

Accounting Foundations

You don't need to be an Accountant to use Sage 100 Contractor, but understanding how the General Ledger works makes everything else click into place.

In this guide, you'll learn to;

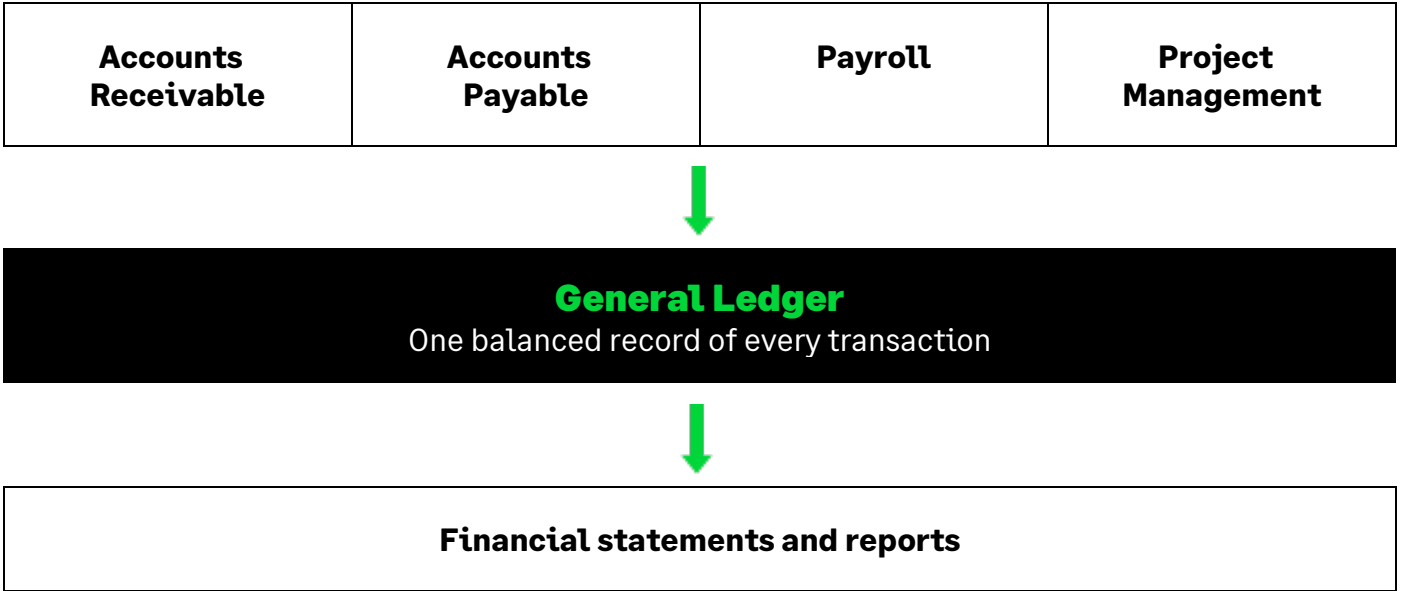
- Explain what the General Ledger is and why it matters
- Describe how information flows from each module into the General Ledger
- Tell the difference between ledger and subsidiary accounts
- Recognize where your financial statements come from

The big idea

The General Ledger is the single record of every dollar that moves through your business. Every other module ultimately posts to it.

How information flows to the General Ledger

When you record an invoice, a payment, or a payroll run, Sage 100 Contractor posts the accounting behind the scenes. You work in the module you know, and the General Ledger stays in balance automatically.



Ledger versus Subsidiary Accounts

Two kinds of accounts work together: Ledger Accounts hold the totals, and Subsidiary Accounts hold the detail behind them.

Ledger Account (The summary)

A control account that shows a single balance, for example, your total Accounts Receivable.

Subsidiary Account (The detail)

The breakdown behind that total, for example, the balance owed by each individual client.

1-7 General Ledger Accounts | Training Data

File Edit View Options Help

1003

* Account Name

* Short Name

Summary Account

Account Type

Starting Balance

Beginning Balance

Ending Balance

Subsidiary Type

Cost Type

	2019 Balances	Previous Year	2019 Budget
Period 1			
Period 2			
Period 3			
Period 4			
Period 5			
Period 6			
Period 7			
Period 8			
Period 9			
Period 10			
Period 11			
Period 12			

Subaccounts ☐ Use job numbers as subaccount numbers

Enter a long name (used in financial reports) | * Entry is required

The 1 - 7 General Ledger Accounts window, where your chart of accounts lives.

Where your financial statements come from

Because every module posts to the General Ledger, your Balance Sheet, Income Statement, and other financial reports are always built from the same, up-to-date record. There's no separate step to "pull the numbers together". They're already there.

Tip

This guide is your foundation. Recording checks and deposits, bank reconciliation, and year-end are covered in other learning.

Key takeaways

1. The General Ledger is the single, balanced record that every module posts to.
2. Ledger Accounts summarize; Subsidiary Accounts hold the detail behind them.
3. Your financial statements are built directly from the General Ledger.