Sales Discount - Local

- Approve
- POST to GL
- Settlement

APPROVE (Sales Discount - Local)

When a local sales discount is approved, the Trade debtor – control A/C's sub account's credit available will be added the discounted amount of money.

POST (Sales Discount - Local)

When a Local Sales discount is posted to GL, the following accounting entries are created.

GL Interface Type/[Account]	Account Usage	Sub-account	Currency	Dr	Cr	Notes
TRADE DEBTOR - CONTROL A/C	AR	Customer - Account	Prime		Discount	
SALES DISCOUNT	Ledger		Prime	Discount		

SETTLEMENT Sales Discount - Local

Once the sales discount is settled, Trade debtor – control A/C's sub account's credit available will deduct the discouted amount of money and the following accounting entries are created.

GL Interface Type/[Account]	Account Usage	Sub-account	Currency	Dr	Cr	Notes
CASH AT BANK	Bank		Prime		Discount	
TRADE DEBTOR - CONTROL A/C	AR	Customer Account	Prime	Discount		

Examples

Local Sales: Say, Discount=SGD5.00, Customer=CUS-000001.

1. APPROVE (Sales Discount - Local)

After approving the local sales discount, customer credit available will get SGD5 amount. And after posting the sales discount, the generated vouchers will contain:

2. POST Sales Discount - Local

GL Interface Type	Sub-account	Currency	PrimeDr	PrimeCr	BaseDr	BaseCr	Notes
STOCK IN HAND		SGD	90		90		
COST OF SALES		SGD		100		100	
COMMISSION PAID		SGD		(150-3)*2/100 = 2.94		2.94	
SALES DISCOUNT		SGD		3		3	
SALES		SGD	150		150		
GST-OUTPUT TAX (Sales)		SGD	(150-3)*7/100 = 10.29		10.29		
TRADE DEBTOR - CONTROL A/C	CUS-000001	SGD		(150-3)+10.29 = 157.29		157.29	
COST OF SALES variance		SGD	100-90 = 10		10		
TRADE CREDITORS-CONTROL A/C	SUP-000001	SGD	(150-3)*2/100 = 2.94		2.94		
Totals					**263.23**	**263.23**	