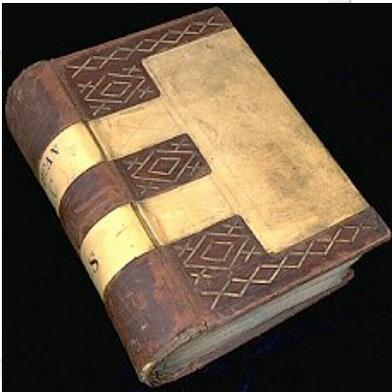


Asset Management



Welcome All

Welcome and thank you for coming to the *SAP Fixed Assets 2* course.

There are three levels of coursework:

- 1) Overview & Navigation
- 2) Process Overview Training
- 3) Role-based Training

This is a Level 3 course. It is intended to give you a frame of reference and the practical skills for the activities you will be involved in when SAP is in place. We realize your time is valuable and we have kept that in mind when creating this course.

Again, we thank you for your time and cooperation. Success is only possible with your involvement.

Content

- Course Content
- Course Objectives
- Prerequisites and Roles



Course Content

- Unit 1 – Overview
- Unit 2 – Working with Asset Master Records
- Unit 3 – Acquisition, Cost and Transfer Postings
- Unit 4 – Asset Retirement, Depreciation and Valuation
- Unit 5 – Asset Reporting



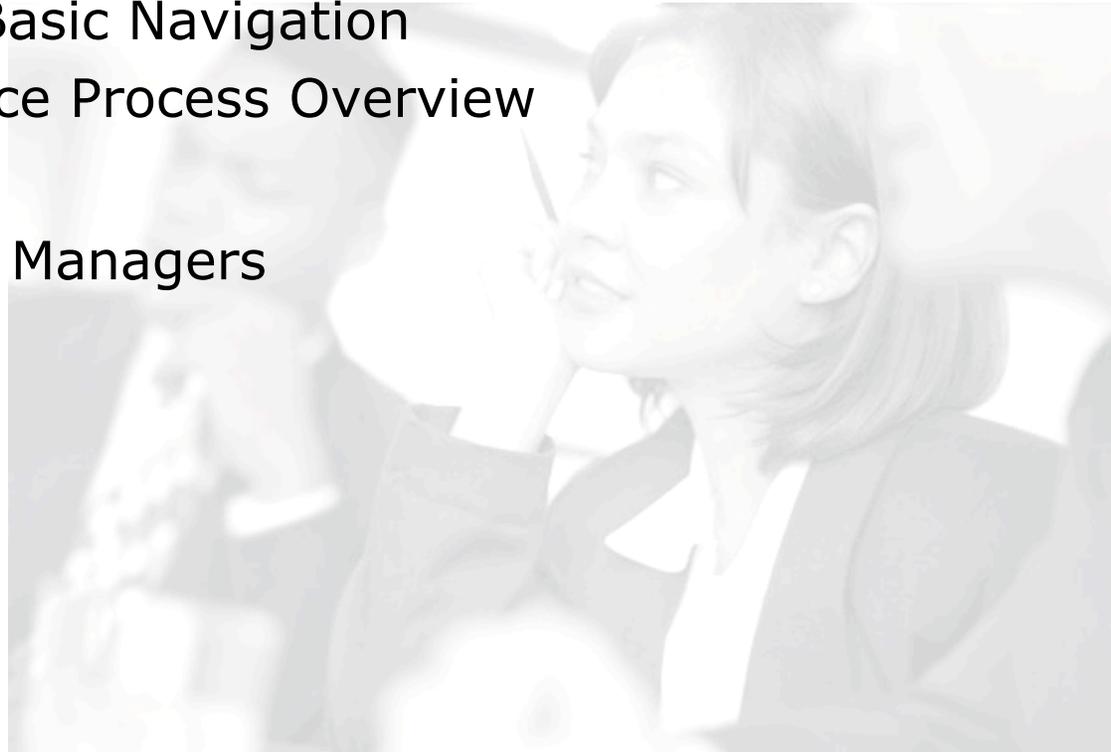
Course Objectives

- Understand the role of SAP Financial Accounting (FI) in asset management
- Describe the contents of asset master records and learn to create, change, display and block them
- Be able to post direct acquisitions of assets from vendors, post new cost to assets, and transfer assets within company codes
- Describe and execute the monthly and periodic processes that are required to maintain assets
- Learn to effectively execute asset reporting transactions

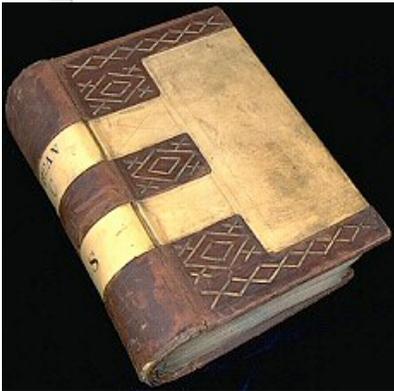


Prerequisites and Roles

- Prerequisites
 - SAP Basic Navigation
 - Finance Process Overview
- Roles
 - Asset Managers



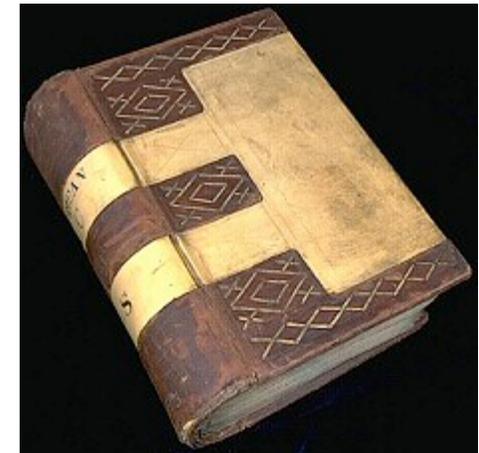
Unit 1 – Overview



Unit Learning Objectives

At the end of this unit you should be able to:

- Explain the purpose of the Financial Accounting (FI) module of SAP
- Describe the management of assets with the FI Module
- Display and describe the contents of asset master records



Fixed Assets

Accounting – External and Internal

FI module

External Acctg.

- **BALANCE SHEET**
- **INCOME STATEMENT**
- **RETAINED EARNINGS**
- **LIQUIDITY CALCULATION**



CO module

Internal Acctg.

- **COST CENTER REPORTS**
- **PROFIT MARGIN**
- **PROFITABILITY REPORTS**



Fixed Assets

Assets and the FI Module

- FI module is designed for automated management and external reporting about assets:
 - Allows posting of costs incurred by the use of assets from other modules
 - Transfers data to CO module for cost-monitoring
- Maintain **asset master records**, which are created for a company code when assets are acquired
- Asset master records contain fiscal data used in all transactions related to those assets, including:
 - *General data*: descriptions of the assets
 - *Account assignment data*: defines those parts of the company responsible for asset maintenance and costs
 - *Posting data*: including capitalization dates that are used to calculate depreciations

Assets and the General Ledger

- Assets are sub-ledger accounts in the general ledger
- FI posts values in asset sub-ledger accounts for:
 - *AuC asset values*, when costs are charged to them
 - *Capitalization*, when AuC assets are converted or *settled* into real assets
 - Depreciation expenses, which are posted on a month-end schedule by *depreciation runs*:
 - Depreciation expenses are posted in sub-ledger accounts, offset with entries in depreciation accounts
 - Depreciation is charged to responsible cost center
- Reports can be generated for asset accounts in the same way as for other general ledger account

Key Term #1: Asset Class

- Classification of assets upon the basis of description, function and other legal and management needs
 - Asset classes are assigned to balance sheets, where the assets' values are maintained and updated
- Controls assignment of numbers for different kinds of assets; for example:
 - Land: 7XXXXXX
 - Construction equipment: 8XXXXXX
 - Computer hardware: 9XXXXXX
- Controls the layout of transaction screens that are used to manage assets
- Defines defaults for depreciation calculations, asset life spans and other asset master data

Key Term #2: Asset Types

- Two asset types:
 - *Regular or real* assets:
 - Capitalized assets
 - Actively depreciating throughout their life span
 - *Assets under Construction (AuC)*:
 - Assets that are being created, usually in response to an approved request for their acquisition or construction
 - Allows for control of construction costs
 - Do not depreciate until completed



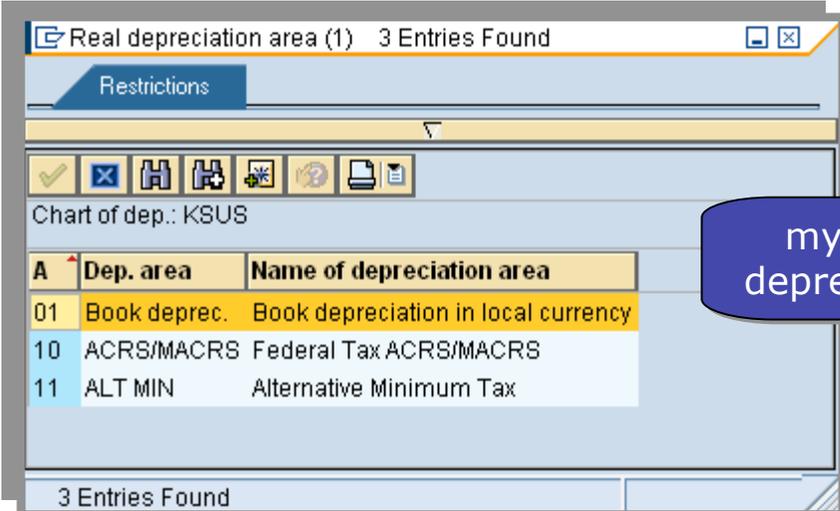
Key Term #3: Asset Sub-Number

- Every asset is assigned a unique identifying code when its master record is created
- If an asset has components that have significant value of their own (worth separate depreciation) *or* the components are assigned to a different cost center, they can be assigned **sub-numbers**:
 - Sub-numbered assets have their own master records
- *No such components?*
Sub-number defaults to 0



Key Term #4: Depreciation Areas

- Types of depreciations that are required for business management and external reporting on real assets, including:
 - Tax depreciations
 - Book depreciations
- Three main depreciation areas defined in the *Chart of Depreciation* for all company codes



Real depreciation area (1) 3 Entries Found

Restrictions

Chart of dep.: KSUS

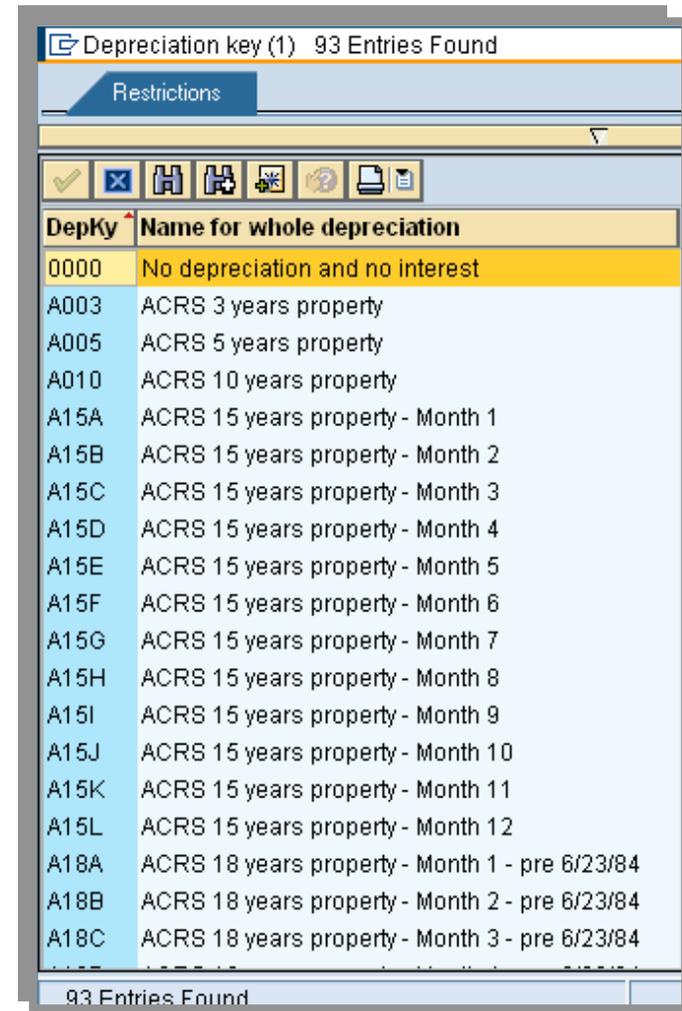
A	Dep. area	Name of depreciation area
01	Book deprec.	Book depreciation in local currency
10	ACRS/MACRS	Federal Tax ACRS/MACRS
11	ALT MIN	Alternative Minimum Tax

3 Entries Found

myCompany's
depreciation areas

Key Term #5: Depreciation Key

- Code that defines how assets are depreciated in a specific depreciation area (such as book value depreciation)
- Codes are entered in master records by default upon the basis of the asset class, but they can be changed
- Defined at the level of the Chart of Depreciation, and available to all company codes



The screenshot shows a SAP report titled "Depreciation key (1) 93 Entries Found". The report is displayed in a table with two columns: "DepKy" and "Name for whole depreciation". The first row is highlighted in yellow and shows "0000" for the key and "No depreciation and no interest" for the name. The following rows list various ACRS keys and their corresponding descriptions, such as "A003 ACRS 3 years property" and "A15A ACRS 15 years property - Month 1". The table ends with "A18C ACRS 18 years property - Month 3 - pre 6/23/84". The status bar at the bottom of the window indicates "93 Entries Found".

DepKy	Name for whole depreciation
0000	No depreciation and no interest
A003	ACRS 3 years property
A005	ACRS 5 years property
A010	ACRS 10 years property
A15A	ACRS 15 years property - Month 1
A15B	ACRS 15 years property - Month 2
A15C	ACRS 15 years property - Month 3
A15D	ACRS 15 years property - Month 4
A15E	ACRS 15 years property - Month 5
A15F	ACRS 15 years property - Month 6
A15G	ACRS 15 years property - Month 7
A15H	ACRS 15 years property - Month 8
A15I	ACRS 15 years property - Month 9
A15J	ACRS 15 years property - Month 10
A15K	ACRS 15 years property - Month 11
A15L	ACRS 15 years property - Month 12
A18A	ACRS 18 years property - Month 1 - pre 6/23/84
A18B	ACRS 18 years property - Month 2 - pre 6/23/84
A18C	ACRS 18 years property - Month 3 - pre 6/23/84

Contents of an Asset Master Record

- There are two sections in an asset master record:
 - General asset data, which includes:
 - Description
 - Account assignment: responsible cost center
 - Account determination: general classification of asset
 - Equipment code
 - Plant (location), state and property indicator (for taxes)
 - Miscellaneous data: e.g., serial number, license plate
 - Asset depreciation area, which includes:
 - Depreciation keys
 - Asset life settings

Display Asset Master Records (AS03)

Asset Edit Goto Extras Environment Settings System Help

Display Asset: Initial screen

Master data Depreciation areas Asset values

Asset 300007

Subnumber 0

Company Code

Enter

Enter if applicable

Asset Master Record: General Data

Display Asset: Master data

Asset values

Asset: 300007 Warehouse Forklift
 Class: 2002 Warehouse Forklift a Company Code: _____

CoCode

Class

General Time-dependent Allocations Origin Leasing Deprec. areas

General data

Description: Warehouse Forklift

Asset main no. text: Warehouse Forklift

Acct determination: : Machinery and Equipment

Serial number: _____

Inventory number: _____

Quantity: 0.000

Manage historically

Inventory

Last inventory on: _____ Include asset in inventory list

Inventory note: _____

Posting information

Capitalized on: 11/15/2006 Deactivation on: _____

First acquisition on: 11/15/2006

Acquisition year: 2006 011

See search list of possible codes

Account determination (1) 48 Entries Found

Restrictions

Acct...	Language	Name for account determination
10000		Real estate and similar rights
11000		Buildings
20000		Machinery and Equipment
30000		Furniture and fixtures
31000		Vehicles
32000		Hardware (IT)
40000		Down payments paid and assets under constru
50000		Low-value assets
60000		Leasing
80000		Objects of art
151000		Land
151100		Buildings
151110		Building Improvements
151200		Leasehold Improvements
151300		Tenant Improvements
151301		Tenant Improvements -Warehouse
152000		Machinery and Equipment
152001		Factory Equipment
152100		Computer Equipment - Office
152101		Software - Product Development
152102		Computer Equipment - Warehouse
152103		Computer Equipment - Warehousee

48 Entries Found

Asset Master Record: Time-Dependent and Origin

The image displays two overlapping screenshots of the SAP Asset Master Record interface. The top-left screenshot shows the 'Time-dependent' tab, which includes fields for Business Area, Cost Center, Location, Room, and Tax Jurisdiction. A blue callout bubble points to the Cost Center field with the text 'Responsible cost center'. The bottom-right screenshot shows the 'Origin' tab, which includes fields for Vendor, Manufacturer, Trading partner, Country of origin, and Type name. It also features checkboxes for 'Asset purch. new' and 'Purchased used'. The 'Acq. on' field is set to '11/15/2006', with a blue callout bubble pointing to it and the text 'Acquisition date'. Other fields include 'Original asset' (0), 'Orig. Acquis. Year', 'Original value' (0.00 USD), and 'In-house prod.perc.' (0.00).

Asset Master Record: Depreciation

General Time-dependent Allocations Origin Leasing Deprec. areas

Valuation

Deact	Area number	Depreciation area	DKey	UseLife	Prd	ODep Start
<input type="checkbox"/>	01	Book deprec.	LINA	10		011/01/2006
<input type="checkbox"/>	10	ACRS/MACRS	A010	10		001/01/2006
<input type="checkbox"/>	11	ALT MIN	NAG	10		007/01/2006

Real depreciation area (1) 3 Entries Found

Restrictions

Search hit list of deprec areas

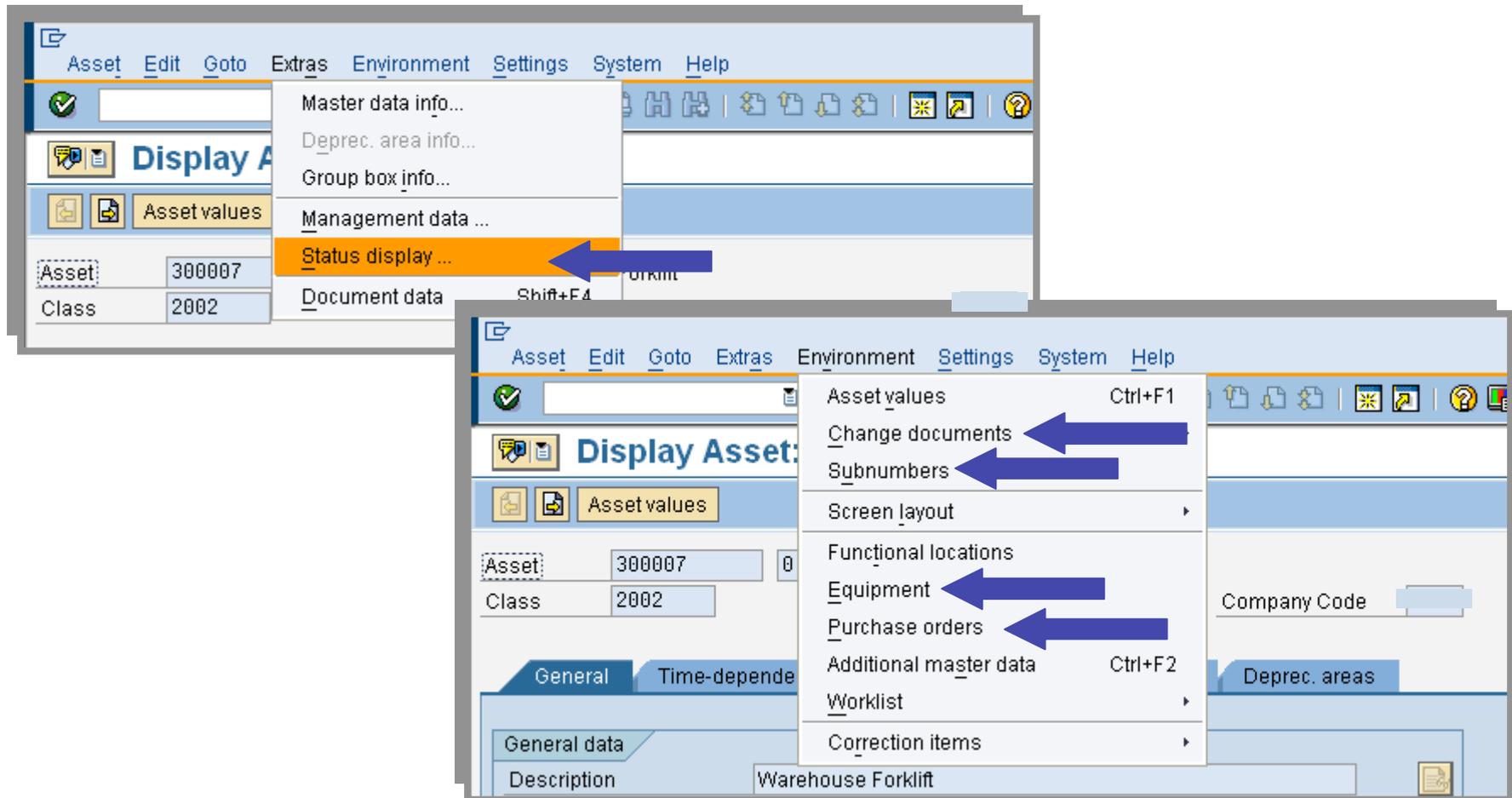
Chart of dep.: KSUS

A	Dep. area	Name of depreciation area
01	Book deprec.	Book depreciation in local currency
10	ACRS/MACRS	Federal Tax ACRS/MACRS
11	ALT MIN	Alternative Minimum Tax

3 Entries Found

Asset Master Record: Other Accessible Data

- Related data can be called up through the menu bar



Asset Values and Asset Explorer

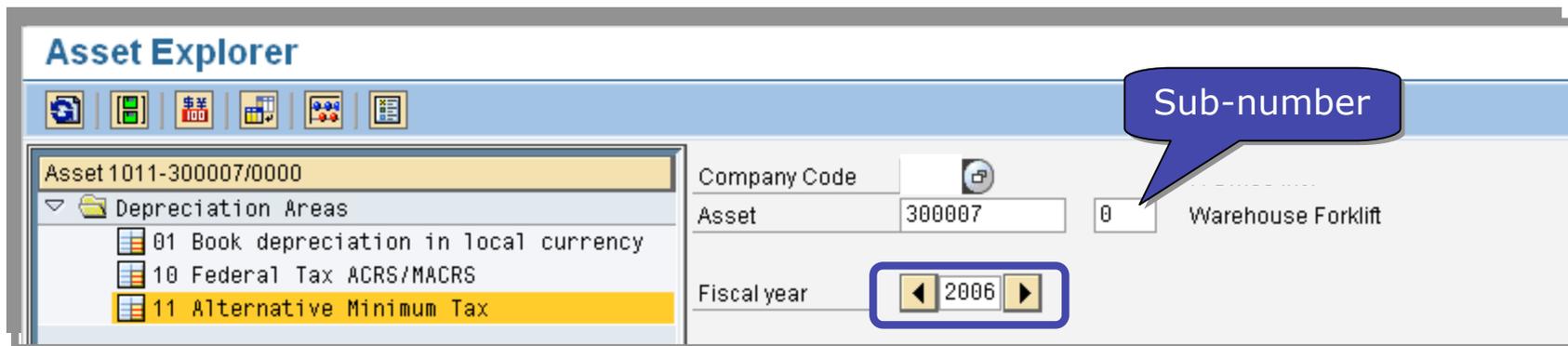
- In addition, asset master records allow access to tables of asset values, which are displayed by the *Asset Explorer* transaction (*AW01N*)
- You can call up this table in two ways:
 - Through an asset master record



- Directly with the *Asset Explorer* transaction (which we describe in the next slides)

Asset Explorer (AW01N): Getting Started

- Displays asset values
- Provides access to master records of:
 - Assets' general ledger sub-ledger accounts
 - Assets' responsible cost centers
- Call up the initial screen and enter asset number, sub-number (if required) and fiscal year



Asset Explorer Screen

The screenshot displays the 'Asset Explorer' window for asset '1011-300007/0000'. The left sidebar shows a tree view of 'Depreciation Areas' with '01 Book depreciation in local currency' selected. Below it, 'Objects related to asset' shows 'MACHINERY AND EQUIPMEN 101'. The main area shows 'Planned values' for 'Book depreciation in local currency' for fiscal year 2006. A table lists values for APC transactions, acquisition value, ordinary depreciation, and net book value. Below this is a 'Transactions' table with one entry for 11/15/2006.

Planned values Book depreciation in local currency

Value	Fiscal year start	Change	Year-end	Crcy
APC transactions		75,000.00	75,000.00	USD
Acquisition value		75,000.00	75,000.00	USD
Ordinary deprec.		1,250.00-	1,250.00-	USD
Unplanned dep.				USD
Write-up				USD
Value adjustment				USD
Net book value		73,750.00		

Transactions

AsstVal date	Amount	TType	Transaction type na	Ord. dep.	Crcy
11/15/2006	75,000.00	330	Acquiring transfer of curr-yr acquis.	1,250.00-	USD
				1,250.00-	USD

Click to display a depreciation area

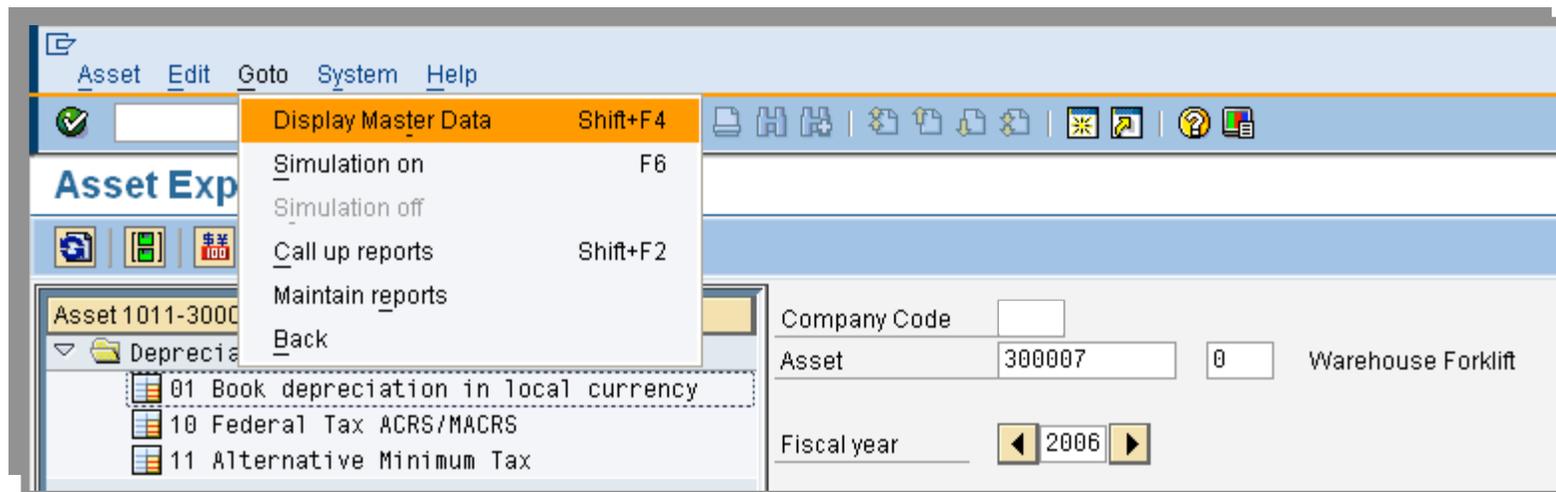
Click to display depreciation data

G/L transactions: double-click to display

Click to display CCtr and G/L acct master records

From Asset Explorer to the Asset Master Record

- Follow the menu path to move from the asset value tables of *Asset Explorer* to an asset's master record



Demonstrations and Exercises

- Demonstration of the *Display Asset Master Record (AS03)* transaction
- Demonstration of the *Asset Explorer (AW01N)* transaction
- Exercise 01, Task 01: Display an asset master record
- Exercise 01, Task 02: Display asset value tables with *Asset Explorer*



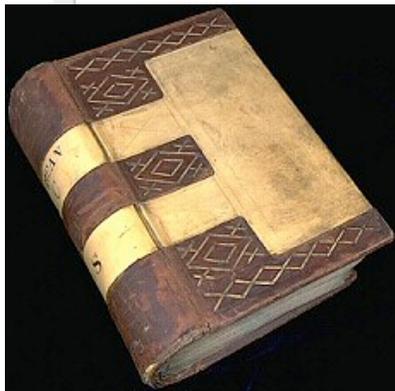
Unit 1 – Summary

You are now able to:

- Explain the purpose of the Financial Accounting (FI) module of SAP
- Describe the management of assets with the FI Module
- Display and describe the contents of asset master records



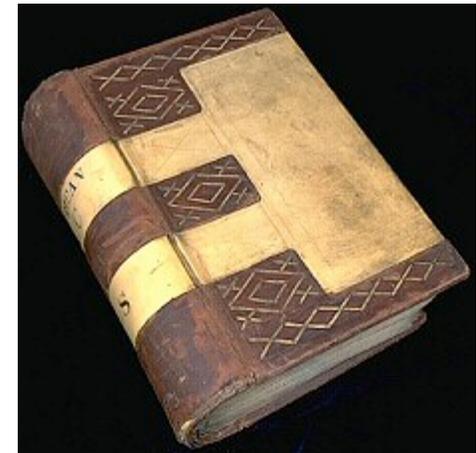
Unit 2 – Working with Asset Master Records



Unit Learning Objectives

At the end of this unit you should be able to:

- Create asset master records with transaction *AS01*
- Maintain asset master records with transaction *AS02*
- Block asset master records with transaction *AS05*



Fixed Assets

Create Asset Master Record (AS01): Step 1

The screenshot shows the 'Create Asset: Initial screen' in SAP. It features two tabs: 'Master data' (selected) and 'Depreciation areas'. The form contains the following fields and callouts:

- Asset class:** 2002 (Callout: 1. Enter)
- Company Code:** (Callout: 2. Enter)
- Number of similar assets:** 1
- Reference section:**
 - Asset: (Callout: Alternative to 1 and 2: Enter code of similar asset's master record)
 - Sub-number: (Callout: Alternative to 1 and 2: Enter code of similar asset's master record)
 - Company code: (Callout: Alternative to 1 and 2: Enter code of similar asset's master record)
- Post-capitalization:**

Callout 3. Click points to the 'Master data' tab.

Create Asset Master Record (AS01): Step 2

The screenshot displays the SAP AS01 transaction in the 'General' tab. The form is divided into three main sections: General data, Inventory, and Posting information. Callouts indicate the following steps:

- 1. Enter:** Points to the 'Description' field containing 'Construction crane'.
- 2. Enter:** Points to the 'Serial number' field containing 'ABCDE12345'.
- 3. Select:** Points to the 'Include asset in inventory list' checkbox, which is checked.

Field	Value
Description	Construction crane
Asset main no. text	
Acct determination	Machinery
Serial number	ABCDE12345
Inventory number	
Quantity	
Man...	<input type="checkbox"/>
Last inventory on	
Inventory note	
Capitalized on	
First acquisition on	
Acquisition year	000
Deactivation on	

Create Asset Master Record (AS01): Step 3

The screenshot shows the SAP AS01 transaction interface. The 'Time-dependent' tab is active. The main form contains fields for Business Area, Cost Center, Location, Room, and Tax Jurisdiction. A 'Limit selection' dialog box is open, showing 'State' set to 'CA'. A 'Tax Jurisdiction (1) 6 Entries Found' dialog box is also open, displaying a list of tax jurisdiction codes and descriptions. Callouts indicate the following steps:

1. Click (on the 'Time-dependent' tab)
2. Search (on the 'Tax Jurisdiction' field)
3. Enter (on the 'State' field in the 'Limit selection' dialog)
4. Click (on the checkmark icon in the 'Limit selection' dialog)
5. Select Tax jurisdiction code (on the 'California State Tax' entry in the 'Tax Jurisdiction' dialog)

Tax Jur.	Description
CA0000000	California State Tax
CA0010000	Los Angeles County
CA0010001	Los Angeles (Westlake Village) City Sales Tax
CA0020000	All Other Counties CA State Tax
CA0030000	Riverside County
CA0030001	Riverside (Mira Loma) City Sales Tax

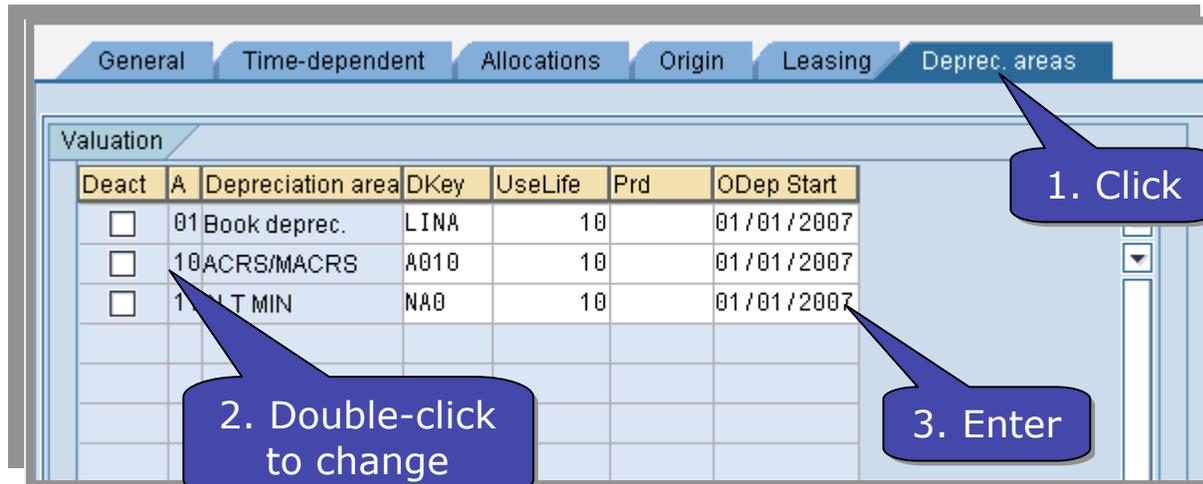
Create Asset Master Record (AS01): Step 4

The screenshot shows the 'Origin' tab of the SAP AS01 transaction. The 'Origin' section contains the following fields and callouts:

- 1. Click:** Points to the 'Origin' tab in the top navigation bar.
- 2. Enter:** Points to the 'Manufacturer' text input field.
- 3. Select:** Points to the 'Asset purch. new' checkbox, which is currently checked.
- 4. Enter:** Points to the 'Type name' text input field.
- 5. Enter:** Points to the 'Original value' text input field, which contains the value '50000'.

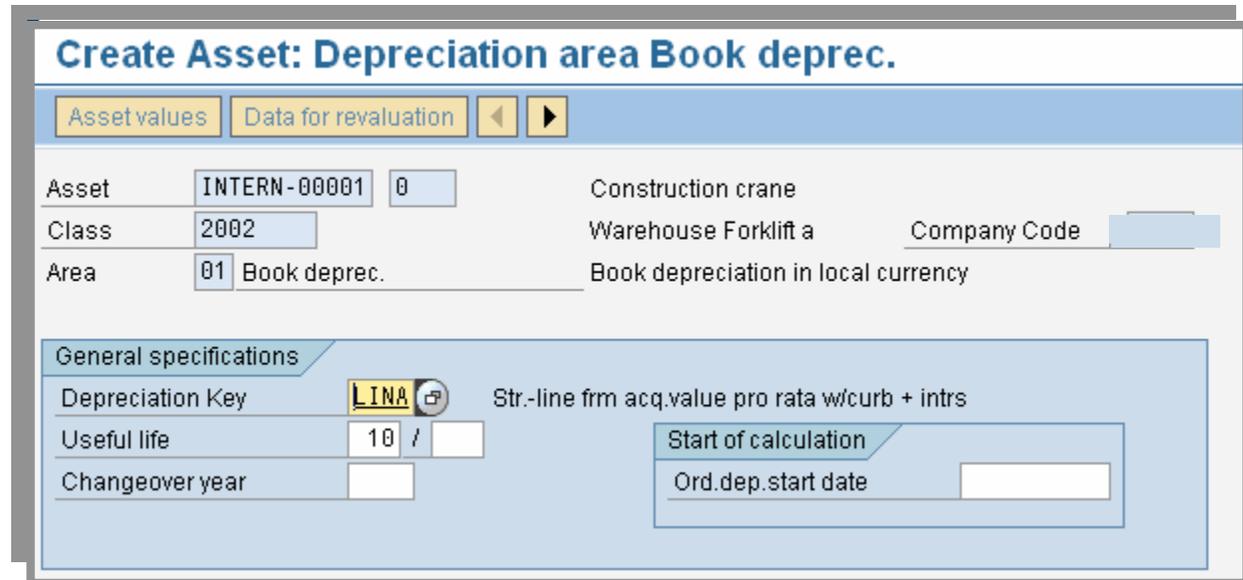
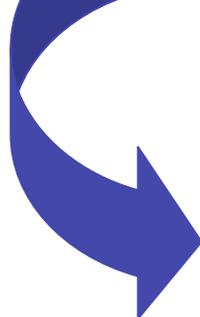
Other visible fields include: Vendor, Trading partner, Country of origin, Original asset, Orig. Acquis. Year (2006), Acq. on, and In-house prod.perc. The 'Original value' field is highlighted in yellow.

Create Asset Master Record (AS01): Step 5



The screenshot shows the 'Deprec. areas' tab in the SAP AS01 transaction. A table lists three depreciation areas. Callouts indicate: '1. Click' points to the 'Deprec. area' column, '2. Double-click to change' points to the first row, and '3. Enter' points to the 'ODep Start' column.

Deact	A	Depreciation area	DKey	UseLife	Prd	ODep Start
<input type="checkbox"/>	01	Book deprec.	LINA	10		01/01/2007
<input type="checkbox"/>	10	ACRS/MACRS	A010	10		01/01/2007
<input type="checkbox"/>	11	LT MIN	NA0	10		01/01/2007



The screenshot shows the 'Create Asset: Depreciation area Book deprec.' dialog box. It contains fields for Asset, Class, Area, and General specifications.

Asset values | **Data for revaluation** | ◀ | ▶

Asset: INTERN-00001 0 Construction crane
Class: 2002 Warehouse Forklift a Company Code: _____
Area: 01 Book deprec. Book depreciation in local currency

General specifications

Depreciation Key: LINA Ⓞ Str.-line frm acq.value pro rata w/curb + intrs
Useful life: 10 / _____ Start of calculation: _____
Changeover year: _____ Ord.dep.start date: _____

Create Asset Master Record (AS01): Step 6

1. Click

2. Note

Create Asset: Master data

Asset: INTERN-00001 0
Class: 2002

Deact	A	Depreciation area	DKey	UseLife	Prd	O
<input type="checkbox"/>	01	Book deprec.	LINA	10		0
<input type="checkbox"/>	10	ACRS/MACRS	A010	10		0
<input type="checkbox"/>	11	ALT MIN	NA0	10		0

Create Asset: Initial screen

Master data | Depreciation areas

Asset class: 2002
Company Code:
Number of similar assets: 1

Reference

Asset:
Sub-number:
Company code:

Post-capitalization

The asset 300002 0 is created

Change Asset Master Record (AS02)

- Once created, change any asset master record or sub-number record
 - Enter asset number (and sub-number if applicable)
 - Enter or edit data in any white, read/write field
 - Save

Change Asset: Initial screen

Master data | Depreciation areas | Asset values

1. Enter

Asset	300002
Subnumber	0
Company Code	

Change Asset: Master data

Asset values

3. Save

2. Enter or edit

Asset	300002	0	Construction crane	
Class	2002		Warehouse Forklift a	Company Code

General | Time-dependent | **Asset values** | Depreciation areas

General data

Description	Construction crane
Asset main no. text	Construction crane
Acct determination	Machinery and Equipment
Serial number	ABCDE12345
Inventory number	
Quantity	

Demonstrations and Exercises

- Demonstration of *Create Asset (AS01)*
- Demonstration of *Change Asset (AS02)*
- Demonstration of *Block/Unblock Asset (AS05)*
- Exercise 02, Task 01: Create an asset
- Exercise 02, Task 02: Change an asset
- Exercise 02, Task 03: Block an asset



Unit 2 – Summary

You are now able to:

- Create asset master records with transaction *AS01*
- Maintain asset master records with transaction *AS02*
- Block asset master records with transaction *AS05*

