

Define Valuation Areas in SAP FI

In this SAP tutorials, you will learn how to define valuation areas and accounting principles in SAP Financial Accounting (FI) step by step. In our previous tutorials we have learned how to [define accounting principles in SAP](#).

Important configurations to refer: –

- Procedure to check exchange rates
- Define translation ratios for currency translation
- How to enter exchange rate
- Define accounts for exchange rate differences.

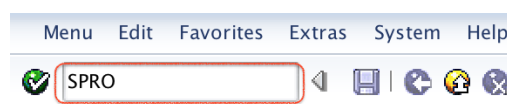
Define Valuation Areas

You can define currency valuation areas by using the following navigation method.

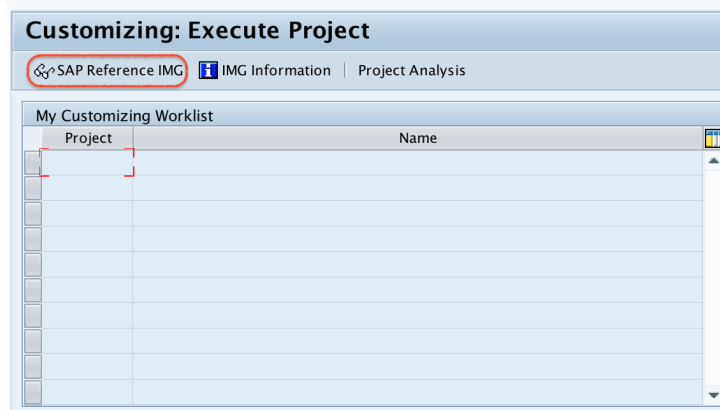
- • Transaction code: – *SPRO*
- Menu path: – *IMG* → *Financial Accounting* → *General Ledger accounting* → *Business Transactions* → *Closing* → *Valuate* → *Define Valuation Areas*.

Valuation	Crcy type	Long text
TK	Company code currency	Valuation area for TK01 company

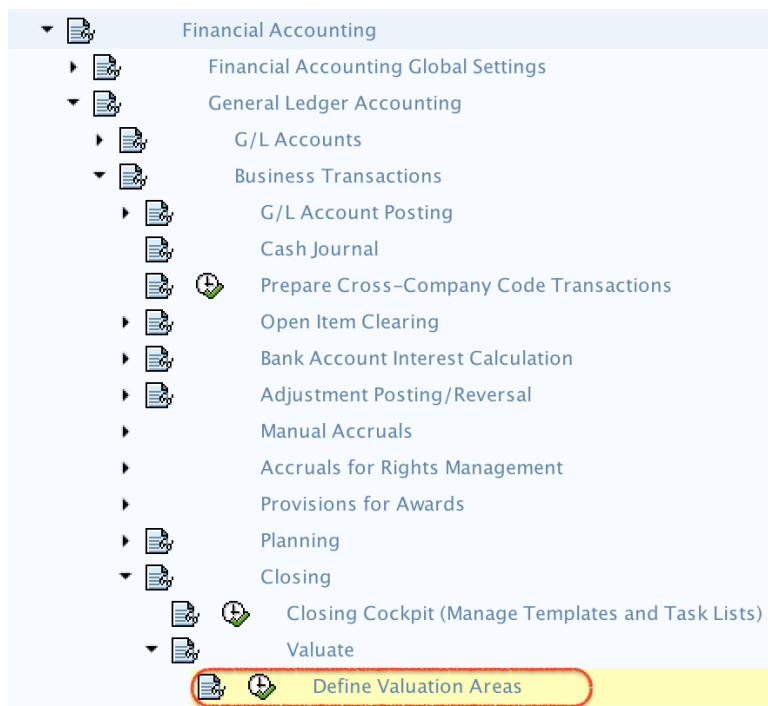
Step 1) Enter T-Code “SPRO” in the SAP command field and enter.



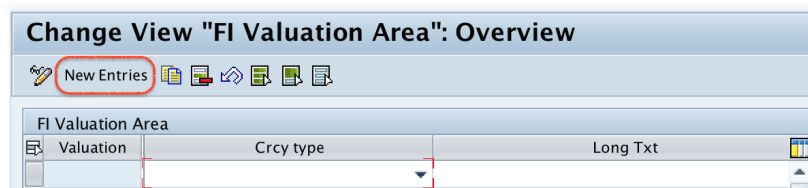
Step 2) On customizing execute project, select “SAP Reference IMG”



Step 3) On display IMG screen, follow the menu path and double click on “Define Valuation Areas”

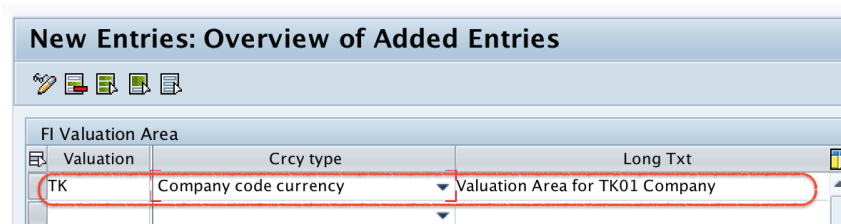


Step 4) On change view “SAP FI Valuation Area” overview screen, click on new entries button for creation of new valuation area as per an organizational requirements.



Step 5) On new entries valuation areas screen, update the following details.

- **Valuation:** – Enter the two digits key that identifies the valuation area in SAP FI.
- **Crcy type:** – Select the currency type from the list, choose company code currency
- **Long Text:** – Update the descriptive text of valuation area.



After maintaining all the required details, click on save button and save the configured valuation areas details.

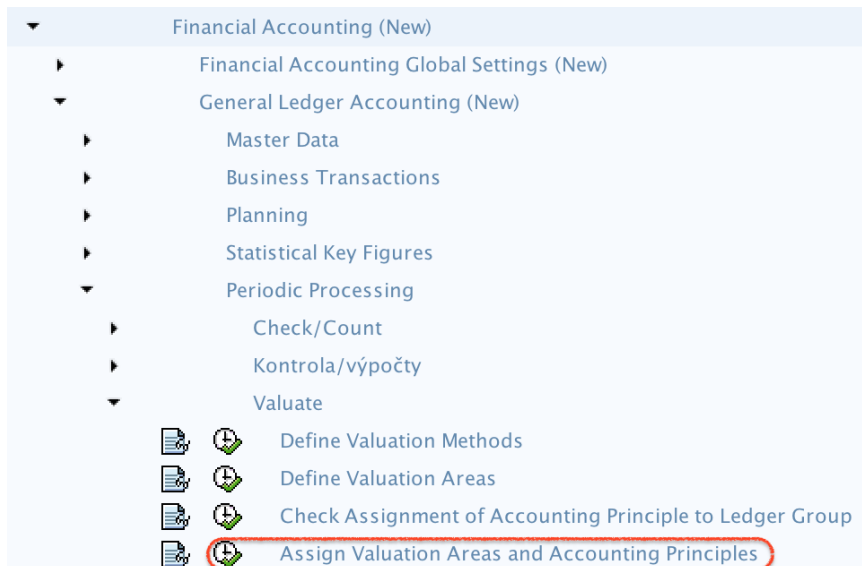
Successfully we have defined valuation areas in SAP FI.

Assign Valuation areas and Accounting Principles

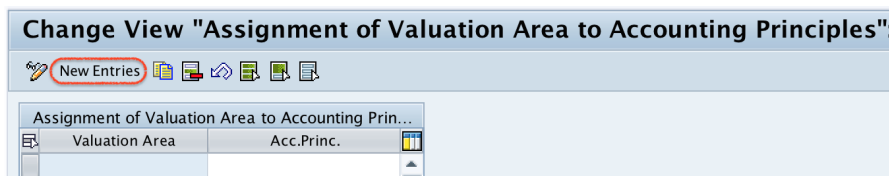
Next configuration step is assignment of valuation areas and accounting principles.

- **IMG Path:** – IMG → Financial Accounting → General Ledger accounting → Business Transactions → Periodic Processing → Valuate → Assign Valuation areas and Accounting Principles

Step 1) Follow the menu path and double click on “Assign Valuation areas and Accounting Principles”.

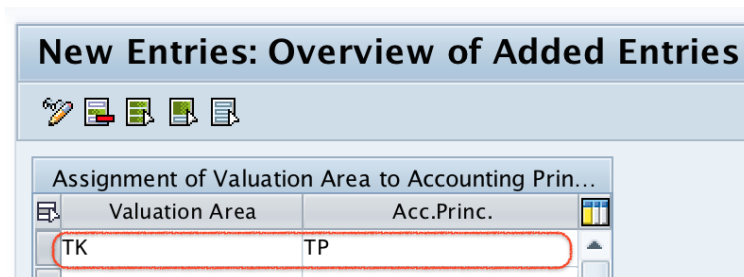


Step 2) On change view “Assignment of Valuation Area to Accounting Principles” overview screen, click on new entries button for assignment.



Step 3) On new entries screen, update the following details.

- **Valuation Area:** – Update the valuation area key for assignment
- **Acct.Princ. :** – Update the **Accounting principle** key for assignment.



After assignment, click on save button and save in your request in [SAP systems](#).

SAP FICO Training

▸ [SAP FICO Tutorials](#)

SAP FICO - Introduction

▸ [SAP Financial Accounting](#)

▸ [What is SAP FICO](#)

▸ [What is client in SAP](#)

SAP FICO - Enterprise Structure

- Define Company in SAP
- Define Company Code in SAP
- Assign company code to company in SAP
- Define business area and consolidation business area in SAP
- Assign business area to consolidated business area in SAP
- Define credit control area in SAP
- Assign company code to credit control area in SAP
- Define functional area in SAP
- Maintain Financial Management Area in SAP
- Assign financial management area to company code in SAP
- How to create segments in SAP

SAP FICO - Global Parameters

- What is Chart of accounts and how to create COA in SAP?
- Assign company code to chart of accounts
- What is Fiscal year in SAP?
- How to maintain fiscal year variant
- Assign company code to fiscal year variant
- Define account group in SAP
- Define retained earnings account
- Define posting period variant (PPV)
- Assign variants to company code in SAP
- Open and closing posting period variants
- Define field status variant and field status groups in FICO
- Assign company code to field status variant
- Define Tolerance group for G/L accounts
- Define Tolerance group for employees
- Check company code global parameters

SAP FICO - Foreign Currency Transactions

- Check exchange rate types
- Define translation ratios for currency translation
- How to maintain exchange rates in SAP
- Define accounts for exchange rate differences
- Define foreign currency valuation methods

‡ Define accounting principles and assign to ledger group

‡ Define valuation areas and assign to accounting principles

SAP FICO - New G/L Accounting

‡ How to activate new G/L accounting?

‡ Define ledgers for general ledger accounting

‡ Define currencies for leading currency

‡ Define & Activate Non-Leading Ledgers

‡ Define Zero-balance clearing account

‡ Define interest calculation types

‡ Define interest indicator

SAP FICO - Accounts Receivable

‡ Define account group for customers

‡ Maintain number ranges for customer account groups

‡ Assign number ranges to customer account groups

‡ Define risk categories

‡ Define tolerance group for Customers

‡ Create sundry debtors accounts

‡ Define Customer Master Record

SAP FICO - Accounts Payable

‡ What is Accounts Payable in SAP?

‡ Define vendor account groups

‡ Maintain number range intervals for vendor accounts

‡ Assign number ranges to vendor account groups

‡ Create payment terms

‡ Define accounts for cash discount taken

‡ Define Vendor reconciliation account

‡ Create vendor code

SAP FICO - Tax on Sales and Purchases

‡ What is Sales tax and Purchase tax in SAP?

‡ Define tax calculation procedures

‡ Assign country to calculation procedure

‡ Assign tax codes for non taxable transactions

‡ Maintain tax codes for sales and purchases

‡ Define tax accounts in SAP

SAP FICO - Bank Accounting

- ▮ What is Bank Accounting in SAP?
- ▮ Define bank key
- ▮ Define house bank in SAP
- ▮ Create check lots
- ▮ Automatic payment program

SAP FICO - Asset Accounting

- ▮ What is Asset Accounting in SAP?
- ▮ Define Chart of Depreciation
- ▮ Assign chart of depreciation to company code
- ▮ Specify Account Determination
- ▮ Number range intervals for Assets
- ▮ Maintain Asset Classes
- ▮ Define tax accounts in SAP

SAP Controlling Training

- ▮ SAP CO Tutorials

SAP TCodes

- ▮ SAP TCodes
- ▮ SAP FI TCodes