

Maintain Financial Management Area in SAP | FM Area SAP

How to create Financial Management area in SAP

In this tutorial you will learn how to maintain financial management area in SAP Fico step by step. We are going to implement the following FM areas in SAP

FM Area	FM area text	FM area Currency
FM01	TKART FM Area -In	INR
FM02	TKART FM Area -SGD	SGD
FM03	TKART FM Area -US	USD

Important configurations to refer

[Define company code in SAP](#)

[Define business areas in SAP](#)

[Define functional area in SAP](#)

What is FM areas in SAP?

Financial management area in SAP is an organisational unit that organises the company from aspect of cash management and funds management.

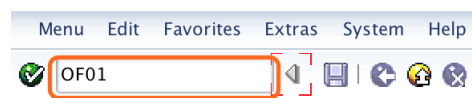
You can assign one or more company codes to a FM area in SAP. The financial management area is taken from the company when assign company code to an FM area in SAP.

Implementation process

You can maintain FM area in SAP by using navigation method or transaction code.

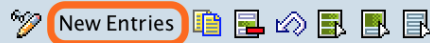
- Navigation: – [SPRO](#) – [IMG](#) – Enterprise Structure – Definition – [Financial Accounting](#) – Maintain FM Area
- Transaction Code: – [OF01](#)
- Database table: –[FM01](#), [FM01T](#).

Step 1) Enter [transaction code](#) “OF01” in the SAP command field and enter to continue.



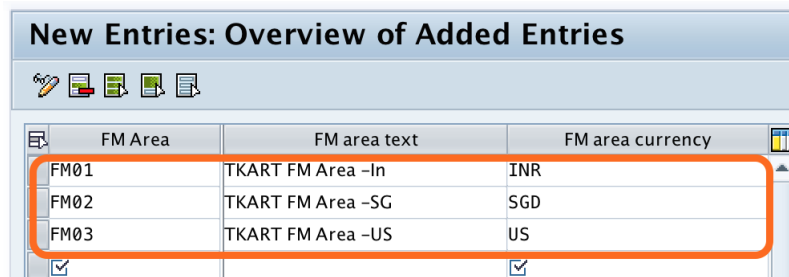
Step 2) On change view “Create FM Areas” Overview screen, click on entries button to create new financial management area in SAP as per the organizational requirements.

Change View "Create FM areas": Overview



Step 3) On new entries: Overview of added entries screen, update the following details.

- **FM Area:** – Give the four alphanumeric key that identifies the Financial Management Area in SAP.
- **FM Area Text:** – Update the descriptive text of Fm area.
- **FM area currency:** – Update the currency key under which currency financial management areas are to be maintained.

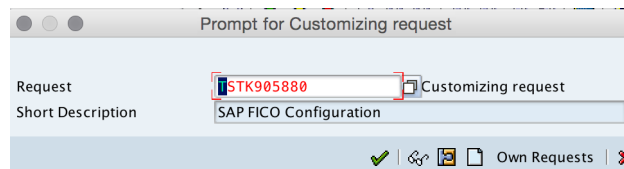


FM Area	FM area text	FM area currency
FM01	TKART FM Area -In	INR
FM02	TKART FM Area -SG	SGD
FM03	TKART FM Area -US	US

After updating all the details, click on save button and save the configured details.



Step 4) Now you are prompted for customise request number to save the FM area in SAP, choose request number and save the details.



Successfully we have maintained Financial management area in [SAP](#).

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