

Sample Classification of Accounts

Avoid using too many accounts. Break down sales into enough categories to show a clear picture of the business. Use different expense accounts covering frequent or substantial expenditures but avoid minute distinctions, which will tend to confuse rather than clarify. Use Miscellaneous Expense for small, unrelated expense items.

Assets

- 100-Cash in Banks
- 101-Petty Cash Fund
- 102-Accounts Receivable
- 103-Inventory
- 105-Materials and Supplies
- 107-Prepaid Expenses
- 108-Deposits
- 120-Land
- 121-Buildings
- 122-Accumulated Depreciation -- Buildings (Credit)
- 123-Tools and Equipment
- 124-Accumulated Depreciation -- Tools and Equipment (Credit)
- 125-Automotive Equipment
- 126-Accumulated Depreciation -- Automotive Equipment (Credit)
- 127-Furniture and Fixtures
- 128-Accumulated Depreciation -- Furniture and Fixtures (Credit)
- 130-Organization Expenses (to be amortized)

Liabilities

- 200-Accounts Payable
- 201-Notes Payable
- 205-Sales Taxes-Payable
- 206-FICA Taxes-Payable
- 207-Federal Withholding Taxes
- 208-State Withholding Taxes
- 209-Unemployment Taxes
- 220-Long-Term Debt-Mortgages Payable
- 221-Long-Term Debt-SBA Loan
- 225-Miscellaneous Accruals

Capital Accounts

For Corporations

- 300-Common Capital Stock
- 301-Preferred Capital Stock

For Proprietorships

- 300-Proprietorship Account
- 301-Proprietor's Withdrawals

- 305-Retained Earnings

Sales (Revenue) Accounts (Credits)

400-Retail Sales
401-Wholesale Sales
402-Sales-Service
405-Miscellaneous Income

Expenses (Debit)

500-Salaries and Wages
501-Contract Labor
502-Payroll Taxes
503-Utilities
504-Telephone
505-Rent
506-Office Supplies
507-Postage
508-Maintenance Expense
509-Insurance
510-Interest
511-Depreciation
512-Travel Expense
513-Entertainment
514-Advertising
515-Dues and Contributions
520-Miscellaneous Expenses