Learning Points

- Learn the latest features of the SAP General Ledger in SAP ERP 6.0 delivered within the latest enhancement package.
- Learn how the SAP General Ledger supports parallel reporting by using parallel ledgers.
- Learn how the SAP General Ledger helps support corporate governance by improving transparency.
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Means Greater Expectations of Finance

INCREASING PRESSURES ON THE OFFICE OF FINANCE

- Ensure Regulatory Compliance and Effective Risk Management
- Outperform Financial Objectives and Create Sustainable Value
- Deliver Superior Service at Reduced Cost
# How Finance Can Run Better

## Ensure Regulatory Compliance and Effective Risk Management
- Embedded risk management and controls from transactional processing to financial reporting
- Lower % revenue at risk
- Reduced incidence of penalties for non-compliance
- Minimize risk of financial restatements

## Outperform Financial Objectives and Create Sustainable Value
- Embed a 360° view of enterprise performance with agile budgeting and actionable profitability reporting
- Superior Return on Capital Employed (ROCE)
- Lower proportion of unprofitable products and customers
- Minimize # earnings warnings

## Deliver Superior Service at Reduced Cost
- Streamline financial functions and provide self-service reporting and analysis
- Shorter time to close books
- % of time spent of working with the business
- Lower cost of finance as % of revenue
Our Solutions for Finance

**Ensure Regulatory Compliance and Effective Risk Management**
- Treasury and Financial Risk Management
- Manage Enterprise Risk and Compliance
- Accounting and Financial Close

**Outperform Financial Objectives and Create Sustainable Value**
- Manage Financial Performance

**Deliver Superior Service at Reduced Cost**
- Invoice to Pay
- Receivables Management
- Travel Management
- Shared Services

**SAP’s comprehensive portfolio of applications and end-to-end processes help you achieve Financial Excellence**

- Strong cash flow and liquidity
- Compliant and accurate financial reporting
- Maximized profitability
- Reduced cost of finance
- Partnering with organization to drive value
How They Are Delivered

Ensure Regulatory Compliance and Effective Risk Management
- Treasury and Financial Risk Management
- Manage Enterprise Risk and Compliance
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SAP BusinessObjects enterprise performance management (EPM) solutions
SAP BusinessObjects governance, risk, and compliance (GRC) solutions
SAP ERP Financials, Including controlling modules and partner solutions

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All Stages of the Accounting and Financial Close
# Accounting and Financial Close

Streamline processes and increase governance for financial accounting, entity close, corporate close, and disclosures to make them faster, more accurate, and less costly to execute.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Financial Accounting</th>
<th>Entity Close</th>
<th>Corporate Close</th>
<th>Reporting and Disclosure</th>
<th>Financial Close Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do I support multiple accounting standards and other compliance requirements in a highly automated way?</td>
<td>How do I provide timely and accurate financial reporting on entity level without over-taxing my organization?</td>
<td>How do I provide consolidated financial data for multiple accounting standards at tightened schedules?</td>
<td>How do I streamline reporting and the disclosure of financial statements, and adhere to new regulations like XBRL?</td>
<td>How do I ensure sound processes, consistent master data, and transparency across the whole E2E process?</td>
<td></td>
</tr>
<tr>
<td>Solutions</td>
<td>• SAP ERP Financials</td>
<td>• SAP Financial Closing cockpit • SAP Central Process Scheduling by Redwood • SAP BusinessObjects Intercompany</td>
<td>• SAP BusinessObjects Planning and Consolidation • SAP BusinessObjects Financial Consolidation</td>
<td>• SAP BusinessObjects business intelligence (BI) solutions • SAP BusinessObjects Disclosure Management • SAP BusinessObjects Notes Management</td>
<td>• SAP Master Data Governance for financial data • SAP BusinessObjects Process Control</td>
</tr>
</tbody>
</table>

## Increased productivity and reduced risks in financial reporting by implementing SAP BusinessObjects Planning and Consolidation

- 60% reduction in the reporting cycle
- Reduced risk associated with regulatory reporting

## Implemented SAP BusinessObjects Financial Consolidation and SAP BusinessObjects Intercompany to improve data quality and increase productivity of the financial close

- 15 days taken off the quarterly close with improved controls and data quality
- Reduced risk of errors to achieve IFRS readiness
Agenda

1. Requirements and Architecture
2. Benefits of the General Ledger
3. Positioning and Availability
4. Customers
5. Summary
The New General Ledger – Motivation

- Segment reporting
- Management reporting
- Extensibility
- Balanced books in any dimension
- Parallel accounting
- Transparency
- Compliance
- New GL in SAP ERP 6.0
- Legal entity reporting
- Total cost of ownership reduction
- Fast close
- Management reporting

The New General Ledger – Motivation

- Segment reporting
- Management reporting
- Extensibility
- Balanced books in any dimension
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- Transparency
- Compliance
- New GL in SAP ERP 6.0
- Legal entity reporting
- Total cost of ownership reduction
- Fast close
General Ledger in SAP ERP 6.0 – Architecture

Logistics / HR → Financial Supply Chain → Accounting Subledgers → Accounting Interface → General Ledger in SAP ERP 6.0 → Ledger Company Segment Partner Co Partner Seg Func. Area . . . → SAP Consolidation → (Consolidated)Legal, Segment, and Management Reporting
Despite its flexibility, General Ledger is no substitute for SAP Profitability Analysis or SAP Business Information Warehouse. Reasons: Data volume, performance, functionality.
Agenda

1. Requirements and Architecture
2. Benefits of the General Ledger
3. Positioning and Availability
4. Customers
5. Summary
Benefits of the New GL:
Unified Financial & Management Acctg
Extensibility for customer dimensions
Support of multiple reporting rqmnts
Support of Parallel Accounting
Fast Close
Increased transparency
Reduced TCO
Unified Financial and Management Accounting

One version of the truth – stored in the General Ledger
- Same valuation
- No inconsistency
- No reconciliation

Supports different reporting purposes
- Legal entity reporting
- Segment reporting
- Management reporting

Multi-dimensional analysis
- Account analysis, Drilldown reporting
- BW Remote reporting – slide and dice for all dimensions
- Pre-defined reports delivered as SAP content
BW Reporting for General Ledger

SAP ERP 6.0 is based on SAP NetWeaver which includes BW reporting. Therefore, there is only 1 system required.
General Ledger in SAP ERP 6.0 – Benefits (2)

Extensibility for customer dimensions

Option to expand standard accounting with
- Industry specific fields
- Customer-defined fields

Meets international expectations
- Integration of management dimensions in the GL
- Supports allocation on additional dimensions in the GL

Important for industry solutions
- Possibility to adjust to own requirements and terminology
General Ledger in SAP ERP 6.0 – Benefits (3)

Balanced Books for any dimension

Essential for segment reporting and management reporting
- Balance sheet for segments
- KPI including B/S accounts

Important for various industries
- Public sector, Insurance, Media, …
- Often legal requirements

Dimensions can be defined in the configuration.

There is a new standard field segment in SAP ERP 6.0.
- Segment is derived from a profit center (PC).
- It can be filled manually or defaulted.
- Option to determine it via a BAdI (Business AddIn)
- Recommended for segment reporting (in case there are too many PCs)
Expenses are entered for two cost centers from which profit centers and segments are derived. Payables are entered as one total amount.
In the GL view, payables and taxes are split **online** by profit centers and segments. The ratio is picked from the expense items.
Online Split for Process Chains – Invoice

Entry View
Vendor Invoice

<table>
<thead>
<tr>
<th>PK</th>
<th>Account</th>
<th>PrCtr</th>
<th>CCtr</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>40</td>
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<tr>
<td>31</td>
<td>Payables</td>
<td></td>
<td></td>
<td>1000-</td>
</tr>
</tbody>
</table>

Document 4711

GL View
Vendor Invoice

<table>
<thead>
<tr>
<th>PK</th>
<th>Account</th>
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<tr>
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<td>Expense</td>
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<td>CC02</td>
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<tr>
<td>31</td>
<td>Payables</td>
<td>PC01</td>
<td></td>
<td>400-</td>
</tr>
<tr>
<td>31</td>
<td>Payables</td>
<td>PC02</td>
<td></td>
<td>600-</td>
</tr>
</tbody>
</table>

The split info (PC01 40%, PC02 60%) is stored for usage in subsequent processes.
Online Split for Process Chains – Payment (1)

In a first automatic step, additional costs are broken down according to the split info.

### Entry View

**Payment**

<table>
<thead>
<tr>
<th>PK</th>
<th>Account</th>
<th>PrCtr</th>
<th>CCtr</th>
<th>Amount</th>
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<tr>
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<td>Bank</td>
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<td>970-</td>
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<tr>
<td>50</td>
<td>Discount</td>
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<td>30-</td>
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</table>

### Enriched Document

**Payment**

<table>
<thead>
<tr>
<th>PK</th>
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<th>CCtr</th>
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<tr>
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<td>Discount</td>
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<td>CC01</td>
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<tr>
<td>50</td>
<td>Discount</td>
<td>PC02</td>
<td>CC02</td>
<td>18-</td>
</tr>
</tbody>
</table>

**Split of the discount**

The split info (PC01 40%, PC02 60%) is applied on the discount of the payment.
Online Split for Process Chains – Payment (2)

Enriched Document

Payment

<table>
<thead>
<tr>
<th>PK</th>
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<tr>
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<tr>
<td>50</td>
<td>Discount</td>
<td>PC02</td>
<td>CC02</td>
<td>18</td>
</tr>
</tbody>
</table>

GL View

<table>
<thead>
<tr>
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<td>50</td>
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<td>PC02</td>
<td>CC02</td>
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</tr>
</tbody>
</table>

Cleared Document → Enrichment

Posting

The split info (PC01 40%, PC02 60%) is also applied on payables and bank account.
Parallel Accounting

The New General Ledger supports Parallel Accounting by using either parallel accounts or parallel ledgers.

In New GL, both approaches are considered equally powerful. The choice will depend on the specific customer situation.

The parallel accounts approach in the New GL is as powerful as in classic GL in R/3.

The parallel ledgers approach in the New GL is much better than the SAP R/3 approach of using classic GL plus the special ledger application.
Parallel Accounting by using Parallel Ledgers

Parallel Accounting – Details

Any number of parallel ledgers

- For parallel valuation – local GAAP, group GAAP, tax purposes
- For different fiscal year variants

Same UI for all ledgers (data entry, functions, reporting)

Almost the same functionality for all ledgers

Standard reporting for multiple ledgers

Postings into multiple ledgers

Postings per specific ledger

Closing activities are run separately in parallel ledgers.
Parallel Accounting – The Leading Ledger

In GL, one ledger is assigned the role of the ‘leading’ ledger. Group valuation is usually mapped in this ledger.

- **All company codes are automatically assigned to the leading ledger (cannot be deactivated).**

If parallel reporting is done by **parallel accounts**, then there is exactly one ledger in the New GL, the leading ledger.

For parallel reporting via **parallel ledgers**, the customer can add additional ledgers to the New GL per company code.

The leading area of asset accounting (area 01) is posted to the leading ledger.

- **Controlling is integrated to the leading ledger.**
Parallel Ledgers – Posting to all Ledgers

If ledger is not specified at time of document entry: Posting to all defined GL ledgers
Typical transactions: Ingoing invoice, Outgoing invoice, Payment

- Ledger A (IAS) (leading ledger)
- Ledger B (US GAAP)
- Ledger C (HGB)
Parallel Ledgers – Posting to one Ledger

If ledger is specified at time of document entry: Posting to the specified ledger only
Typical transactions: Valuation postings, Period end postings

Ledger A
(IAS)
(leading ledger)

Ledger B
(US GAAP)

Ledger C
(HGB)
Parallel Accounting for Primary Processes

Primary Processes
Invoices, Payments, ...

Accounting Interface
Online split, substitution, ...

Creation of **one** document for **all parallel** ledgers

Fiscal year variant and subset of dimensions **may differ per ledger**.
Parallel Accounting for Secondary Processes

Secondary Processes, e.g. IFRS
Allocation, Currency Valuation, Carry Forward, …

Creation of parallel documents, separate documents per ledger

Accounting Interface
Online split, substitution, …

Full parallel accounting: different settings for valuation, fiscal year variant, selected dimensions

Ledger L1

Secondary Processes, Local GAAP
Allocation, Currency Valuation, Carry Forward, …

Accounting Interface
Online split, substitution, …

Ledger L2
Fast Close

Many period-end activities are no longer required:

Document online split substitutes batch split at period end.

Real-time posting from CO into FI - no longer at period end.

Legal and management data are in one uniform database. Closing activities are run just once and not multiple times.

One uniform database instead of multiple related databases saves a lot of reconciliation time.

There is more time for analysis and better decision support.
General Ledger in SAP ERP 6.0 – Benefits (6)

Corporate Governance

Perfect support of transparency
Legal entity, segment and management reporting as unified whole

Same procedures and same quality for all valuations
Document principle, entry view linked to each ledger

Less manual processing → less risk of non-compliance
Less double processing → less risk of non-compliance
General Ledger in SAP ERP 6.0 – Benefits (7)

TCO Reduction

Configuration
Best fit – no discussions about which component to choose
Reduction of implementation costs – just one component
Reduction of costs for end user training

Daily Business
Reduced manual reconciliation and balancing activities
Less effort for enhancing / changing the system

Technique
No data redundancy  \rightarrow  less data volume  \rightarrow  reduced data storage
Reduced ongoing maintenance and development time
Agenda

1. Requirements and Architecture
2. Benefits of the General Ledger
3. Positioning and Availability
4. Customers
5. Summary
New General Ledger – Availability

New Installations
New GL is the default setting for all new installations.

Upgrade Installations
Customers are not required to change and may continue using Classic GL. Customers may run a separate migration project at a later point of time.

New GL in ERP 2004
Unrestricted availability since the end of February 2005.

New GL in ERP 2005
Unrestricted availability since Q2 / 2006

New GL in SAP Enhancement Package 3 for SAP ERP 6.0
Unrestricted availability since June 2008
More details on SAP Enhancement Packages for SAP ERP on www.service.sap.com/erp-ehp

New GL in SAP Enhancement Package 4 for SAP ERP 6.0
Available since November 2008 for Ramp-Up customers

New GL in SAP Enhancement Package 5 for SAP ERP 6.0
Available since June 2011

Scenario-based “SAP General Ledger Migration” service
Various migration scenarios for migration from classic to new G/L and for subsequent implementation of further functionality within new G/L
Migration training AC212 (for certain migration scenarios) available since Q2 2007
SAP Enhancement Package 3 for SAP ERP 6.0 – New GL

**Parallel Accounting**
Posting and clearing ledger-group-specific documents on open item managed G/L accounts

**Planning**
Cumulative display for B/S accounts during plan data entry
Real-time integration of CO plan data to G/L
Upload of plan data from external data sources

**New Authorization Check**
for Profit Centers when posting, clearing and displaying documents

**New Standard Reports**
for Profit Centers and Segments (Drill-Down)

**Conversion Tool**
to transfer Classic Profit Center Reports to New G/L
**FI-CO Reconciliation Reporting (New G/L)**
Drilldown from NewGL profit center reports to CO reports can be done dynamically depending on the origin object type (e.g. cost center, WBS element) that is selected in the sender report; Better reporting integration from FI to CO, value reconciliation between profit centers and cost objects (origin objects), transparency between FI and CO values and less reconciliation effort.

**Ledger group-specific display of documents (New G/L)**
Before EHP4: selection of documents only via ledger was possible; Now: possibility to identify and select ledger group specific postings; Customers running parallel accounting using the ledger approach covering different accounting principles can now select documents according to the ledger group and increase transparency.

**PC-Assignment-Monitor (New G/L)**
The user interface of the transaction Profit Center Accounting: Assignment Monitor (1KE4) has been extended. Using this overview, you can find and correct missing assignments more easily.

**Validation of combinations of new G/L characteristics (New G/L)**
When entering an accounting entry, all fields are checked to see if they exist. Here also the combinations of the fields entered are checked for validity.

**Wizards for Configuration of Document Split (New G/L)**
Guided procedure for document split configuration. The wizard combines all the IMG activities relating to document splitting.

**Ledger Specific Posting Period Check (Local Close)**
Allows to check the posting period for each single ledger.

**Posting from CO to FI in closed periods (Local Close)**
Up to now, the FI posting period had to remain open when postings from CO to FI are performed. These postings can now be handled via a separate (new) posting period interval.
SAP Enhancement Package 5 for SAP ERP 6.0 – New GL

**Reorganization of Profit Centers**
Consistent, auditable, key-date oriented re-assignment of Profit Centers and correspondent processes. Single point of access and administration using modern user interfaces for selection and decision taking. Covers merge, split and change of Profit Centers. No system down-time. Can be used periodically. The functionality is part of the offering of SAP LT (system landscape transformation).

**Segment and Profit Center Reporting for Asset Accounting**
Accumulated asset history sheet created in the new general ledger. Further reports in FI-AA. New fields in asset master data: segment and profit center. Assets needs to be consistent -> unique derivation of profit center/segment for all cost objects. Reports in FI-AA offer the possibility to select and sort on the level of entity segment/profit center. BW reporting containing the entities segment/profit center.

**Read Totals from Archive**
The following SAP reporting strategies can now read archived totals data: Abap\4 reports, Drill Down Reports, Report Writer, Simplified Reporting (reading the BI), Display balances (new) = FAGLB03

**Transfer of Cumulated and Single Documents in a Distributed System Landscape (ALE)**
It can be decided which G/L accounts are transferred on a single document level and which G/L accounts are cumulated before the transfer. Provides the possibility of building the right mix with needed granular information without unnecessarily increasing Financials’ data volume. If the transfer takes place on single document level the receiving system gets all necessary process information for subsequent process steps. All documents where no single document transfer takes place where cumulated before the transfer. The solution presumes the same customizing setting in all involved systems which is checked before the transfer takes place.
SAP Enhancement Package 6 for SAP ERP 6.0 – New GL

**Reorganization of Segments**
The same procedure and handling as the EhP5-reorganization of profit centers. The functionality is also part of the offering of SAP LT (system landscape transformation).

**Archiving of reorganizational data**
For profit centers (EhP5 and EhP6) and for segments (as of EhP6 only).

Ramp-up milestones of EhP6: “currently planned”

**Nov 8th 2011 – Start of Ramp-Up;**

**May 7th 2012 – End of Ramp-Up (RTC)**
Reorganization of Profit Centers / Segments in ERP

Business Functions:
EhP5: FIN_GL_REORG_1
EhP6: FIN_GL_REORG_SEG
Solution Overview
Reorganization of Profit Centers / Segments

- Reorganization Management: Defined procedure for organizational change in ERP
- Reorganization Plan: Unique and comprehensive view on reorganization measures.

### Benefits

- **Flexibility:** Fast adaption of organizational/reportsing structures
- **Transparency:** High data quality for Management Reporting.
- **Compliance:** Approval Steps & Audit Trail.
- **Low TCO / TCI**

### New Features

<table>
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<tr>
<th>Description</th>
<th>Target Users</th>
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<tr>
<td><strong>Reorganization scenarios</strong></td>
<td>- Controller/ Accountant (responsible for overall organizational/reporting model)</td>
</tr>
<tr>
<td>- Merge</td>
<td>- Line Manager / Project Manager / Plant Manager (responsible for detailed reassignments)</td>
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<tr>
<td>- Split</td>
<td></td>
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<tr>
<td>- Change</td>
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<td><strong>Reorganization Scope:</strong></td>
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<tr>
<td>- Segment: Balance Sheet and P&amp;L</td>
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<td>- Profit Center:</td>
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<td>- Current Assets</td>
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<td>- Receivables / Liabilities</td>
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<tr>
<td>- P&amp;L</td>
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<tr>
<td><strong>Change of master data, transactional data and value flow</strong></td>
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<tr>
<td><strong>Audit Trail</strong></td>
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<tr>
<td><strong>Generic framework allowing customer specific adoption</strong></td>
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</table>
Feature: SAP Reorganization Plan provides one unique & complete view on reorganization process

Customer business challenges
- Break down a management decision for a reorganization aim into a well defined reorganization plan.
- Align all related parties, identify their specific responsibilities, initiate and monitor all necessary activities.
- Provide the database for audit trail.

Business Value
- Single point of entry for defining, triggering, monitoring and reporting on a reorganization plan.
Reorganization of Segments – General Ledger Supports Flexibility with SAP ERP 6.0 EHP6

- Segment reorganization is based on the new general ledger. It enables customers to respond to changing reporting structure requirements by automating the reorganization of their business segments.
- Customers will now be able to combine flexibility in their reporting structure with the data consistency.

Features and Key Functions

Flexible and comfortable administration of the reorganization procedure

- Support of different scenarios for segment reorganization:
  Merge, Split, Object-based reassignment of segments, Consistent processing of master data and business processes, Audit trail, Generic framework allowing customer-specific adoption
- Strong orientation towards customers need:
  Web UI, Customer defined Validations, Customer defined Authorizations, Easy mass maintenance of involved objects
- Scope of the reorganization:
  All balance sheet and P&L positions carrying segment by SAP’s default derivation from the profit center. (Some restrictions when not using standard derivation logic of profit center).
SAP’s Reorganization Plan provides one unique & complete view on reorganization process: Example for Profit center Reorganization

- Fast implementation of new organization
- Low TCO / TCI
- Reporting on fulfillment
## Scope of Profit Center Reorganization: Considered Objects

<table>
<thead>
<tr>
<th>Material</th>
<th>Internal Order</th>
</tr>
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<tbody>
<tr>
<td>Sales Order</td>
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</tr>
<tr>
<td>Purchase Order</td>
<td>WBS Element</td>
</tr>
<tr>
<td>Payable</td>
<td>Network</td>
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<td>GR/IR Account</td>
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<td>Process Order</td>
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<td>Accrual Calculation Order</td>
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<td></td>
<td>QM Order</td>
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<tr>
<td></td>
<td>Maintenance Order</td>
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- …and all related open processes
Scope of Reorganization of Segments

- Merge, Change, Split of segments *
- Key–date oriented, forward-driven reorganization
- Reorganization of all balance sheet and P&L positions
- Reorganization of New G/L allocation cycles
- Consistent Reorganization of open processes
- Reorganization (restricted) although New G/L scenario „Profit Center“ is not active
- Role–based activities for performing the reorganization process
- Generic framework (the same as for the reorganization of profit centers)
- Information about status of the process
- Audit trail

*Split of segments is only possible when profit center scenario active (e.g. if profit center is available in totals and documents)

Out of scope: HCM employee master data
New Customers

The New General Ledger is default for new installations.

It is based on proven functionality and technology of the classic G/L in R/3 which is currently used at more than 10,000 customers.

The classic G/L remains available in SAP ERP 6.0
for upgrade customers
for new customers with specific industry requirements (e.g. Joint Venture Accounting).
Upgrade Customers

The classic G/L is still available in SAP ERP 6.0.

Upgrade installations will continue to use their current applications per default. Customers who are satisfied with their current installation will not be required to change anything and will not be affected at all.

SAP offers the „SAP General Ledger Migration“ service which combines the general ledger migration cockpit and service sessions to ensure a safe migration.

Even with the availability of the general ledger migration cockpit, there is no push-button solution. Customers are strongly advised to set up a separate project for changing from the classic G/L to the New GL.

For further information about the SAP General Ledger Migration please refer to http://service.sap.com/GLMIG
Upgrade Customers: Migration to the New General Ledger

Consultant (Partner / Customer)

- performing the migration (with the migration cockpit)

General Ledger Migration

- Back Office (SAP)
- performing the new G/L implementation project
- development support
- validation with help of service sessions

SAP General Ledger Migration service (obligatory) + qualified consultants
= safe project
Content of SAP General Ledger Migration

**Scenario-based general ledger migration cockpit**
Step-by-step guidance through the migration via process tree and monitor
Status administration with logs

**Remote service sessions**
Service session to assure right migration approach
Service session including technical validation and plausibility checks in migrated test data
Service session report after each session, which contains the results of the checks performed

**Back office support**
24h/day technical development support at production weekend
Technical development support for test migrations during working hours

Each of these components is required.

Complete migration service offered at fixed price
New Approach: “Step-by-Step Transition”

Implementation of new G/L step by step: various function can be activated subsequently within new G/L

1. Implementation of new G/L
2. Implementation of document splitting
3. Change from account to ledger solution

New G/L implementation project 1:
Migration from classic to new G/L

Upgrade project R/3 -> ERP

New G/L project 2: subsequent implementation of document splitting

New G/L project 3: change from account to ledger solution for parallel accounting
Scenarios for Migration from Classic to New G/L (1/2)

**Scenario 1: Merge of FI ledger**
Merging of classic G/L ledger, consolidation preparation ledger and cost-of-sales ledger

Benefits
- Reduced data redundancy
- Reduced effort for period end closing
- Harmonized reporting

**Scenario 2: Merge of FI, PCA and/or SL ledger**
Scenario 1 and additional merging of Profit Center Accounting and Special Ledger

Benefits
- Replacement of Special Ledger Accounting by new G/L
- Enhanced auditability
- Better integrated reporting
Scenario 3: Scenario 2 + document splitting (for profit center, segment or business area reporting)
Document splitting allows balance sheet on the additional dimensions profit center, segments or business areas

Benefit
• Flexible reporting on entities other than company code

Scenario 4: Scenario 2 + change from account solution to ledger solution for parallel accounting
Switch from parallel accounting by parallel accounts to parallel ledger

Benefit
• More transparent chart of accounts, reporting, audit ability

Scenario 5: Scenario 3 + change from account solution to ledger solution for parallel accounting
See descriptions of scenarios 2,3,4
Scenarios for Subsequent Implementation of Further Functionality within New G/L

**Scenario 6: Subsequent implementation of document splitting**
New general ledger has been activated without document splitting and now it has to be implemented subsequently for one or more company codes.
New general ledger has been activated with document splitting in several company codes and now document splitting is needed in a further company code, where originally document splitting has been deactivated.
Service sessions are delivered in a shortened form.

**Scenario 7: Subsequent implementation of a further ledger**
Extend an existing ledger solution in new G/L by a further non-leading ledger
Introduction of a non-leading ledger while no parallel accounting was in use before*
Service sessions are delivered in a shortened form.

**Scenario 8: Subsequent change from account solution to ledger solution**
Implementation of ledger solution in new G/L for parallel accounting and replacement of existing account solution
Service sessions are delivered in a shortened form.
Benefits for the Customer

- **Reduced complexity of migration due to scenario-based functionality and guidance**
  - Efficient and targeted data migration
  - Easier to handle

- **Safe data migration and quality assurance of migration project via service sessions**
  - Lower risk of migration project

- **Extended knowledge ware produced by competent and experienced SAP consultants in new general ledger migration team**
  - Roadmap / Migration guide / FAQs

- **Lower cost of data migration through standardized and high quality migration procedure**
  - Overall cost of the new G/L implementation project will be reduced

- **Migration service is based on procedure certified by auditor**
GL in SAP R/3 Enterprise and SAP ERP 6.0

General Ledger in SAP R/3 Enterprise

- Multiple Applications
  - Classic GL
    - Legal Requirements
  - CoGS Ledger
  - Profit Center Ledger
    - Management and Segment reporting
  - Special Ledger
    - Multi-dimensional, Customer-defined
  - Industry Specific Ledgers
    - B/S by Grant, Fund, Title ...

General Ledger in SAP ERP 6.0

SAP ERP 6.0: A Unified World

- General Ledger supports
  - Legal Requirements
  - Mgmt. and Segment reporting
  - Extensibility by Industries
  - Extensibility by Customers
  - Balanced book by any dimension
  - Parallel sets of books
  - Fast Close
  - TCO reduction
  - Intl. Accounting Standards
  - Compliance & Transparency
GL in SAP ERP 6.0 – The Unified Approach

Accounting Interface

- **Profit Center Determination**
- **Currency Translation**
- **Derivation**
- **Zero balance**

Document Online Split:
Balanced book for any dimension

GL in SAP ERP 6.0

- Cons. Preparation
- EC-PCA
- CoGS Ledger
- FI-SL
- CO-PA
- CO-OM
- Reconc. Ledger
Agenda

1. Requirements and Architecture
2. Benefits of the General Ledger
3. Positioning and Availability
4. Customers
5. Summary
New GL Customers – Overview

**ECC 6.0**

Probably more than 3000 live customers*

Further migrations projects have been started

30 reference customers*

* Estimation on August 2011
## New GL Customers – References (1)

<table>
<thead>
<tr>
<th>Reference Customer</th>
<th>Industry</th>
<th>Country</th>
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<tbody>
<tr>
<td>AIR FRANCE</td>
<td>Cargo Services</td>
<td>France</td>
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<tr>
<td>JM AB</td>
<td>Engineering</td>
<td>Sweden</td>
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<tr>
<td>AIR LIQUIDE</td>
<td>Chemicals</td>
<td>France</td>
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<tr>
<td>HDI</td>
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<td>Austria</td>
</tr>
<tr>
<td>CREDIT LOGEMENT</td>
<td>Banking</td>
<td>France</td>
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<td>Oy Karl Fazer Ab</td>
<td>Consumer Products</td>
<td>Finland</td>
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<td>Australasian Lubricants Manufacturing</td>
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# New GL Customers – References (2)

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<td>Bridgestone Americas</td>
<td>Automotive</td>
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<td>State of California</td>
<td>Public Sector</td>
<td>USA</td>
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<td>The Home Depot</td>
<td>Retail</td>
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<td>Forest City Enterprises Inc</td>
<td>Professional Services</td>
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<td>Flir Systems, Inc.</td>
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<td>WorldSpace Inc</td>
<td>Telecommunications</td>
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<td>Electro Scientific Industries</td>
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<td>Newport Corporation</td>
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<td>Haas Automation</td>
<td>Industrial Machinery</td>
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New GL Customers – References (3)

<table>
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<th>Industry</th>
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<td>Nordenia</td>
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<td>Centrica Plc</td>
<td>Utilities &amp; Waste</td>
<td>Great Britain</td>
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<td>Rio Tinto Aluminium</td>
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<td>Münchener Rück</td>
<td>Insurance</td>
<td>Germany</td>
</tr>
<tr>
<td>W.R. Grace &amp; Co.</td>
<td>Chemicals</td>
<td>USA</td>
</tr>
</tbody>
</table>
“We generate a balance sheet and profit and loss statement at the profit center/store level. Online document splitting enables a very high degree of automation.”

Ms. Byner-Bendig, Common Template Accounting FI/CO, Metro Group

“With the New GL in SAP ERP 6.0 we are able to master all requirements for parallel valuation (Local GAAP and US-GAAP)”

Dieter Bankosegger, Head of the Financial Accounting Department

“With New GL we have the ability to differentiate each posting by fund and with this new GL functionality we are benefiting from more accurate account assignment procedures re-designed to support our complex Fund Accounting for DWR”

Mary Smith, project manager, Department of Water Resources - State of California
“The functionality of the migration programs and the structured process reduced the costs and the risk in the migration project.”
Reinhold Scherer, Manager Subdivision Accounting, Ameco, China

“SAP’s general ledger migration team provided optimum support for the implementation of the new general ledger.“
Runar Kletvang, BBS (Banking and Business Solutions), Norway

„SAP's support during our rollout planning, testing and during our go-live weekend, was an important factor in our success.“
Rob Sargeson, Chief Information Officer Thomson Legal and Regulatory, Thomson, USA
Agenda

1. Requirements and Architecture
2. Benefits of the General Ledger
3. Positioning and Availability
4. Customers
5. Summary
Benefits of the General Ledger in SAP ERP 6.0

- The General Ledger supports a Unified Financial and Management Accounting.
- It provides Extensibility and Flexibility to add industry or customer specific dimensions to standard accounting.
- There is powerful functionality for Balanced Books by Any Dimension which is important for segment and management reporting, and in many industries.
- The General Ledger supports Parallel Accounting by Using Parallel Ledgers or Parallel Accounts.
- There is a strong support of Fast Close since many period-end activities are no longer required.
- The General Ledger provides perfect transparency and reduces the risk of non-compliance – thus supporting Corporate Governance.
- Low TCO for implementing and running the General Ledger.
- With the reorganization of profit centers (EhP5) the General Ledger supports heavily Organizational Flexibility without involving IT.
Further Information

New G/L and migration to new G/L is covered in greater depth in the following SAP training courses:

- **AC210: New General Ledger Accounting**
- **AC212: Migration to New General Ledger Accounting**


Updated Information about the New G/L from Solution Management

[www.service.sap.com/GL](http://www.service.sap.com/GL)
Thank You!

Contact information:

Pete Graham
Director, Finance, Solutions
pete.graham@sap.com
Newtown Square, PA
267-752-4056
Thank you for participating.

Please remember to complete and return your evaluation form following this session.

For ongoing education on this area of focus, visit the Year-Round Community page at www.asug.com/ycr
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<th>— Pete Graham</th>
<th><a href="mailto:pete.graham@sap.com">pete.graham@sap.com</a></th>
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