


Accounts Payable Ledger

The Accounts Payable Ledger, also sometimes known as the Purchase Ledger or Trade Creditors Ledger, is where the accounting aspects of the relationship with suppliers comes together and can be referred to.






Each supplier, once set up, will have a **Supplier Account** in which all transactions from bills, credit notes, payments to other miscellaneous items can be seen. Any balance should represent the true amount of money owed to your supplier; exceptionally it could represent an amount your supplier needs to repay to you.

Where to find a Supplier Account?

A supplier account is found under the **ACCOUNTS** menu

ACCOUNTS → **LIABILITY ACCOUNTS** → **ACCOUNTS PAYABLE** →  the relevant **Supplier** from the list.

The screen will display the details of all transactions that have impacted and the balance on that Supplier Account between the selected dates.

Date	Reference	Account	Name	Memo	Increase	Decrease	Balance
10/01/2006		Phone Company			£434.75	£0.00	£434.75
	Bill	Telephone (Fixed)					
19/01/2006		Phone Company			-£82.25	£0.00	£352.50
 	Credit Note	Telephone (Fixed)					
13/02/2006		Phone Company			£0.00	£352.50	£0.00
 	Online Payment	Current Account	Bill Payment				

What appears in the Suppliers Account?

Essentially any transaction recorded as between the Supplier and your entity will be shown in the Supplier Account.

Transactions are entered in the usual way as described in the user guides.

Cash Transactions

- ◆ Supplier Bills See **Receiving Supplier Bills** user guide
- ◆ Supplier Credit Notes See **Receiving Supplier Bills** user guide
- ◆ Miscellaneous Deposits See **Miscellaneous Deposits** user guide
- ◆ Payments See **Paying Supplier Bills** user guide
 - Cheques See **Writing Cheques** user guide
 - Debit/Credit Cards See **Using Debit / Credit cards** user guides
 - Electronic payments See **Electronic Payments** user guide

Non Cash Transactions

- ◆ Journal Entries See **Using Journal Entry** user guide

In simple terms you can use these transactions to manage the accounting relationship with your supplier.

In the context of a Supplier Account in the Accounts Payable ledger, miscellaneous deposits and journal entries are unusual transactions and care is required in their handling and understanding the implications. If you are in doubt please consult your accountant or advisor.

Note that a journal entry transaction is not available to be consumed in the bill payments screen, unlike all the other cash type transactions mentioned above. See **Receiving Supplier Bills** and **Paying Supplier Bills** user guides.

It is good practice to regularly review the balances on Supplier Accounts to ensure that the figures do represent the actual situation of what you owe (or you are owed) and that will be payable to your customer.

To help you do this you can both look at the situation on the screen, as described above, or print out a hard copy report as described below.

Note: It is not considered good practice to post a transaction directly to the Accounts Payable Control Account (The Parent account of all the Supplier accounts) so in any transaction screen where an account can be selected the control account will not be visible only the Supplier Accounts.

Getting a Supplier Account Transactions Report

A report showing all transactions, including the non cash journal entry is available under the **REPORTS** menu.

REPORTS → ACCOUNTS PAYABLE → AP LISTING

Enter the date range required and select the Supplier or Suppliers required

Accounts Payable Listing

Date range from to...

Please select supplier(s) Selected supplier(s) - Click to unselect

All

Computer Supplier Ltd

Local Newsagents

Office Supplies

Phone Company

All

A report in Adobe pdf format is prepared which may be printed at a local printer, saved locally or even emailed.

Consulting Company Ltd
Accounts Payable Listing
October 1, 2005 through December 31, 2006

Date	Reference	Type	Account	Memo	Charge	Payment	Balance
Computer Supplier Ltd							
02/01/2006		Bill	Asset Additions		1,022.25	0.00	1,022.25
01/02/2006		Online Payment	Current Account	Bill Payment	0.00	705.00	317.25
Local Newsagents							
09/01/2006	200406	Cheque	Current Account		0.00	705.00	(705.00)
09/01/2006		Bill	Reference Books & Periodicals		58.75	0.00	(646.25)
13/02/2006		Misc Deposit	Current Account		646.25	0.00	0.00
Office Supplies							
29/11/2005	Inv 4532	Bill	Suspense	Supplier Opening Balance	323.13	0.00	323.13
10/01/2006		Online Payment	Current Account	Bill Payment	0.00	200.00	123.13
13/02/2006		Online Payment	Current Account	Bill Payment	0.00	123.13	0.00
13/02/2006		Bill	Office Supplies		235.00	0.00	235.00
13/02/2006	200407	Cheque	Current Account	Bill Payment	0.00	235.00	0.00
Phone Company							
10/01/2006		Bill	Telephone (Fixed)		434.75	0.00	434.75
19/01/2006		Credit Note	Telephone (Fixed)		(82.25)	0.00	352.50
13/02/2006		Online Payment	Current Account	Bill Payment	0.00	352.50	0.00

13/02/2006 Page 1

An example from the Paying Supplier Bills screen

ACTIVITIES → PAY BILLS

Supplier: Mercury Office Supplies Ltd

Payment Date 15/02/2006	Method of Payment Online Payment	Bank Account Current Account	Reference pjt	Apply To All	Amount To Pay £464.12
----------------------------	-------------------------------------	---------------------------------	------------------	--------------	--------------------------

Bills

Pay	Due Date	Reference	Bill Amount	Amount Due ?	Amount Paid ?	Amount	Reference
<input checked="" type="checkbox"/>	08/02/2006	ref 1/06	£493.50	£493.50	493.50	305.49	pjt
<input checked="" type="checkbox"/>	04/03/2006		£158.63	£158.63	158.63	158.63	pjt

Unapplied Items

Use	Date	Document	Reference	Memo	Credit Amount	Unused Amt. ?	Amount To Use ?	Hide ?
<input checked="" type="checkbox"/>	01/02/2006	Credit Note			£29.38	£29.38	29.38	<input type="checkbox"/>
<input checked="" type="checkbox"/>	03/02/2006	Debit Card			£158.63	£158.63	158.63	<input type="checkbox"/>

In the example above £464.12 is being paid made up of a bill offset by the credit note, and a debit card payment for the other bill possibly paid at the time the goods were collected and before the bill had been received.