

SAP Solution Brief
mySAP ERP



THE NEW GENERAL LEDGER CAPABILITIES OF mySAP™ ERP

In today's environment, your organization needs to satisfy a wide range of internal and external reporting requirements – and do so quickly. The mySAP™ ERP solution now unites all general ledger applications into a single function to support all internal and external accounting requirements. As a result, it helps your organization comply with the latest standards for corporate governance, international financial reporting, flexibility, and fast close. Best of all, it adapts easily to the specific reporting requirements of your industry and your enterprise.

Internal and External Reporting, Combined

“Where traditional G/L solutions have required the reconciliation of multiple applications, mySAP ERP now provides a unified structure that includes the functions cost of sales ledger, profit center accounting, special ledger, and the consolidation staging ledger.”

The world of accounting has changed dramatically in recent years. And the mySAP™ ERP solution has changed with it. Where traditional general ledger solutions have required the reconciliation of multiple applications, mySAP ERP now provides a unified structure that includes individual ledgers, such as the cost-of-sales ledger, profit center accounting, and the consolidation staging ledger. As a result, it speeds reconciliation, ensures transparency and auditability, and enables you to meet both internal and external reporting requirements.

The general ledger capabilities within mySAP ERP are based on a broader unified database. For instance, company code, segment, and profit center are contained in a single data record which can easily be extended to include other fields. This functionality increases data quality, eliminates reconciliation measures, and allows faster execution of period-end closing.

And because all relevant data is united in the general ledger capabilities, working with the system is considerably easier than before. These features make the general ledger capabilities of mySAP ERP an essential part of your company's overall compliance efforts.

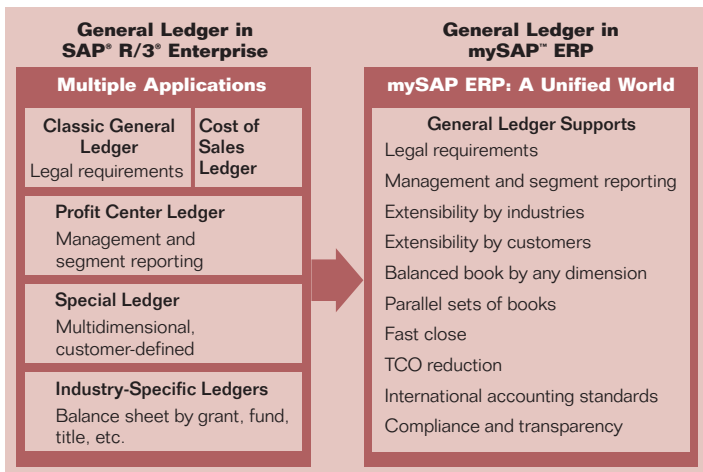


Figure 1: General Ledger Capabilities in SAP® R/3® Enterprise and mySAP™ ERP – The Unified World

Parallel Financial Reporting

For listed companies in the European Union, new financial reporting regulations such as the International Financial Reporting Standards (IFRS) will apply to all consolidated financial statements filed as of 2005. In addition, local requirements will remain in force. Parallel reporting is critical to your company's ability to meet these new standards. But until now, it has been difficult to gather, store, and report the valuation bases required to settle the various accounts, making parallel reporting a challenge.

With the new general ledger capabilities of mySAP ERP, parallel financial reporting can be represented in several ledgers. These ledgers are provided with contents through a unified posting transaction. Or, they may be analyzed through a unified reporting tool for purposes such as the balance sheet or profit-and-loss statements.

Balanced Books by any Dimension

When updating the general ledger within mySAP ERP, you have the option to activate a document enhancement, or online split. This enhancement is designed to project account assignment objects into line items to which they were not originally assigned. For example, in the case of an incoming invoice, the profit centers from the expense lines can be automatically projected into the payables lines. This capability increases the transparency of postings, and enables you to create supplementary internal balance sheets. As a result, it is no longer necessary to execute a periodic collective adjustment posting for balance sheet and profit-and-loss statements, since all information is already available on the document level.

The online splitting function is also available for customer-defined and industry-specific fields. And it can be applied not only to individual documents but throughout the entire document chain. The advantages of the online splitting function include:

- **Extensibility and flexibility** – Because mySAP ERP allows you to add new fields, you can create management reports, supplementary balance sheets, and profit-and-loss statements for industry-specific and enterprise-specific purposes.
- **Increased data quality** – In mySAP ERP, the results of the document split are visible in the document itself. This eliminates the need for additional check steps in alternative lists, and improves data quality.
- **Accelerated closing** – The elimination of additional periodic splitting programs significantly speeds up the closing process. Subsequent closing processes, such as foreign currency valuation, may be executed immediately.

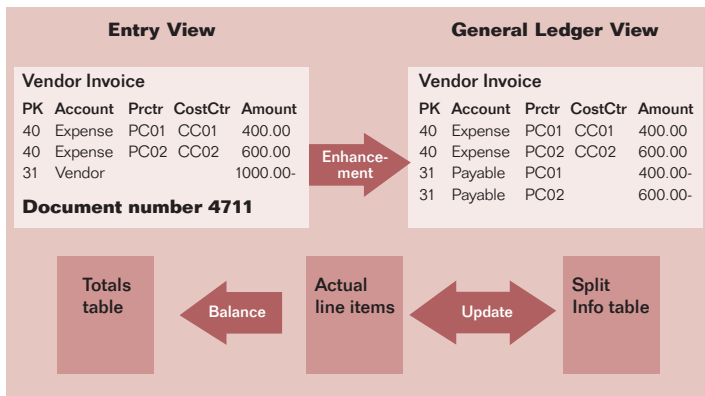


Figure 2: Document Split: Invoice

Greater Control and Lower Costs

Key benefits of using mySAP ERP general ledger capabilities include:

- **Convergence** – mySAP ERP supports the growing trend toward the convergence of financial accounting and controlling.
- **Unified reporting** – You can create reports in compliance with a variety of requirements. These include international regulations such as IAS/IFRS, country-specific regulations such as United States Generally Accepted Accounting Principles, and any requirements specific to an industry or enterprise.
- **Real-time reconciliation** – Through a real-time connection, postings in controlling can pass immediately to the general ledger, without the need to trigger other programs. As a result, controlling and general ledger accounting are always reconciled.
- **Fast close** – By concentrating data under a single umbrella, mySAP ERP yields greater transparency for auditing and corporate governance purposes. In addition, it accelerates period-end closing to help you achieve fast close.

- **Minimal training** – Because mySAP ERP retains many features of the familiar SAP® R/3® software interface, experienced users will require little or no training.
- **Lower costs** – Easy to set up and operate, the general ledger capabilities of mySAP ERP help reduce your total cost of ownership.

Making the Transition

The new general ledger capabilities are automatically activated upon implementation of mySAP ERP. If you are a customer running an earlier SAP software release, you have the option to move to mySAP ERP without initially changing the classic general ledger format. To guide you and your consultants through the process, SAP provides a manual that describes the most common transition scenarios and available support programs.

Get the Full Story

To meet the internal and external reporting requirements of today and tomorrow, you need a comprehensive, unified general ledger. And that's exactly what you get with the general ledger capabilities of mySAP ERP.

For additional details on how mySAP ERP can help your organization achieve full compliance while controlling costs, please visit our Web site at www.sap.com/contactsap

Powered by SAP NetWeaver™

mySAP ERP is powered by the SAP NetWeaver™ platform – the open integration and application platform that provides the best way to integrate all systems running SAP or non-SAP software. SAP NetWeaver unifies integration technologies into a single platform and is preintegrated with business applications, enabling change and reducing the need for custom integration.

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