

## Ledger Entries – How to Define Debit Accounts

<i>Speech</i>	<i>Cursor Actions</i>
In order for Ledger Entries to work properly, you must specify account codes corresponding to accounts in the Chart of Accounts in your accounting software. The account codes must be defined before Sumac can create Ledger Entries	Slide: Ledger Entries use account codes that match the Chart of Accounts in your accounting software.
Before watching this video, make sure you watch: <ul style="list-style-type: none"> <li>Ledger Entries – Overview</li> </ul>	Slide: Before watching this video, watch: <ul style="list-style-type: none"> <li>Ledger Entries – Overview</li> </ul>
Debit accounts usually correspond to payment types used for a transaction, and also accommodate discounts.	Slide: Debit accounts refer to the payment type and discounts.
You should define a debit account for each type of payment you accept, as well as an account designated for tracking discounts you may offer.	Slide: You must set up debit accounts for: <ul style="list-style-type: none"> <li>every form of payment you accept (e.g. cash, cheque, MasterCard)</li> <li>discounts offered</li> </ul>
Once all of this is defined, and you begin processing payments for transactions, Sumac will ledgerize all transactions into the appropriate debit and credit accounts. In the end, the sum of all debits will equal the sum of all credits.	Slide: As you process transactions, Sumac creates ledger entries. The sum of debits will equal the sum of credits.
To set up new Account Codes, expand Utilities, Customize Database, then click Lookup Lists.	Show console. Expand Utilities, Customize Database, click Lookup List.
Choose the Area: Payments, then click the Lookup List: Accounts.	Choose Area: Payments, Choose Lookup List: Accounts
Click New to add a new account.	Click New.
When you enter an account to this Lookup List, you enter two pieces of information: <ul style="list-style-type: none"> <li>the code that is used by your financial accounting software, and</li> <li>a name which is presented to users of Sumac so that they can make the appropriate choice when selecting an account</li> </ul>	Point to Account Code field  Point to Account Name field
Ensure you are entering the code exactly as it appears in your accounting program. For this example, let's define an account for Visa transactions.	Enter Account Code
Since we are defining an account for Visa, we'll just enter the Account Name as "Visa."	Enter Account Name "Visa"
In the future, if you discontinue the use of this account, you can mark it as inactive.	Point to Inactive

If this is a Debit Account, turn on this checkbox.	Point to Is Debit Account
Since we are defining a Debit Account for Visa transactions, put a check mark here.	Put check mark in Is Debit Account
Click OK to save this Account.	Click OK
Now let's define an account for discounts.	
Click New, and enter the appropriate Account Code and Account Name for discounts.	Click New. Enter Account Code. Enter Account Name "Discounts"
Remember the put a check mark next to "Is Debit Account."	Put check mark in Is Debit Account
Click OK to save this Account.	Click OK
Continue these steps until you have defined all the account codes for the various payment types you accept and discounts you offer.	
<i>Check out more training videos to learn more about managing Ledger Entries in Sumac!</i>	Slide: "Move on to Ledger Entries – How to Assign Default Debit Accounts"