

Hierarchy of GL Account setup for Inventory

During posting of inventory transactions, i21 will look for GL Accounts in the following order and pick from where it finds first. If GL account for an Account Category is set up at different levels, the lowest level overrides the above.

1. **Item Setup**
 - a. This is the lowest level where GL accounts can be setup for items. This also overrides all other setup, i.e. Category, Commodity, and Company Location setup. See [How to Setup GL Accounts for the items](#).
2. **Category Setup**
 - a. Users can setup GL accounts for categories of items if accounts are same for all items in the category. If few items in a category are exceptions, gl accounts can be setup for individual items. The rest of the items will get the GL Accounts from category.
3. **Company Location Setup**
 - a. Users can setup inventory gl accounts for the company location, if all categories and items share the same gl accounts.
 - b. GL accounts need not be set for each location of the item. System picks the primary account and add the account segment for the location where inventory transaction is happening.