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INTRODUCTION

The component Bank Accounting is used to handle accounting transactions that you process with your bank. It includes the management of bank Master data, the creation and processing of incoming and outgoing payments. All country specific characteristics such as the specifications for manual and electronic payment procedures, payment forms or data media can be freely defined.

We will configure a house bank for our company code 9100 (A Ltd.). We will also cover the configuration of Manual/Electronic bank statement, Check deposit and Cash journal.
1 Bank Accounting

1.1 Define House Banks

IMG → Financial Accounting → Bank Accounting → Bank Accounts → Define House Banks

Each house bank of a company code is represented by a bank ID in the SAP system. The House bank is used for automatic payment program, check deposit, bank reconciliation. Thus you will only need to create a house bank for a bank account if you want to use the aforesaid functionality.

Let us configure a house bank.

Enter Company code 9100

Click on New entries

Update the following fields:-

**House bank**: This is the code for house bank. Give an alpha numeric key. Numeric is also possible.

**Bank key**: Bank key is the Bank account number
Click on the to create the Bank key and update the following fields.

Click on and update the following fields.
In the you need to attach the EDI partner after you create EDI partner. This field is used in case you want to enable E-banking.

Click on to save your entry.

Click on and maintain the following fields:-

Page 6 of 6
Maintain the GL Code and the account id (Account id together with the ID for the house bank uniquely defines a bank account).

Click on

1.2 Electronic Bank Statement and Manual Bank Statement

**Electronic bank statement** – It is an electronic document sent by the bank which gives details of the transactions done by the account holder. The electronic document can be remitted by the bank in the following formats SWIFT, Multicash, BAI etc. This statement is used in SAP to do an automatic reconciliation. The statement is uploaded in SAP and it clears the various Bank clearing accounts such as the Chk out, Chk in account to the main bank account.
In our scenario we have the following bank GL codes (Sub accounts) for our Main Bank (111410 ICICI bank – Main account a/c):

111411 ICICI check issued out
111412 ICICI outgoing w/tfr
111415 ICICI other interim posting
111419 ICICI check received

Checks issued out to vendors will be credited to GL code 111411 ICICI check issued out, which is a clearing account.

Similarly checks received from customer are debited to GL code 111419 ICICI check received, which is a clearing account.

When the bank statement is uploaded in SAP the following will happen:-

For checks issued out – based on checks cleared in the bank account the following entry will be passed automatically.

<table>
<thead>
<tr>
<th>GL code</th>
<th>account description</th>
<th>Debit /Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>111411</td>
<td>ICICI check issued out</td>
<td>Debit</td>
</tr>
<tr>
<td>111410</td>
<td>ICICI bank – Main account a/c</td>
<td>Credit</td>
</tr>
</tbody>
</table>

For checks received in – based on checks cleared in the bank account the following entry will be passed automatically.

<table>
<thead>
<tr>
<th>GL code</th>
<th>account description</th>
<th>Debit /Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>111419</td>
<td>ICICI check received</td>
<td>Credit</td>
</tr>
<tr>
<td>111410</td>
<td>ICICI bank – Main account a/c</td>
<td>Debit</td>
</tr>
</tbody>
</table>

Thus after uploading the bank statement in the system, the Main bank account i.e. GL code 111410 ICICI bank – Main account a/c will exactly match with the balance shown in the bank. All the clearing accounts having balances will be the reconciliation items.

**Manual bank statement** – In case the bank is not able to give an electronic statement then the statement can be manually entered in the manual bank statement and uploaded.

**The common configuration for both type of statement is as follows:-**

**1.2.1 Make Global Settings for Electronic Bank Statement**


Enter the chart of accounts YCCA
1. Create account symbol

Specify G/L accounts (such as bank, cash receipt, outgoing checks) to which postings are to be made from account statement. You assign account symbols to the G/L account numbers. These are required for the posting rules in step 2.

Click on [New entries] and type in the following:-

![New Entries: Overview of Added Entries]

Click on [ ] to save entries.

2. Assign accounts to account symbols

Here we assign accounts to account symbols.

Double click on [Assign Accounts to AC]

Click [New entries] and update the following:-
To avoid having to define a separate account symbol for every single house bank account (with a different G/L account in each case), the G/L account field can contain a masked output. The masking is done using ++++++ for the main bank account. For the sub accounts all the other digits are masked except the last one.

Bank charges account is hard coded.

Click on ![Save entries](image) to save entries.

3. **Create keys for posting rules**

Double click ![Create Keys for Posting Rules](image) and click on ![New entries](image) and

Update the following information:-
**New Entries: Overview of Added Entries**

Click on 

4. Define posting rules

Here you will assign the posting rules to the account symbols created.

Click on New entries

Update the following: -
Posting Type 4 (Clear Debit G/L account)

Click on Save

Click on New entries
Select Posting type 5 (Clear credit G/L acct)

Click on New entries
Select Posting type 1 (Post to G/L account)

Click on Save

Click on New entries

Click on New entries
3 additional configuration steps required for electronic bank statement.

5. Create Transaction type

Click on **New entries**

Update the following: -
6. Assign external transaction type to posting rules

Here we assign the external transaction type of banks to our posting rules. Banks generally have their own codes for various transactions such as Check received 704, Bank charges 705 etc.

Click on Save

7. Assign Bank Accounts to Transaction types

Assign bank details, for which the account statements are to be imported, to a transaction type. All the house bank accounts at a particular bank are usually assigned to the same transaction type.

Double Click
Click on Save

2 Additional steps required for Manual Bank statement

1.2.2 Create and Assign Business Transactions


Herein this step you store an indicator for each business transaction and allocate a posting rule to each business transaction.

Click on New entries

Update the following:-
Select this algorithm (011: Outgoing check: check no. different from pymt doc.no.) for clearing the outgoing checks based on check reference.

Click on

1.2.3 Define Variants for Manual Bank Statement


Here you can create separate account assignment variants for the manual bank statement in order to adapt the arrangement and/or the selection of account assignment fields to your company-specific requirements.

Standard Variant SAP01 is available which is generally not suitable for customer’s need. It is not modifiable. Therefore we need to create a new variant.

Let us see the standard variant SAP01
Double click on **SAP01**.

Click ☑️ to continue.

These are the fields available. The last 4 fields are not suitable for us.
Let us create a new variant.

Click on ![image](image.png) and update the following:-
Position the cursor on Document number and click on to delete the field. Similarly delete Customer matchcode, foreign currency, and foreign currency amt.

Now the variant will look like this:-
Double Click on Allocation number

Click to confirm

The allocation number now comes in the current field.
Double click on **Bank reference**

In Bank reference you will capture the check number (the check number for outgoing check cleared). For incoming payment (check inward) you will capture the check number in the allocation number (assignment field).
Reduce the output length from 13 to 6

Click to confirm.

Finally the screen variant will look like this:-

Maintain Screen Variant: Fields

<table>
<thead>
<tr>
<th>Program</th>
<th>Manual account statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application</td>
<td>Manual account statement</td>
</tr>
<tr>
<td>Variant</td>
<td>Standard</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Column</th>
<th>Offset</th>
<th>Length</th>
<th>Current fields</th>
<th>Possible fields</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3</td>
<td>4</td>
<td>Transaction</td>
<td>Allocation number (ass)</td>
</tr>
<tr>
<td>2</td>
<td>8</td>
<td>10</td>
<td>Value date (ses)</td>
<td>Allocation number (ses)</td>
</tr>
<tr>
<td>3</td>
<td>19</td>
<td>15</td>
<td>Amount</td>
<td>Alternative comp code (ses)</td>
</tr>
<tr>
<td>4</td>
<td>35</td>
<td>18</td>
<td>Allocation number (as)</td>
<td>Amount</td>
</tr>
<tr>
<td>5</td>
<td>54</td>
<td>6</td>
<td>Bank reference</td>
<td>Bank reference</td>
</tr>
</tbody>
</table>

Page 24 of 24
Click to check the variant. You should get the message Variant Z9100 is correct.

Click on

Change the variant name for Z9100 from Standard to A Ltd. bank statement
Click on [ ] to activate variant Z9100

Click on [ ] to activate variant Z9100
1.3 Check Deposit

1.3.1 Define Posting Keys and Posting Rules for Check Deposit

IMG → Financial Accounting → Bank Accounting → Business Transactions → Check Deposit → Define Posting Keys and Posting Rules for Check Deposit

Update the following

Click on new entries to create account symbol

Page 27 of 27
Click on 

Double click 

Click on 

Select existing account symbol **bank** and the one configured by us.
Click on **New entries**

**New Entries: Overview of Added Entries**

- **Dialog Structure**
  - Create Account Symbols
  - Assign Accounts to Account
  - Create Keys for Posting
  - Define Posting Rules

- **Posting rule**
  - **Text**
    - ZCHK  Direct check deposit

Click on **Define Posting Rules**

Double click

Select

**Change View “Define Posting Rules”: Overview**

- **Define Posting Rules**
  - **Posting rule**
  - **Text**
    - ZCHK  Direct check deposit

Click
Now change the Posting rule and the acct symbol with the one we configured.
1.3.2 Create and Assign Business Transactions

IMG → Financial Accounting → Bank Accounting → Business Transactions → Check Deposit → Create and Assign Business Transactions

Here you store transaction indicators for check deposit and allocate these indicators to a posting rule. We have created posting rule ZCHK in the earlier step. We need to allocate this to the transaction indicator. You specify this indicator in the "Transaction" field on the initial screen of check deposit.

Click on New entries

Update the following:-
1.3.3 Define Variants for Check Deposit

IMG → Financial Accounting → Bank Accounting → Business Transactions → Check Deposit → Define Variants for Check Deposit

Here you can create your own account assignment variants for check deposit in order to modify the arrangement and/or selection of account assignment fields according to your company-specific requirements. One variant SAP01 is delivered as a default. It cannot be changed. We will create a new variant.
Double click **variant maintenance: check deposit**

**Maintain Screen Variant: List**

<table>
<thead>
<tr>
<th>Program</th>
<th>Application</th>
<th>Variants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SAP01</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lines: 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Description: Standard</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Activ: check deposit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Release: 43C</td>
</tr>
</tbody>
</table>

Position the cursor on variant SAP01 and click 

Update the following:-

**Copy variant**

<table>
<thead>
<tr>
<th>From variant</th>
<th>To variant</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAP01</td>
<td>Z8801</td>
</tr>
</tbody>
</table>

Delete 3 digit check number by clicking on 3 digit number and click
Similarly Delete 8-digit bank key and Invoiced amount

Double click 10-digit check number

Click ☑ to confirm
Click on

Change the description of the variant from the first screen
### Maintain Screen Variant: List

<table>
<thead>
<tr>
<th>Program</th>
<th>Check deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application</td>
<td>Check deposit</td>
</tr>
</tbody>
</table>

#### Variants

<table>
<thead>
<tr>
<th>Variant</th>
<th>Lines</th>
<th>Description</th>
<th>Activ</th>
<th>Release</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAP01</td>
<td>1</td>
<td>Standard</td>
<td></td>
<td>46C</td>
</tr>
<tr>
<td>Z0001</td>
<td>1</td>
<td>Standard</td>
<td></td>
<td>46C</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variant</th>
<th>Lines</th>
<th>Description</th>
<th>Activ</th>
<th>Release</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAP01</td>
<td>1</td>
<td>101 lt check deposit variant</td>
<td></td>
<td>46C</td>
</tr>
<tr>
<td>Z0001</td>
<td>1</td>
<td>101 lt check deposit variant</td>
<td></td>
<td>46C</td>
</tr>
</tbody>
</table>
Position the cursor on Z0001 and click ➕ to activate

1.4 Cash Journal

1.4.1 Create G/L Account for Cash Journal

IMG ➔ Financial Accounting ➔ Bank Accounting ➔ Business Transactions ➔ Cash Journal ➔ Create G/L Account for Cash Journal

Here you create a G/L account for the cash journal in the company code 9100. The GL code must be switched on post automatically.

If you want to run several cash journals with different currencies in this account, make sure that

- The indicator Balances in local currency only is not set
- The account currency corresponds to the company code currency

Click on ➔

Update the following
### Create G/L Account Centrally

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>G/L account no.</td>
<td>110960</td>
</tr>
<tr>
<td>Company code</td>
<td>9109</td>
</tr>
<tr>
<td>Name</td>
<td>A Ltd</td>
</tr>
</tbody>
</table>

#### Control in chart of accounts
- **Account group**: Liquid funds accounts
  - P&L statement acct
  - Balance sheet account

#### Description
- **Short text**: Petty cash account
- **G/L account long text**: Petty cash account

#### Consolidation data in chart of accounts
- **Trading partner**: [ ]
1.4.2 Define Document Types for Cash Journal Documents


Here you can use the standard accounting document type SK or you can create your own document type. Let’s see the standard document type SK’s configuration settings.
<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>SB</td>
<td>GR account posting</td>
</tr>
<tr>
<td>SK</td>
<td>Cash document</td>
</tr>
<tr>
<td>SU</td>
<td>Adjustment document</td>
</tr>
<tr>
<td>UE</td>
<td>Data transfer</td>
</tr>
<tr>
<td>WA</td>
<td>Goods issue</td>
</tr>
<tr>
<td>WE</td>
<td>Goods receipt</td>
</tr>
<tr>
<td>WI</td>
<td>Inventory document</td>
</tr>
<tr>
<td>WL</td>
<td>Goods issue/delivery</td>
</tr>
<tr>
<td>WN</td>
<td>Not goods receipt</td>
</tr>
<tr>
<td>ZP</td>
<td>Payment posting</td>
</tr>
<tr>
<td>ZR</td>
<td>Bank reconciliation</td>
</tr>
<tr>
<td>ZS</td>
<td>Payment by check</td>
</tr>
<tr>
<td>ZV</td>
<td>Payment clearing</td>
</tr>
</tbody>
</table>
1.4.3 Define Number Range Intervals for Cash Journal Documents

You have to define a number range interval for cash journal documents. Each document then receives a unique number that does not clash with the G/L document number.

Let us copy from company code 0001

Click on
If you want to run a cash journal whose currency does not correspond to that of the company code, you have to consider the following details in the corresponding cash journal G/L account master data:

- The indicator Balances in local currency only should **not** be set
- The account currency must correspond to the company code currency
You can run several cash journals with different currencies in one cash journal G/L account. Several cash journals with the same currency in one G/L account is however not possible. If you want to run several cash journals in the same currency in one company code, you have to select different cash journal G/L accounts.

Click on **New entries**

Update the following:-

### New Entries: Overview of Added Entries

<table>
<thead>
<tr>
<th>Co.</th>
<th>CJ no.</th>
<th>G/L acct</th>
<th>Curr</th>
<th>D. D. D.</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>9160</td>
<td>0001</td>
<td>110006</td>
<td>INR</td>
<td>SK SK</td>
<td>Petty Cash Journal</td>
</tr>
</tbody>
</table>

Click on **Create, Change, Delete Business Transactions**

**IMG → Financial Accounting → Bank Accounting → Business Transactions → Cash Journal → Create, Change, Delete Business Transactions**

Here you can create, change, and delete accounting transactions for the cash journal.
Alternatively, you can create the accounting transactions online using the cash journal document entry. From the SAP Easy Access screen, select Accounting ➔ Financial accounting ➔ Banking ➔ Input or Outgoings ➔ Cash journal.

Click on **New entries**

<table>
<thead>
<tr>
<th>Code</th>
<th>Transaction Type</th>
<th>GL Account</th>
<th>Transaction Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>9186</td>
<td>E</td>
<td>473008</td>
<td>CONVEYANCE EXPENSES</td>
</tr>
<tr>
<td>9100</td>
<td>C</td>
<td>111410</td>
<td>RECEIPT FROM BANK</td>
</tr>
<tr>
<td>9100</td>
<td>B</td>
<td>111410</td>
<td>PAYMENT TO BANK</td>
</tr>
<tr>
<td>9186</td>
<td>R</td>
<td>821201</td>
<td>MISC. SALES</td>
</tr>
</tbody>
</table>

Click on **Set Up Print Parameters for Cash Journal**

1.4.5 Set Up Print Parameters for Cash Journal


In order to print the cash journal and the cash journal receipts, you have to set up the corresponding print program parameters per company code.

Select
Click on **Maintain Print Parameter View for Cash Journal**

<table>
<thead>
<tr>
<th>Co..</th>
<th>Program</th>
<th>Variant</th>
<th>Corr..</th>
<th>AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>0001</td>
<td>RFCASH00</td>
<td>CASHDE</td>
<td>SAP18</td>
<td></td>
</tr>
<tr>
<td>BE01</td>
<td>RFCASH00</td>
<td>CASHDE</td>
<td>SAP18</td>
<td></td>
</tr>
<tr>
<td>C201</td>
<td>RFCASH00</td>
<td>CASHCZ</td>
<td>SAPC1</td>
<td></td>
</tr>
<tr>
<td>BE01</td>
<td>RFCASH00</td>
<td>CASHDE</td>
<td>SAP18</td>
<td></td>
</tr>
</tbody>
</table>

Click **0001** to **9100**

Change **0001** to **9100**

Click on **Maintain Print Parameter View for Cash Journal**

<table>
<thead>
<tr>
<th>Co..</th>
<th>Program</th>
<th>Variant</th>
<th>Corr..</th>
<th>AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>9100</td>
<td>RFCASH00</td>
<td>CASHDE</td>
<td>SAP18</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>