



How to Setup the Chart of Account in Cloud Accounting System

Scenario:

Discover How to Setup the Chart of Account in Cloud Accounting System before starting to key in any transactions. Read on to learn more.

Solution

Chart of Accounts

The Chart of Accounts is a list of all your General Ledger Financial accounts. These are the posting accounts that are used when you make system transactions.

It serves as the backbone of your database because different modules in the system are anchored in Chart of Accounts such as the Accounts Receivables, Accounts Payables, Stocks, Sales and SST, etc.

GL Accounts can be viewed, edited, and deleted by going to General Ledger then click **Chart of Accounts** under Navigation Pane.

The screenshot displays the QNE Cloud Accounting System interface. The top navigation bar includes the QNE logo, a search bar, and user information (Jane Doe). The left sidebar shows the navigation menu with 'General Ledger' expanded, and 'Chart of Account' highlighted. The main content area shows the 'Chart of Accounts' setup page with a table of pre-defined accounts.

Account	#	Type	
▶ SALES	INC		...
▶ SALES ADJUSTMENT	INA		...
▶ LESS: COST OF SALES	COG		...
▶ ADD: OTHER INCOME	OTI		...
▶ LESS: EXPENSES	EXP		...
▶ LESS: TAXATION	TAX		...
ADD: EXTRA ORDINARY INCOME	EOI		...
LESS: EXTRA ORDINARY EXPENSES	EOE		...
APPROPRIATION ACCOUNT	APP		...
▶ FIXED ASSETS	BFA		...
▶ INTANGIBLE ASSETS	BIA		...
▶ CURRENT ASSETS	BCA		...
▶ CURRENT LIABILITIES	BCL		...
LONG TERM ASSETS	BLA		...
▶ EQUITY	BEQ		...
▶ LONG TERM LIABILITIES	BLL		...
OTHER LIABILITIES	BOL		...

(The above and succeeding screenshot is taken from the Sample Company, with pre-defined sample Accounts and transactions.)

QNE Chart of Accounts has already defined default structures and Account Titles based on the accounting standards.

In order to view General Ledger Accounts, click the arrow icon beside each Account Type.

Chart of Accounts

Chart of Accounts

Search

Account	#	Type	
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▶ SALES ADJUSTMENT	INA		...
▶ LESS: COST OF SALES	COG		...
▶ ADD: OTHER INCOME	OTI		...
▶ LESS: EXPENSES	EXP		...
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APPROPRIATION ACCOUNT	APP		...
▶ FIXED ASSETS	BFA		...
▶ INTANGIBLE ASSETS	BIA		...
▶ CURRENT ASSETS	BCA		...
▶ CURRENT LIABILITIES	BCL		...
LONG TERM ASSETS	BLA		...
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OTHER LIABILITIES	BOL		...

Chart of Accounts

Search

Account	#	Type	
▶ SALES	INC		...
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APPROPRIATION ACCOUNT	APP		...
▶ FIXED ASSETS	BFA		...
▶ INTANGIBLE ASSETS	BIA		...
▼ CURRENT ASSETS	BCA		...
TRADE DEBTORS	700-0000	Debtors Control Account	...
▶ CASH AT BANK	700-0300	Bank Account	...
CASH IN HAND	700-0400	Cash Account	...
DEBTOR CONTROL FOREIGN EXCHANGE	700-0500		...
STOCK	700-0600	Stock Account	...
DEPOSIT & PREPAYMENT	700-0800		...
H.P. INTEREST SUSPENSE	700-0900		...
GST CONTROL ACCOUNT	700-9000		...
GST LIABILITY - AR	700-9100		...
GST CLAIMABLE ACCOUNT	700-9200		...
GST FROM DEPOSIT	700-9300		...
RESIDUAL INPUT TAX	700-9400		...

NOTE: GL Accounts can be setup in multi-level, and allows to be presented up to 3rd-Level in the Balance Sheet Reports and Profit and Loss Reports.

Creating a New GL Account Code

To create new GL Account, click the specific Account Type or Parent Account, then click 'New'.

Chart of Accounts			
		Search	<input type="button" value="New"/> <input type="button" value="Preview"/> <input type="button" value="Reload"/>
Account	#	Type	
▶ SALES	INC		...
▶ SALES ADJUSTMENT	INA		...
▶ LESS: COST OF SALES	COG		...
▶ ADD: OTHER INCOME	OTI		...
▶ LESS: EXPENSES	EXP		...
▶ LESS: TAXATION	TAX		...
▶ ADD: EXTRA ORDINARY INCOME	EOI		...
▶ LESS: EXTRA ORDINARY EXPENSES	EOE		...
▶ APPROPRIATION ACCOUNT	APP		...
▶ FIXED ASSETS	BFA		...
▶ INTANGIBLE ASSETS	BIA		...
▼ CURRENT ASSETS	BCA		...

In the **Account Entry** Form, enter the GL *Account Code* and *Description*, assign the Normal Balance whether Debit or Credit, and define the **Special Account Type** if necessary.

The screenshot shows the 'Account Entry' dialog box overlaid on the 'Chart of Accounts' list. The dialog box contains the following fields and options:

- Account Type:** CURRENT ASSETS
- Parent:** BCA - CURRENT ASSETS (dropdown)
- Account Code:** 700-0300
- Account Name:** CASH AT BANK
- DR CR:** DEBIT (selected with a yellow circle)
- Special Account Type:** Bank Account (dropdown)
- Tariff Code:** (empty dropdown)
- Active:** ☒

The background 'Chart of Accounts' list shows a tree structure with 'CURRENT ASSETS' expanded, showing sub-accounts like 'TRADE DEBTORS', 'CASH AT BANK', 'CASH IN HAND', 'DEBTOR CONTROL FOREIGN EXCHANGE', and 'STOCK'.

Special Account Type will not be editable if the GL Account being created is already considered the 2nd Level (Sub Account). It will only adhere to the same Special Account Type as the Parent Account from which it was tagged.

About Special Account Type in Cloud Accounting System

Like in the above sample, **101-0000: CASH IN BANK** under **Account Type: CURRENT ASSETS** is a Parent Account which was previously set with 'Bank Account' Special Account Type. Thus, all succeeding GL Accounts will be tagged as 'Bank Account'.

Here are the reference SACs available for each Account Type:

Current Assets:

- Bank Account
- Cash Account
- Debtors Control Account
- Purchase tax
- Stock Account
- Deposit Account

Fixed Assets:

- Accumulated Depreciation Account

Current Liabilities:

- Creditors Control Account
- Bank Overdraft Account
- Sales Tax
- Deposit Account

Equity:

- Accumulated Profit and Loss Account

Cost of Sales:

- Opening Stock Account
- Manufacturing Account
- Closing Stock Account

In the event that GL Account will no longer be used, **Active** toggle may be off and it will no longer display it in the Transactions.

Once details are complete, click '**Save**' or '**Save and Close**'.

▼ CASH AT BANK	700-0300	Bank Account	...
MAYBANK	700-0310	Bank Account	...
PUBLIC BANK BERHAD	700-0320	Bank Account	...
CASH IN HAND	700-0400	Cash Account	...
DEBTOR CONTROL FOREIGN EXCHANGE	700-0500		...
STOCK	700-0600	Stock Account	...
DEPOSIT & PREPAYMENT	700-0800		...
H.P. INTEREST SUSPENSE	700-0900		...

Edit and Delete a GL Account Code in Chart of Account

To edit or delete a GL Account, click the 3-dot button as presented below.

Account	#	Type	
▼ CURRENT ASSETS	BCA		...
▼ CASH IN BANK	101-0000	Bank Account	...
METROBANK	101-0010	Bank Account	...
CREDIT CARD	101-0020	Bank Account	...
BANCO DE ORO	101-0030	Bank Account	...
BANK OF THE PHILIPPINE ISLAND	101-0040	Bank Account	...
CASH ON HAND	102-0000	Cash Account	...
ACCOUNTS RECEIVABLE - TRADE	103-0000	Debtors Control Account	...
ACCOUNTS RECEIVABLE - OTHERS	104-0000	Debtors Control Account	...
ADVANCES TO EMPLOYEE	105-0000		...
STOCK INVENTORY	106-0000	Stock Account	...
INPUT VAT	107-0000		...
CREDITABLE WTAX	108-0000		...
DEFERRED INPUT VAT	109-0000		...

While it allows modification for an existing GL Account, deletion is not allowed once GL Account with existing Sub Ledgers, or when GL Account has already posted a transaction.

Chart of Accounts

InvoicesINV2212/002

Home / GL / Chart of Account

Chart of Accounts

Search

New

Preview

Reload

Account	#	Type	
SALES	INC		...
SALES - SMARTPHONE	100-0100		...
SALES - LAPTOP	100-0200		...
SALES - MONITOR	100-0300		...
SALES - OTHER	100-0400		...
SALES ADJUSTMENT	INA		...
LESS: COST OF SALES	COG		...
ADD: OTHER INCOME	OTI		...
LESS: EXPENSES	EXP		...
LESS: TAXATION	TAX		...
ADD: EXTRA ORDINARY INCOME	EOI		...
LESS: EXTRA ORDINARY EXPENSES	EOE		...
APPROPRIATION ACCOUNT	APP		...
FIXED ASSETS	BFA		...
INTANGIBLE ASSETS	BIA		...
CURRENT ASSETS	BCA		...
CURRENT LIABILITIES	BCL		...
LONG TERM ASSETS	BLA		...
EQUITY	BEQ		...
LONG TERM LIABILITIES	BLL		...
OTHER LIABILITIES	BOL		...

Print and Preview Chart of Account Master Listing

The list of accounts in the Chart of Accounts can be previewed in printable format by clicking the **'Preview'** button.

Chart of Accounts			
<input type="text" value="Search"/> <input type="button" value="New"/> <input type="button" value="Preview"/> <input type="button" value="Reload"/>			
Account	#	Type	
▶ SALES	INC		...
▶ SALES ADJUSTMENT	INA		...
▶ LESS: COST OF SALES	COG		...
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It generates the Chart of Account Listing Report.

Choose to print or export to a different file format if needed.

1 of 2 100% Reset

Print Export

Chart Of Account Listing

SAMPLE TRADING (M) SDN. BHD. (12345678) Page 1 of 2

Description	Code	Special Code
SALES	INC	
SALES - SMARTPHONE	100-0100	
SALES - LAPTOP	100-0200	
SALES - MONITOR	100-0300	
SALES - OTHER	100-0400	
SALES ADJUSTMENT	INA	
SALES - RETURN	150-0100	
DISCOUNT ALLOWED	150-0200	
LESS: COST OF SALES	COG	
OPENING STOCKS	201-0000	OST
PURCHASE	203-0000	
PURCHASES RETURNED	204-0000	
CARRIAGE INWARDS	205-0000	
CLOSING STOCKS	209-0000	CST
SST PURCHASE TAX	257-3000	
ADD: OTHER INCOME	OTI	
DISCOUNT RECEIVED	300-0100	
TRANSPORTATION CHARGES RECEIVED	300-0200	
FINANCE CHARGES INCOME	300-0300	
FOREX GAIN	300-0400	
UNREALISED FOREX GAIN	300-0600	
BAD DEBT RECOVERY	300-5000	
LESS: EXPENSES	EXP	
ADMINISTRATION EXPENSES	400-0000	
BANK CHARGES	400-0200	
DEPRECIATION OF FIXED ASSETS	400-0300	
SALARIES	400-0400	
WATER & ELECTRICITY	400-0700	
INSURANCE	400-0800	
TELEPHONE EXPENSES	400-0900	
FOREX LOSS	400-1100	
UNREALISED FOREX LOSS	400-1200	
BAD DEBTS	400-5000	
CUSTOM CHARGES	400-6000	
GST EXPENSES	402-0000	
ROUNDING ADJUSTMENT	403-0000	
SALES & MARKETING EXPENSES	401-0000	



NOTES



1. The Chart of Accounts is a list of all your General Ledger Financial accounts and serves as the Backbone of the company accounting.
2. GL Accounts can be setup in multi-level, and allows to be presented up to 3rd-Level in the Balance Sheet Reports and Profit and Loss Reports.
3. When creating a GL Account Code, you may define whether the the GL Account is a Special Account Type
4. Special Account Type are GL Accounts that serves a certain function in the system, e.g. Cash/Bank Account; Trade Debtor Control Account, and etc.
5. Deletion is not allowed for GL Account with existing Sub Ledgers, or when GL Account has already posted a transaction.