

Chart of Accounts Overview

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The Chart of Accounts is the core of the application - all financial transactions saved contain at least two GL Account Numbers from the Chart of Accounts. For the most basic transaction, one GL Account is used for the debit and a different GL Account is used for the credit side of the transaction.

The GL Accounts are divided into two basic account groupings - Balance Sheet Accounts and Income & Expense type Accounts. When setting up your company GL Accounts, each account is assigned to an Account Type. The Account Type determines whether the transactions posted to the account will appear on the Balance Sheet or the Income Statement. A list of the available Account Types and their definitions are below.

The Retained Earnings GL Account within is a balance sheet equity type of account. The balance in this account is a calculated value - the net of all income and expenses. This amount is calculated when closing a fiscal accounting year. Users cannot make Journal Entries into this account.

New GL Accounts may be added at any time and accounts that will no longer be used may be retired by setting the GL Account to Inactive. All historical transactions posted to an account that has been inactivated will remain in the database; however, this account will no longer be available for future use. Prior to inactivating an account, make certain the account is not being used as a default account in another table. If this is true, change the default to another account.

GL Accounts may be deleted only if there has never been any activity in the account. If your company has closed at least one Fiscal Accounting Year, and there was no activity in the account at the time of the close, the account will not be available for deletion because the account has become a part of the Fiscal Year history. The User will only be able to set the account to inactive.

A few Basic GL Accounts are delivered with the software. These are accounts that the software needs to perform basic accounting functions. These accounts may not be deleted. You can add as many additional GL Accounts as needed for your company.

General Ledger Account Types

Account Type	Balance Sheet or Income Statement	Typical Account Number Range
Bank	Balance Sheet	1000 - 1999
Current Asset	Balance Sheet	
Fixed Asset	Balance Sheet	
Other Asset	Balance Sheet	
Current Liability	Balance Sheet	2000 - 2999
Other Liability	Balance Sheet	
Long Term Liability	Balance Sheet	
Equity	Balance Sheet	3000 - 3999
Distribution	Balance Sheet	
Income	Income Statement	4000 - 4999
Cost of Goods Sold	Income Statement	5000 - 5999
Expense	Income Statement	6000 - 6999