

## SAM Setup - Accounting Codes

**Art Centre Name:** \_\_\_\_\_

**Accountant/Bookkeeper name:** \_\_\_\_\_

<b>Account #</b>	<b>Account Type</b>	<b>Account Name</b>	<b>Account Definition</b>
_____ (required)	Assets	Art Centre Cash at Bank	This is the arts centre operating cash at bank account wherein sales income and payments to Artists are included, as well as other cash payment or cash receipt entries. This is shown in the art centre accounts page.
_____ (optional – if NA enter '1')	Assets	Account Receivable	Outstanding invoices and lay-bys. This is the amount owing from customers who have purchased art centre inventory items but have not yet paid the invoiced amount.
_____ (optional – if NA enter '1')	Assets	Main Inventory	This is the art centre owned inventory and stock. The purchase price paid for inventory purchased from an artist or supplier but not yet sold.
_____ (optional – if NA enter '1')	Assets	Goods In Transit	This is inventory items that are on consignment and have been dispatched. The value is the cost of the goods plus any shipping costs. Cost = artist commission % of retail price or purchase price of art centre owned items.
_____ (optional – if NA enter '1')	Assets	Goods Held for Sale	This is artist owned inventory and stock. It is the unsold stock that is <u>not</u> owned by art centres but is held by art centres until it is sold, from which the art centre usually takes a commission. Value based on commission rate calculated on retail price.

Account #	Account Type	Account Name	Account Definition
_____ (required)	Liabilities	Account Payable - Artists	This is the amount owing to Artists arising from the purchase of their artworks either from an outright purchase of their stock for art centre main inventory, or owing to artists for artist owned stock that has subsequently been sold by the art centre.
_____ (optional – if NA enter '1')	Liabilities	Account Payable – Artists - Clearing Account	This clearing account should be the amount owing to artists for artist owned stock not yet sold and for art centre owned stock purchased from Artists that is to be paid at point of sale, which has not yet been sold.  In both cases, when the artwork is sold, the amount is transferred from the clearing account to the accounts payable artist and is subsequently paid via a manual payment through cash at bank, which clears the amount owing.
_____ (optional – if NA enter '1')	Liabilities	Account Payable - Suppliers	This should be the amount owing to external suppliers for goods and services purchased on credit that are used in operating and maintaining the art centre.  The payment to these external suppliers is made manually via cash at bank, which clears the amount owing.
_____ (optional – if NA enter '1')	Liabilities	GST Control Account	The balance of the GST Control account at any point in time shows the GST to pay (credit balance) or the GST to be refunded or owed to the Art Centre (debt balance) for all entered transactions.
_____ (optional – if NA enter '1')	Revenue	Sales Income	Sales income revenue – accumulative.  Revenue is the total income an art centre earns over a period of time, usually aggregated over a financial year. It is the sales income earned by supplying products and services from its primary operations.  All sales income excludes GST. (GST is deducted from sales income and goes to the GST control account).

Account #	Account Type	Account Name	Account Definition
(optional – if NA enter '1')	Expenses	Cost of Goods Sold	<p>Accumulated purchases - purchased by the art centre.</p> <p>Is the direct cost of purchasing the artworks that are sold over a period of time, usually aggregated over a financial year.</p> <p>It is the cost price of the goods sold from either the main inventory when art centre owned or from goods held for sales when artist owned.</p>
(optional – if NA enter '1')	Expenses	Cost of Services Provided	<p>The cost of services provided is an expense relating to services provided by an Artist for undertaking workshops or from earning royalties or trailing commissions from previous works, which is paid to the art centre and then transferred to the artist via the accounts payable Artist account.</p> <p>Such payments are referred to as pass through costs, upon which the art centre may have an option to receive a commission for facilitating those payments.</p>
(optional – if NA enter '1')	Expenses	Stock Adjustment	<p>A stock adjustment account is used to update inventory accounts to correct the recorded quantity and value of stock for purposes other than normal sales or purchases, such as damaged goods, theft, or data entry errors.</p> <p>It is important to make such stock adjustment entries, usually after a physical stocktake, to ensure the inventory records accurately reflect the art centre's on-hand stock position.</p> <p>It is a critical process for ensuring accurate financial statements.</p>