1	IS-B Musterbank Deutschl.		
6600	Universal Ltd.	Z660	Universal US Chart of Depreciation
AR01	Country Template AR		
ARG1	Country Template AR		
AT01	Country Template AT		
AT01	Country Template AT		

Click on Save 

1.10 Specify Account Determination

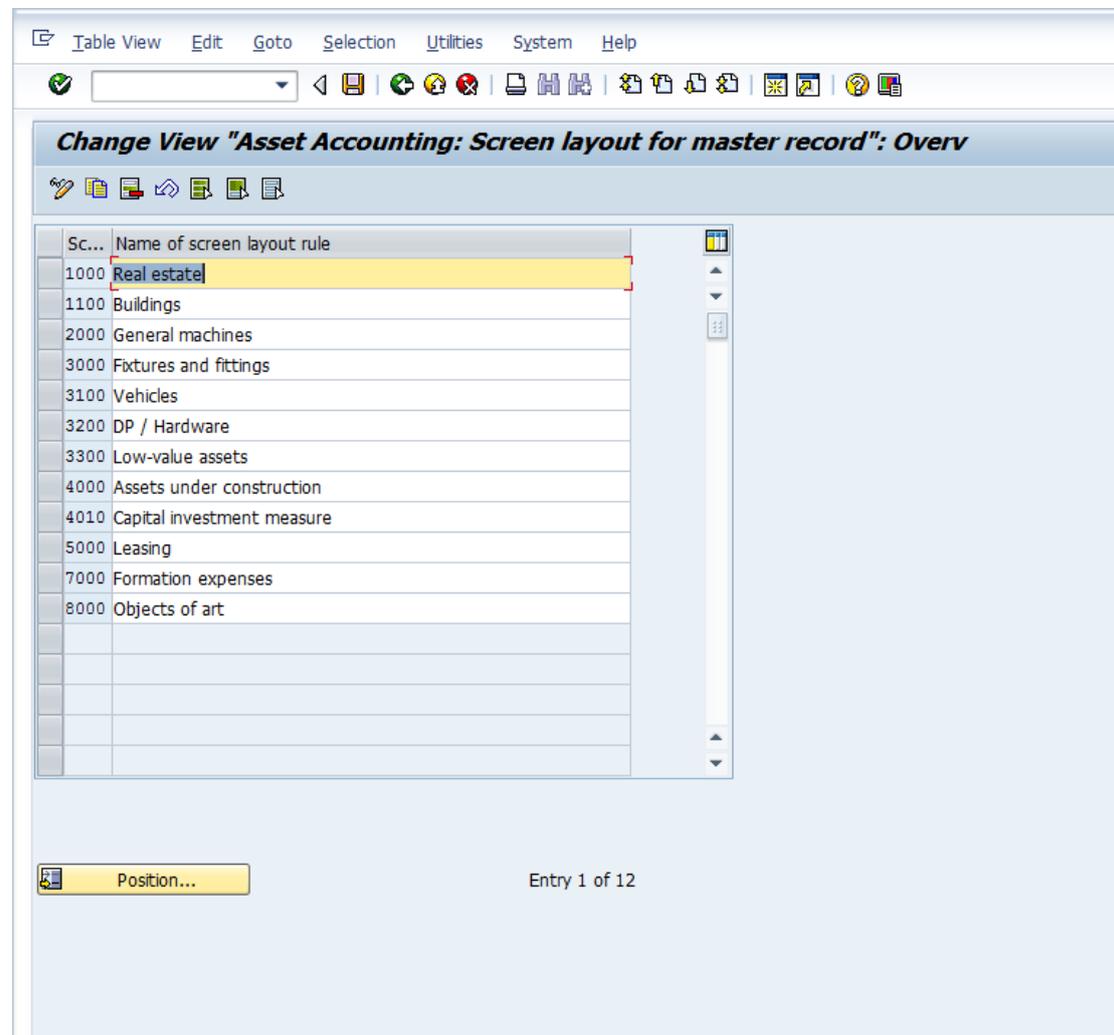
SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Specify Account Determination

The key of an account determination must be stored in the asset class. The account determination links an asset master record to the general ledger accounts to be posted for an accounting transaction using the asset class. Usually, we need at least the same number of account determinations as you have asset balance sheet accounts in the general ledger

Click on  and update the following: -

We can use the standard screen layout or we can copy the standard screen layout to create new one.

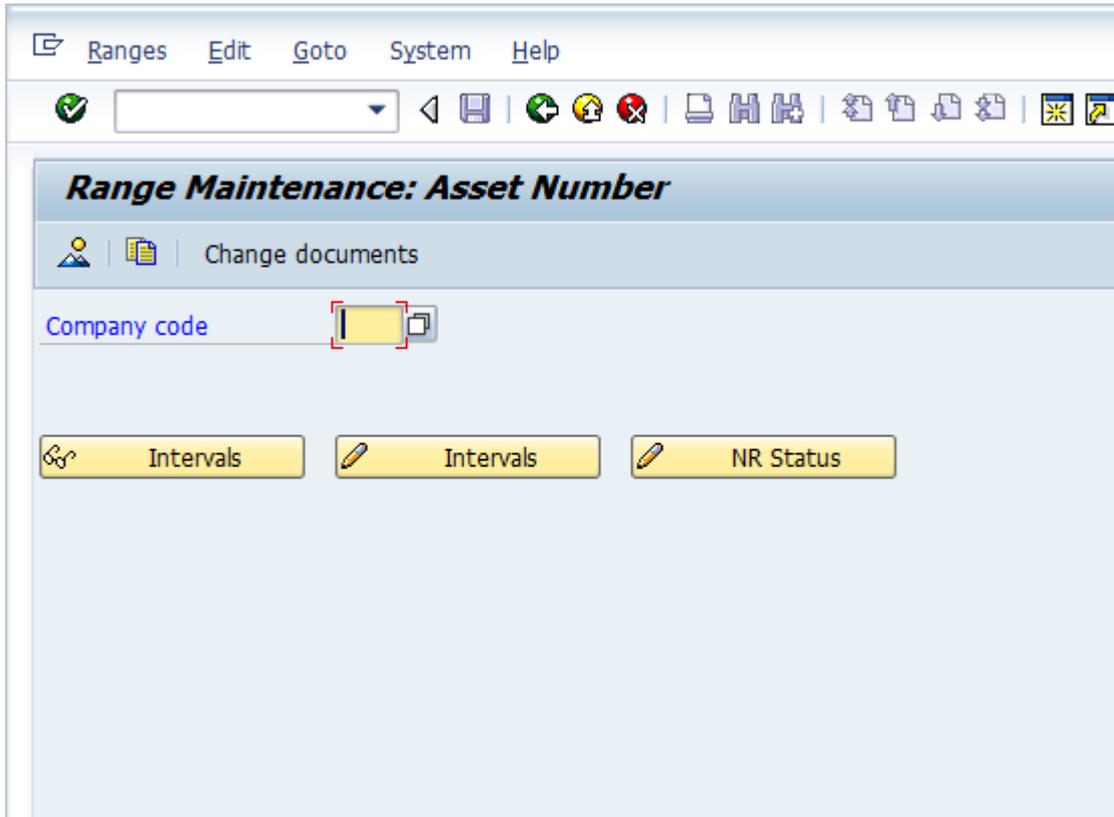
We will use the standard screen layout as seen below:-



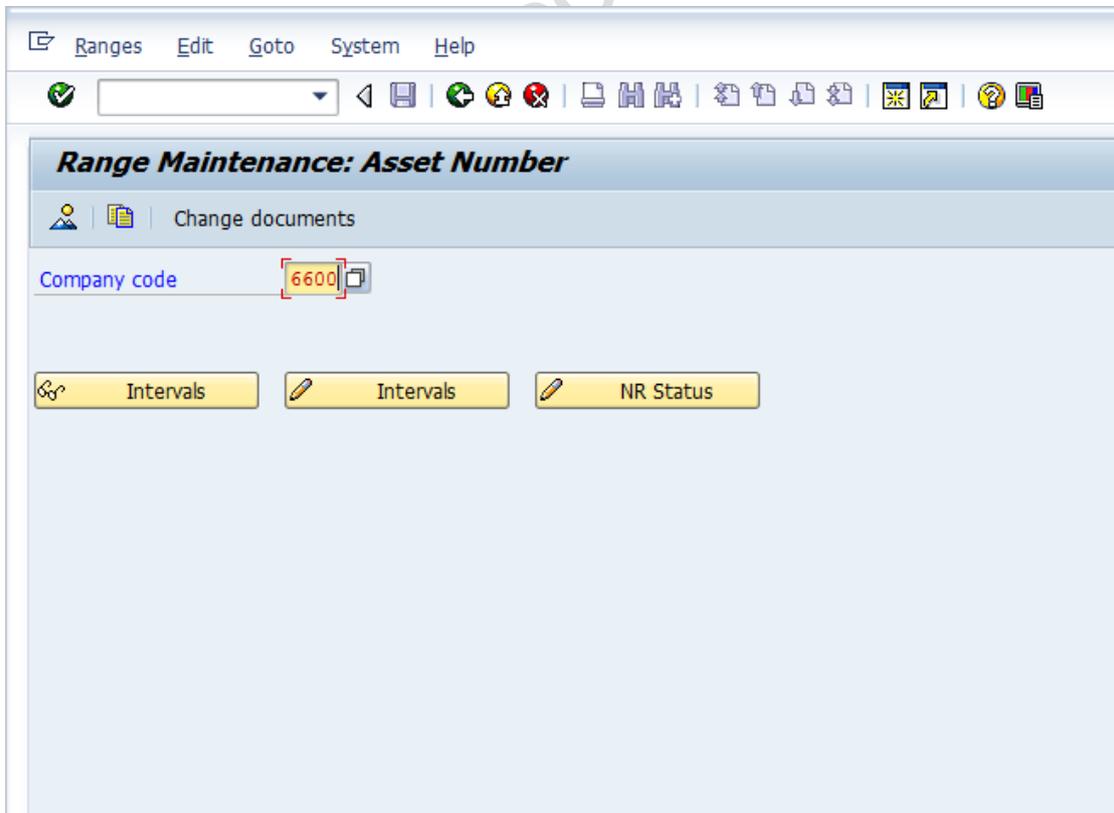
1.12 Define Number Range Interval

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Define Number Range Interval

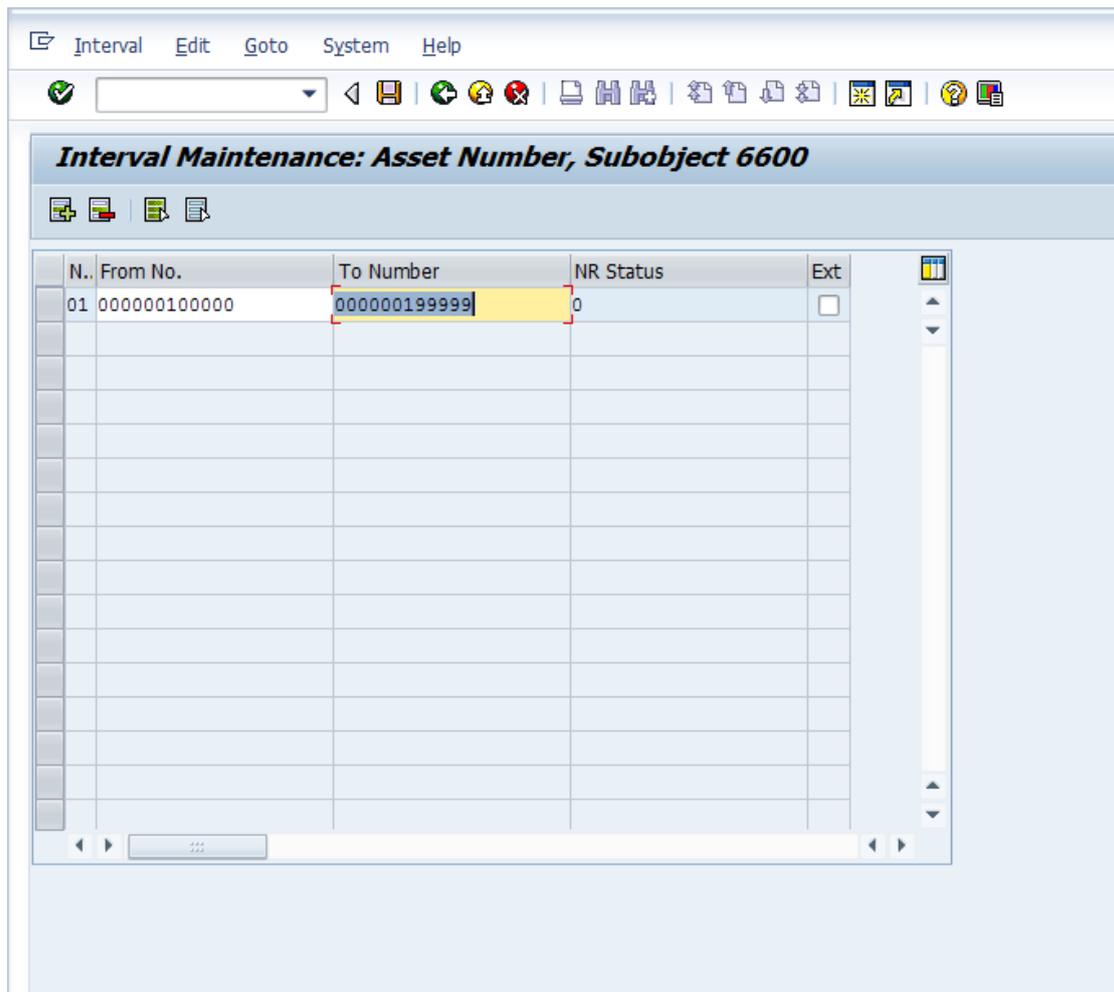
Number range interval is required for the main asset number for the company code. Normally we should specify internal number ranges for assets. The number range key is then assigned to each of the asset class.



Update Company code 6600



Update the following:-



The screenshot shows the SAP Interval Maintenance interface for Asset Number, Subobject 6600. The table contains the following data:

N..	From No.	To Number	NR Status	Ext
01	000000100000	000000199999	0	<input type="checkbox"/>

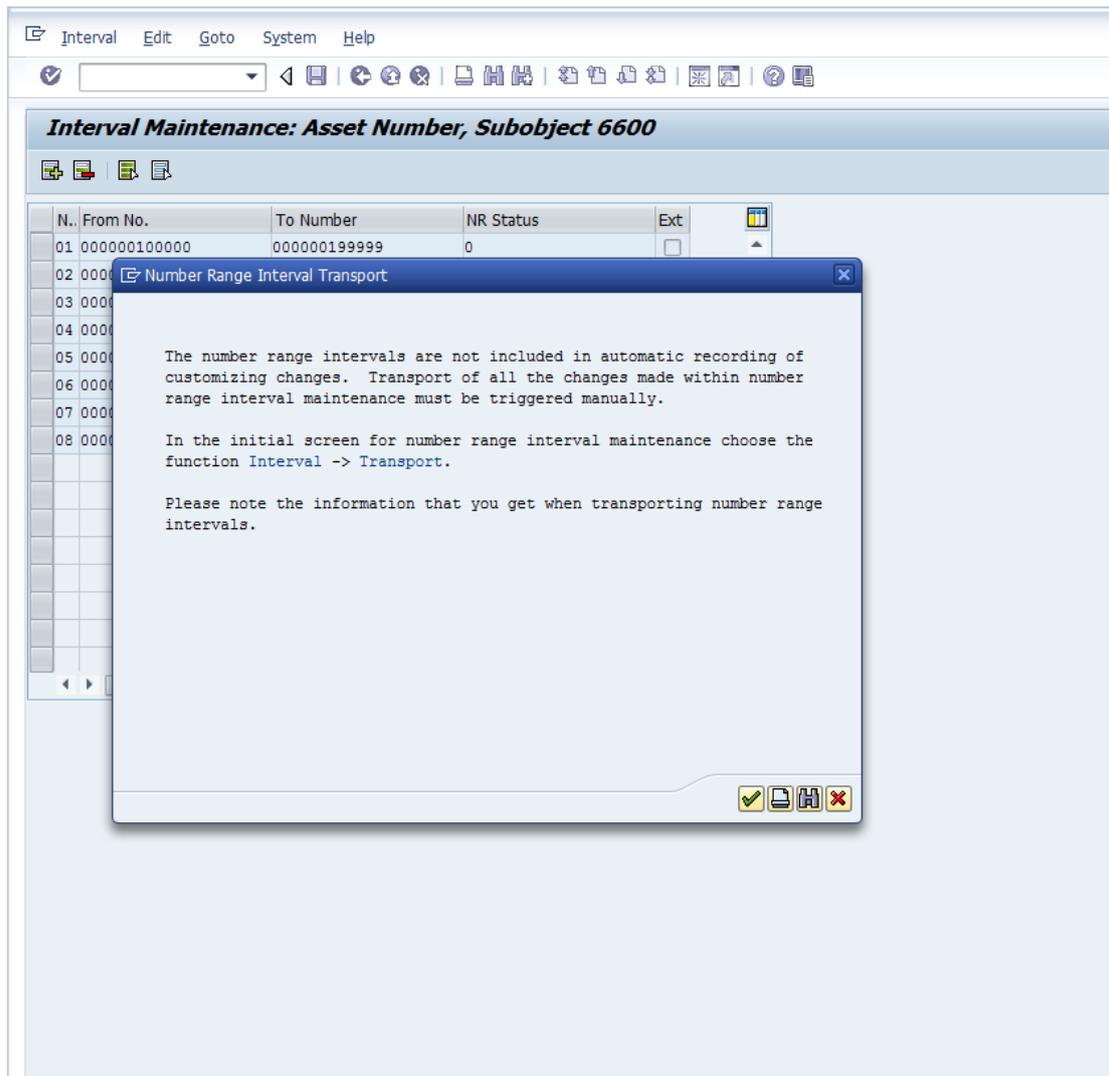
Click  and update the following: -

Interval Edit Goto System Help

Interval Maintenance: Asset Number, Subobject 6600

N.	From No.	To Number	NR Status	Ext
01	000000100000	000000199999	0	<input type="checkbox"/>
02	000000200000	000000299999	0	<input type="checkbox"/>
03	000000300000	000000399999	0	<input type="checkbox"/>
04	000000400000	000000499999	0	<input type="checkbox"/>
05	000000500000	000000599999	0	<input type="checkbox"/>
06	000000600000	000000699999	0	<input type="checkbox"/>
07	000000700000	000000799999	0	<input type="checkbox"/>
08	000000800000	000000899999	0	<input type="checkbox"/>

Click on Save 



Click 

1.13 Define Asset Classes

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Define Asset Classes

The asset class is the most important criteria for structuring fixed assets from an accounting point of view. Every asset has to be assigned to exactly one asset class. The asset class is used to assign the assets (and their business transactions) to the correct general ledger accounts. Several asset classes can use the same account assignment. It is possible to make finer distinctions at the level of the asset class than at the level of the general ledger accounts. The most important tasks of the asset classes are:

Assignment of default values when creating assets.

Grouping of assets for reporting purpose

We should group together assets with the same depreciation terms into an asset class.

Click on **New Entries** and update the following: -

The screenshot shows the SAP S/4 HANA 'New Entries: Details of Added Entries' form. The form is titled 'New Entries: Details of Added Entries' and contains several sections for data entry:

- Asset Class:** 1100
- Buildings:** Buildings
- Short Text:** Buildings
- Asset type:**
 - Account determ.: 11000
 - Scr.layout rule: 1100
 - Base Unit: (empty)
- Number assignment:**
 - Number range: 01
 - External sub-no: (checkbox)
- Inventory data:**
 - Include asset: (checkbox)
- Status of AuC:**
 - No AuC or summary management of AuC: (radio, selected)
 - Line item settlement: (radio)
 - Investment Measure: (radio)
- Lock status:**
 - Asset class is blocked: (checkbox)
- History status:**
 - Manage historically: (checkbox)
- Real estate indicator for asset class:** 0 Other asset without real estate management
- Technical information:**
 - Created on: (empty)

Click on **Save** 

Click 

Click on

New Entries

Update the following:-

The screenshot shows the SAP S/4 HANA 'New Entries: Details of Added Entries' form. The form is divided into several sections:

- Asset Class:** 3000, Fixture and Fittings
- Short Text:** Fixtures & fittings
- Asset type:**
 - Account determ.: 30000
 - Scr.layout rule: 3000
 - Base Unit: []
- Number assignment:**
 - Number range: 03
 - External sub-no: []
- Inventory data:**
 - Include asset
- Status of AuC:**
 - No AuC or summary management of AuC
 - Line item settlement
 - Investment Measure
- Lock status:**
 - Asset class is blocked
- History status:**
 - Manage historically
- Real estate indicator for asset class:** 0 Other asset without real estate management
- Technical information:**
 - Created on: []

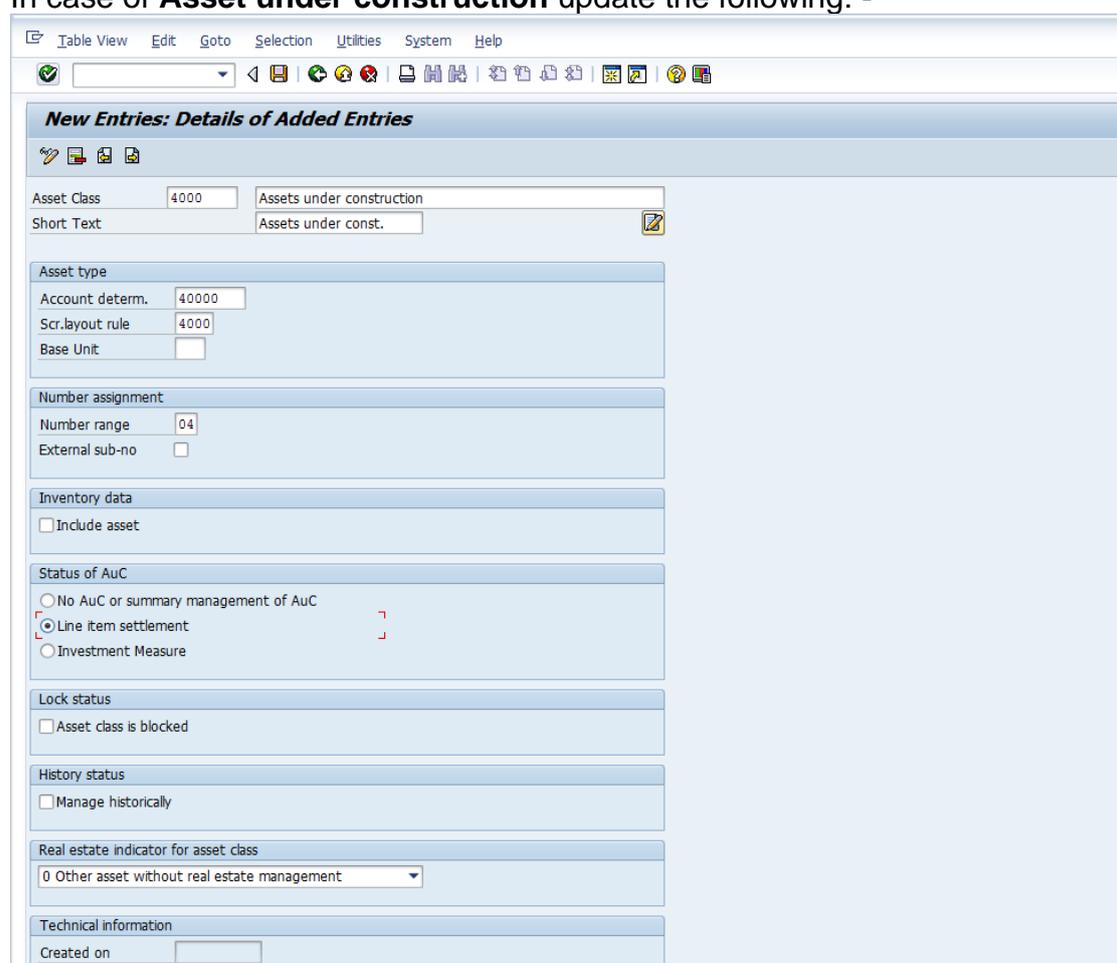
Click on 

Click 

Click on 

Update the following:-

In case of **Asset under construction** update the following: -



The screenshot shows the SAP S/4 HANA 'New Entries: Details of Added Entries' form for Asset Class 4000. The form is divided into several sections:

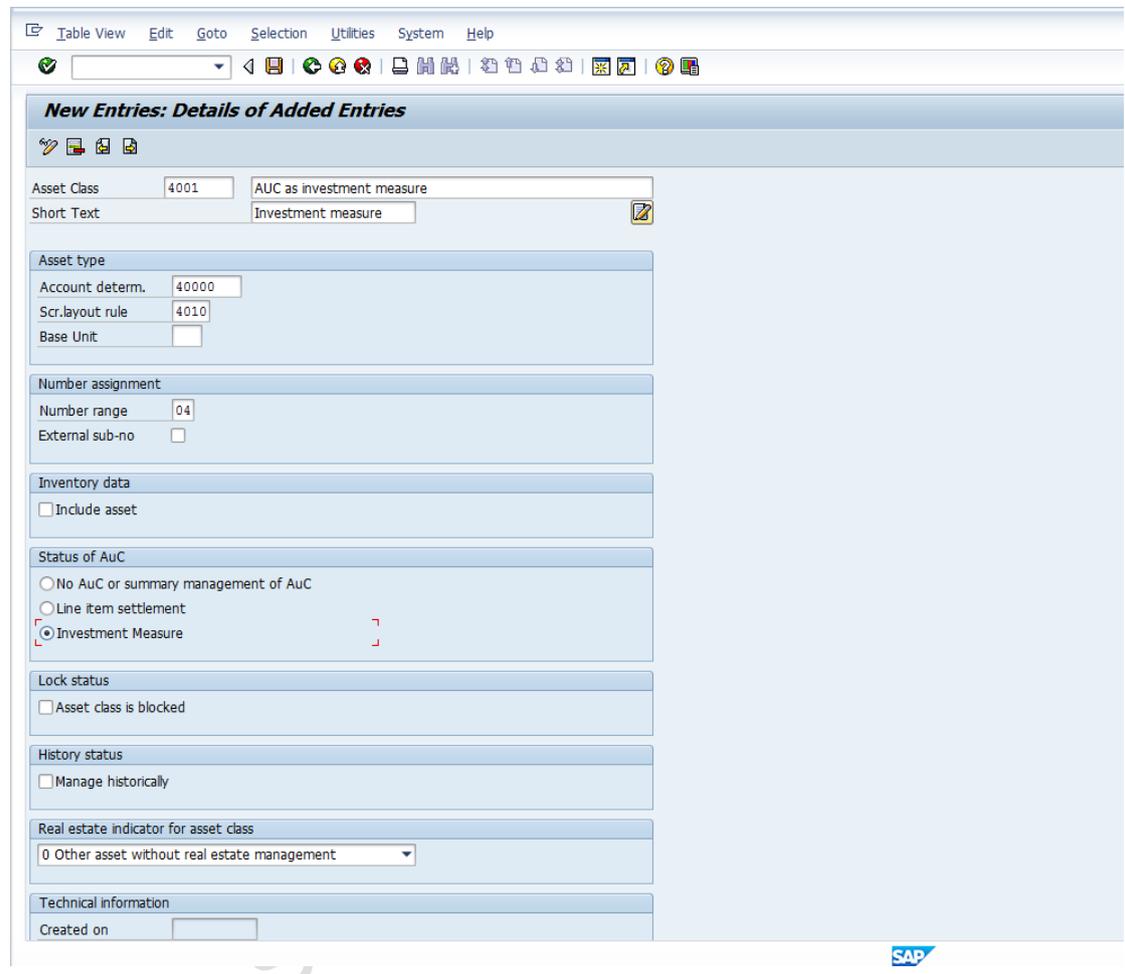
- Asset Class:** 4000
- Assets under construction:** Assets under const.
- Short Text:** Assets under const.
- Asset type:**
 - Account determ.: 40000
 - Scr.layout rule: 4000
 - Base Unit: (empty)
- Number assignment:**
 - Number range: 04
 - External sub-no: (checkbox)
- Inventory data:**
 - Include asset: (checkbox)
- Status of AuC:**
 - No AuC or summary management of AuC: (radio)
 - Line item settlement: (radio, selected)
 - Investment Measure: (radio)
- Lock status:**
 - Asset class is blocked: (checkbox)
- History status:**
 - Manage historically: (checkbox)
- Real estate indicator for asset class:** 0 Other asset without real estate management
- Technical information:**
 - Created on: (empty)

Click on 

Click 

Click on 

Update the following:-



The screenshot shows the SAP 'New Entries: Details of Added Entries' form. The form is titled 'New Entries: Details of Added Entries' and contains several sections for data entry:

- Asset Class:** 4001, AUC as investment measure
- Short Text:** Investment measure
- Asset type:** Account determ. 40000, Scr. layout rule 4010, Base Unit
- Number assignment:** Number range 04, External sub-no
- Inventory data:** Include asset
- Status of AuC:** Investment Measure (selected)
- Lock status:** Asset class is blocked
- History status:** Manage historically
- Real estate indicator for asset class:** 0 Other asset without real estate management
- Technical information:** Created on

Click on 

The screenshot shows the SAP 'Change View "Asset classes": Overview' screen. It features a menu bar at the top with options like 'Table View', 'Edit', 'Goto', 'Selection', 'Utilities', 'System', and 'Help'. Below the menu is a toolbar with various icons. The main area contains a table with three columns: 'Class', 'Short Text', and 'Asset class description'. The table lists several asset classes, with the row for class 5000 (LVA) highlighted in yellow.

Class	Short Text	Asset class description
1000	Real estate	Real estate and similar rights
1100	Buildings	Buildings
2000	Machinery	Machinery
3000	Fixtures & fittings	Fixtures and fittings
3100	Vehicles	Vehicles
3200	DP / Hardware	DP / Hardware
4000	Assets under const.	Assets under construction
4001	Investment measure	AuC as investment measure
5000	LVA	Low-value assets

1.14 Specify Chart-of-Dep.-Dependent Screen Layout/Acct Assignment (Optional)

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Financial Accounting → Asset Accounting → Organizational Structures → Asset Classes → Specify Chart-of-Dep.-Dependent Screen Layout/Acct Assignment

Generally, the control specifications (the screen layout and the account determination) for the asset class apply throughout the client, that is, for all charts of depreciation. It is therefore sufficient to make control specifications once per asset class.

We only need to carry out this step, if, contrary to the usual case, we want these control specifications to be country-specific (that is, different depending on the chart of depreciation). The system then uses the entries we make here depending on the chart of depreciation in the given company code. The system then ignores the control specifications in the asset class that are independent of the chart of depreciation.

Normally this is not required.

We do not do any configuration here.