Customer Defined Fiscal Year Variants (Example 4-4-5) & Alternative Fiscal Year Variant in S/4HANA Public Cloud Projects

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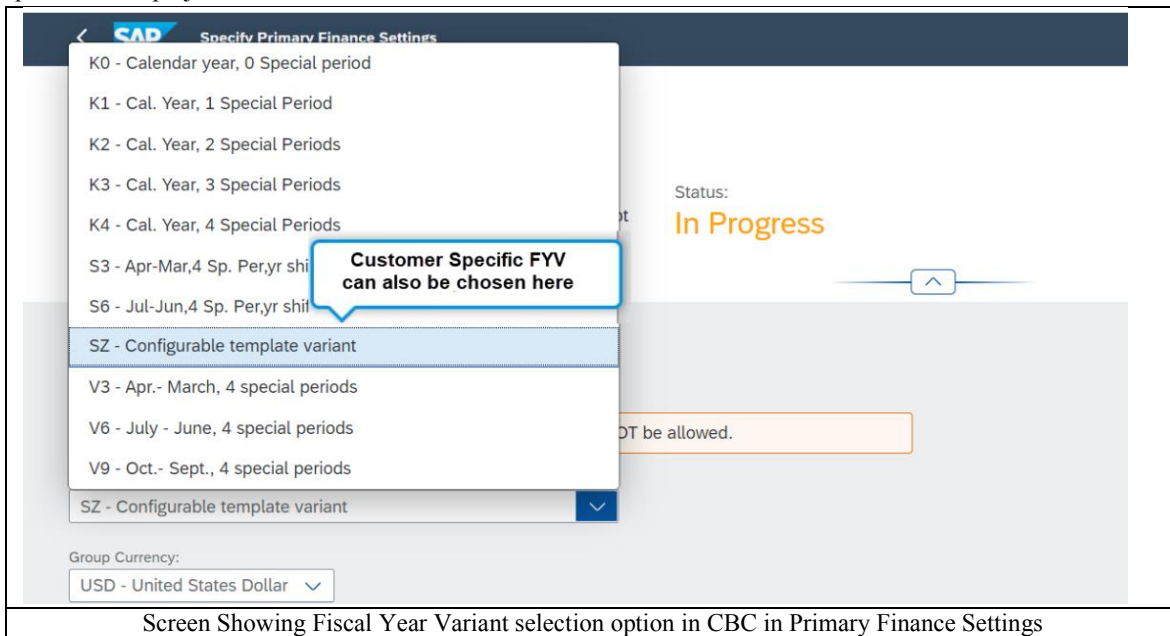gunturusap@gmail.com

Business Context and Abstract:

We use the SZ fiscal year variant to configure our own fiscal year variant in SAP S/4HAA Public Cloud System if SAP pre-delivered fiscal year variants don't match business requirements.

Example: Define an industry-specific fiscal year variant, based on the 4-4-5 rule or use 13 posting periods and 3 special periods for your fiscal year variant.

The Best example is "4-4-5" calendar. This is very common in the Retail or Manufacturing Industry. Usually, the fiscal year starts on the first Sunday of the year. Each quarter is grouped into 4 weeks / 4 weeks / 5 weeks (4-4-5) giving quarters of nearly equal length. We have to define every fiscal year from scratch.

How to do this in SAP S/4HANA Cloud??

To configure our own Fiscal year, firstwe need to set SZ as the common Fiscal year Variant within the Specify Primary Finance Settings phase of your implementation project. Then only we can configure SZ using the "Maintain Fiscal Year Variants" configuration activity (ID: 102712) in the Product-Specific Configuration phase of your implementation project.
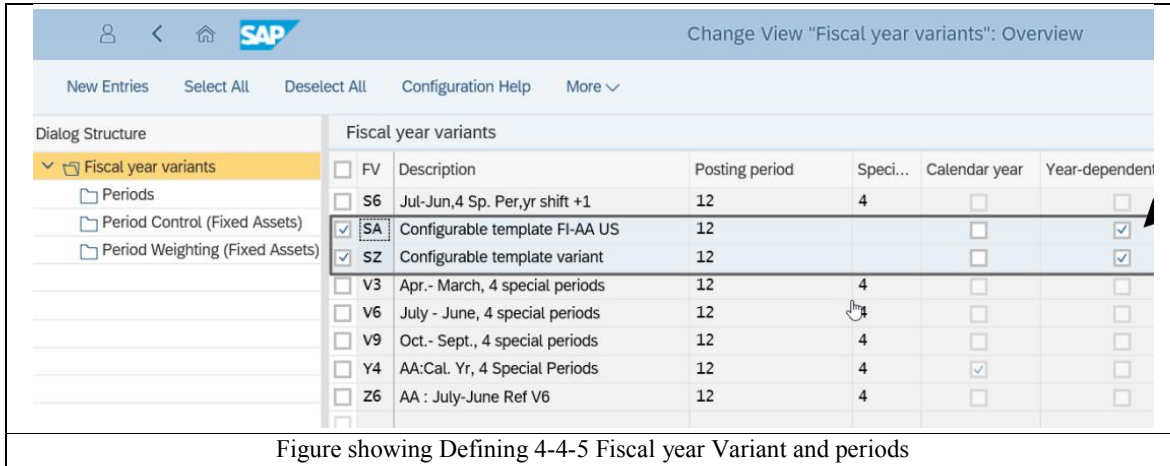
Screen Showing Fiscal Year Variant selection option in CBC in Primary Finance Settings

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Figure showing Defining 4-4-5 Fiscal year Variant and periods

Important Information:

- Industry-specific fiscal year variants, such as the 4-4-5 variant or Fiscal year variant with 13 posting periods, are not supported as the alternative Fiscal year Variant in Public Cloud.
- Please note that the Number of periods for a fiscal year variant should not exceed 16 which includes special Positing periods 4. These special periods is restricted to 4.
- You cannot change Fiscal year Variant if there are posting. No Postings in the system.
- The organizational structure steps should be completed.
- Definition of periods, period controls and period control methods can be maintained in the DEV System. we cannot do this in Starter system for testing. In the DEV system we have to do this before we post first posting.

You may visit

https://help.sap.com/viewer/disclaimer-for-links?q=https%3A%2F%2Fgo.support.sap.com%2Froadmapviewer%2F%23%2Fgroup%2FBE47098A-617A-43EF-A27E-DFD801D70483%2FroadmapOverviewPage%2FIMPS4HANACLDENMGMT%3A001999B7BD851ED68D97F853D2C742CE for SAP Activate Roadmap Viewer to get complete information on the available fiscal year variants.

To define Year-dependent variant, in the Maintain Fiscal Year Variants configuration activity, we have to define the three previous fiscal years have also been maintained with this variant.

How to implement Alternative Fiscal Year Variant??

Business Context

Because of local Law, we may have to create an alternative fiscal year variant for a company code to meet local close, or it may be for group close . This may be part of your new Public Cloud implementation project. Some times, we may need this on a system that is up& running.

How to fulfil this in SAP S/4HANA Public Cloud System? & What is available in SAP S/4HANA Public Cloud??

In SAP S/4HANA Public Cloud system, we can define a fiscal year in addition to the fiscal year variant that is assigned to our company code. This might be required for one of the company codes for localclose. SAP recommendscreating a non-leading as a parallel ledger for local accountingPrinciple and the leading ledger(0L) for group accounting.

Alternative Fiscal Year Variant can be assigned to company code level only to the parallel, non-leading ledger. In that Ledger, there should not be any posting when we assign the ledger.

For Configuration Activity: Assign Fiscal Year Variants to Ledgers and Company Codes (ID 105409)

During Product-Specific Configuration phase, in the CBC, we can do this activity for public cloud project. To do this activity, you need to have Business Roles - SAP_BR_BPC_EXPERT

Important points to consider.

To implement an alternative Fiscal year variant for local close, 0L - leading ledger must be assigned to Group - accounting principle IFRS.

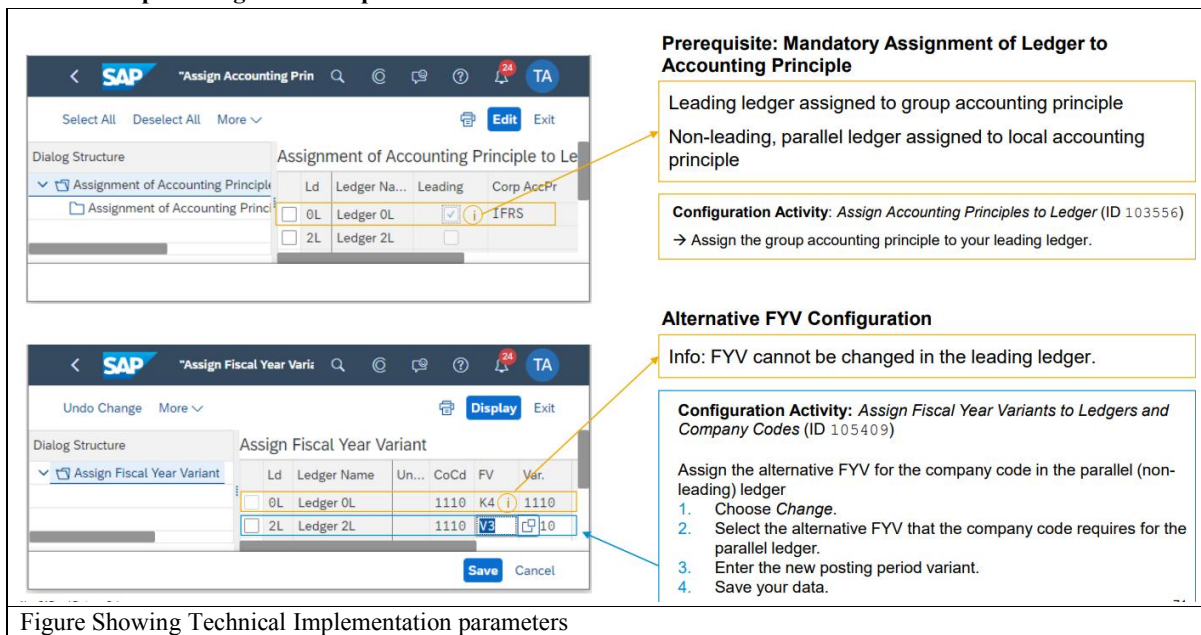Company codes that require an alternative Fiscal year variant should not have any posting.

Thus industry-specific fiscal year variants, such as the 4-4-5 variant and 13 posting period FYV, will notbe supported as an alternative FYV, if the posting periods of the common FYV follow the calendar month schedule. ▪ Refer SAP Note 3012991.

3169537 - SAP S/4HANA Cloud: Release Restriction Note for the Alternative Fiscal Year Variant

Technical Implementation of Alternative Fiscal Year Variant for Local Close

Below is sample configuration step

Figure Showing Technical Implementation parameters

How to Manage Posting Period Variant for Alternative Fiscal Year Variant in S/4HANA Public Cloud?
1. Open the Manage Posting Period Variants app.
2. Choose Complete Posting Period Variant.
3. Enter the posting period variant provided by SAP (SAP Knowledge Base Article 3012991) and specify a reference posting period variant.
4. Choose OK.

How to Manage Posting Period for Alternative Fiscal Year Variant S/4HANA Public Cloud?
1. Open the Manage Posting Period Variants app.
2. Select your new posting period variant provided by SAP (SAP Knowledge Base Article 3012991).
3. Go to the Manage Posting Periods app.
4. Choose Set Posting Periods.
5. Choose Open Periods.

REFERENCES

[1]. Further information can be found on SAP Product Assistance help.sap.com.
[2]. Also Refer SAP Note 3169537 - SAP S/4HANA Cloud: Release Restriction Note for the Alternative Fiscal Year Variant.
[3]. SAP S/4HANA Cloud | SAP Help Portal
[4]. SAP S/4HANA Cloud Public Edition

[5]. Understanding the Universal Journal in SAP S/4HANA - SAP Community

[6]. What Makes the Universal Journal UNIVERSAL in SAP ... - SAP Community