

What is Accounts Payable (AP) in SAP FICO

What is Accounts Payable in SAP ?

Accounts Payable (AP) is an important application of **SAP FICO** module that helps to record and manage accounting data of all **vendors**. In SAP, sundry creditors are called accounts payables and sundry debtors are called accounts receivable.

SAP Accounts payable accounting is also called as sub-ledger accounting, as the business transactions are carried out individually in the vendor accounts. All the transactions that are processed in accounts payable are recorded directly in the general ledger account. The real time updating will be done through the settings made in general ledger master while creation of account. The settings are done by choosing vendors for reconciliation account for account type. Every postings that is done in accounts payable generates a respective posting to a assigned general ledger account and ensures that the sub ledgers are always reconciled with the general ledger.

SAP FI accounts payable can be integrated with SAP FI – GL (General Ledger), FI-AA (Asset Accounting), SAP MM (Material Management), etc. The deliveries and invoices are managed according to the vendors.

Important configuration steps of accounts payable

Structure	
▼	Financial Accounting
▶	Financial Accounting Global Settings
▶	General Ledger Accounting
▼	Accounts Receivable and Accounts Payable
▶	Customer Accounts
▼	Vendor Accounts
▼	Master Data
▶	Preparations for Creating Vendor Master Data
•	Data Transfer Workbench
•	Delete Vendor Master Data
▶	Preparations for Changing Vendor Master Data
▶	Request to Change Master Data
▶	Matchcode
▶	Line Items
▶	Balances

S.no	SAP Accounts Payable Configuration steps
1	Define vendor account groups in SAP
2	Create number ranges for vendor accounts
3	Assign number ranges to vendor accounts
4	Maintain terms of payment for vendors
5	Define accounts for exchange rate difference
6	Define field groups for vendor master records
6	Define accounts for bank charges
7	Define payment block reasons
8	Define tolerance for vendors in SAP
9	Define accounts for payment differences
10	Set up all company codes for payment transactions
11	Set up payment methods per country for payment transactions
12	Define void reason codes
13	Define reconciliation accounts for vendors
14	Define interest calculation types
15	Define time dependent terms
16	Automatic Payment Program (APP)

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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

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SAP TCodes

‡ SAP TCodes

‡ SAP FI TCodes