

THE WELL-DESIGNED FIRM

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MAPPING THE CHART OF ACCOUNTS TO FINANCIAL STATEMENTS

Balance Sheet

ASSETS		
1000	CURRENT ASSETS	
1100	Bank Accounts	
1110	Name of Bank A - Checking	\$47,280.65
1120	Name of Bank B - Retainer	\$42,614.30
1130	Name of Bank C - Money Market (Profit Holding)	\$234,757.33
1140	Name of Bank D - Other	\$5,271.54
	Total Current Assets	\$329,923.82
1210	Accounts Receivable	\$22,460.29
1220	Bad Debt (Write Offs)	-\$4,897.56
1230	Employee Advances	\$12,001.00
1240	Notes Receivable - (Current 12 Months)	\$4,621.35
1300	Fees Earned Unbilled (Work-In-Progress)	
1310	WIP Labor	\$9,293.14
1320	WIP Consultants	\$25,210.86
1330	WIP Reimbursables	\$42,092.20
	Total Fees Earned Unbilled)	\$76,596.20
1400	Prepaid Expenses	
1410	Prepaid Rent	\$10,151.20
1420	Prepaid Insurance	\$17,213.90
	Total Prepaid Expenses	\$27,365.10
	TOTAL CURRENT ASSETS	\$467,970.20
	LONG TERM ASSETS	
1500	Long Term Tangible Assets	
1510	Building & Building Improvements	\$1,309.59
1520	Owned Vehicles	\$42,139.98
1530	Computer Hardware Equipment	\$47,473.19
1540	Computer Software	\$16,327.33
1550	Furniture and Fixtures	\$31,597.05
1560	Leasehold Improvements	\$43,154.58
1570	Office Equipment	\$34,793.07
	Total Long Term Tangible Assets	\$216,794.79
1600	Accumulated Depreciation & Amortization	
1610	Accumulated Depreciation - Furniture and Fixtures	-\$48,947.70
1620	Accumulated Depreciation - Office Equipment	-\$24,389.63
1630	Accumulated Amortization - Leasehold Improvements	-\$23,598.19
1640	Accumulated Depreciation - Building & Improvements	-\$8,988.03
1650	Accumulated Depreciation - Company Owned Vehicles	-\$33,217.59
1660	Accumulated Depreciation - Computer Hardware Equipment	-\$47,722.73
1670	Accumulated Depreciation - Computer Software	-\$47,089.51
1680	Accumulated Amortization - Goodwill	-\$17,794.50
	Subtotal Accumulated Depreciation & Amortization	-\$251,747.88
1700	Other Assets	
1710	Deposits - Lease / Utilities / Etc.	\$33,313.41
1720	Goodwill	\$26,391.25
1730	Long Term Investments	\$14,569.06
1740	Life Insurance - Net Cash	\$1,531.93
1750	Payroll Clearing	\$30,758.10
1800	Notes Receivable - Long Term	\$39,419.14
	Subtotal Other Assets	\$145,882.89
	TOTAL LONG TERM ASSETS	\$111,029.80
	TOTAL ASSETS	\$579,000.00
	LIABILITIES	
2000	Accounts Payable	\$15,000.00
2100	Credit Accounts Payable	
2110	Credit Cards Payable #1	\$3,200.00
2120	Credit Lines Payable #2	\$7,500.00
	Total Credit Accounts Payable	\$10,700.00
2200	Fees Billed/Payments Received Unearned	
2210	Fees Billed Unearned	\$4,800.00
2220	Client Retainers/Initial Payments Received Unearned	\$6,000.00
	Total Fees Billed/Payments Received Unearned	\$10,800.00
2300	Payroll Payable	
2310	Salaries Payable	\$12,000.00
2315	Accrued Payroll Taxes (Employer's Portion)	\$1,500.00
2320	Accrued Bonuses & Distributions	\$2,000.00
2330	Accrued Vacation & Sick Leave	\$1,800.00
	Total Payroll Payable	\$17,300.00
2400	Payroll Withholdings	
2410	Federal Income Tax Withholdings	\$3,500.00
2415	Federal Social Security & Medicare Tax	\$2,200.00
2420	Federal Unemployment Insurance	\$600.00
2425	State Income Tax Withholding	\$1,000.00
2430	State Disability Insurance	\$400.00
2435	State Unemployment Insurance	\$300.00
2440	Workers' Compensation Insurance	\$800.00
2445	Employee Group Insurance Deductions	\$750.00
2450	Employee 401K Plan Deductions	\$2,500.00
2455	Other Payroll Deductions	\$450.00
	Total Payroll Withholdings	\$12,500.00
2500	Accrued Expenses	
2510	Accrued Business Taxes Payable	\$3,000.00
2520	Interest Payable	\$1,200.00
	Total Accrued Expenses	\$4,200.00
2600	Notes Payable - Current 12 Months	
2610	Line of Credit	\$10,000.00
2620	Note #1 Payable - Current 12 month portion of LT debt	\$8,000.00
	Total Notes Payable	\$18,000.00
2700	Other Current Liabilities	\$2,000.00
2800	Long-Term Liabilities	
2810	Balance of Notes Payable (beyond current 12 months)	\$25,000.00
2820	Other Long-Term Liabilities (beyond current 12 months)	\$18,000.00
	Total Long-Term Liabilities	\$43,000.00
	TOTAL LIABILITIES	\$133,500.00
	SHAREHOLDER EQUITY	
3000	Capital - "Name of Partner A"	
3110	Investments - Partner A	\$50,000.00
3120	Partner A - Draws for LLP or Distribution for S Corp	\$12,000.00
3130	Partner A - Draw for Franchise Tax Board for LLP	\$3,000.00
3140	Partner A - Draw for United States Treasury for LLP	\$4,000.00
3150	Partner A - 401K or Sep IRA	\$5,000.00
	Total Capital - "Name of Partner A"	\$74,000.00
3200	Capital - "Name of Partner B"	
3210	Investments - Partner B	\$45,000.00
3220	Partner B - Draws for LLP or Distribution for S Corp	\$10,000.00
3230	Partner B - Draw for Franchise Tax Board for LLP	\$2,500.00
3240	Partner B - Draw for United States Treasury for LLP	\$3,500.00
3250	Partner B - 401K or Sep IRA	\$4,500.00
	Total Capital - "Name of Partner B"	\$65,500.00
3800	Retained Earnings	
3810	Current Year Retained Earnings	\$12,000.00
3820	Accumulated Previous Years' Retained Earnings	\$37,000.00
	Total Retained Earnings	\$49,000.00
3900	Opening Balance Equity	\$5,000.00
	Net Income (from Income Statement)	\$252,000.00
	TOTAL EQUITY	\$445,500.00
	TOTAL LIABILITIES AND EQUITY	\$579,000.00

1000
CURRENT ASSETS

2000
CURRENT LIABILITIES

3000
SHAREHOLDER EQUITY

Profit and Loss Statement

4000	INCOME	
4100	Net Operating Income	\$994,400.00
4110	Professional Fees	\$950,000.00
4130	Mark-up on Consultant Fees	\$36,400.00
4120	Mark-up on Consultant Expenses	\$3,000.00
4140	Miscellaneous Service Income	\$5,000.00
4200	Reimbursable Income From Consultants	\$197,000.00
4211	Consultant Fees S,MEP,C,L	\$182,000.00
4212	Consultant Expenses	\$15,000.00
4300	Project Related Reimbursables	\$25,000.00
4400	Furniture/Fabric/Purchases billed to Client	\$20,000.00
4500	Accounts Receivable Discount	-\$3,000.00
	TOTAL INCOME	\$1,233,400.00
5000	COST OF SALES (Billable to Clients)	
5100	Direct Labor - Salary Expenses billed to projects	\$200,000.00
5110	Direct Labor: Principal	\$50,000.00
5120	Direct Labor: Professional / Technical	\$100,000.00
5130	Direct Labor: Administrative	\$30,000.00
5140	Direct Labor: Contract	\$20,000.00
5200	Sub-Consultants SMEPCL	\$40,000.00
5211	Labor Sub-Consultants SMEPCL	\$20,000.00
5212	REI Sub-Consultants SMEPCL	\$20,000.00
5300	Project Related Reimbursables	\$18,000.00
5310	Auto - Local Mileage	\$2,000.00
5320	Building Permits	\$3,000.00
5330	Meals Billed to Client	\$1,000.00
5340	Models or Renderings	\$4,000.00
5350	Photography	\$1,500.00
5360	Reproductions	\$2,000.00
5370	Sample Costs	\$1,500.00
5380	Shipping, Messenger	\$2,000.00
5390	Travel - Billed to Client	\$1,000.00
5400	Furniture/Fabric/Purchases billed to Client	\$20,000.00
5500	Discounts Given to Client	-\$3,000.00
	TOTAL DIRECT COSTS BILLED TO CLIENTS	\$275,000.00
	GROSS PROFIT	\$958,400.00
6000	EXPENSES	
6010	Automobile Partner Expense	\$10,000.00
6011	Automobile - gas	\$2,000.00
6012	Automobile - lease payments	\$4,000.00
6013	Automobile - license fees	\$500.00
6014	Automobile - rental	\$1,000.00
6015	Automobile - repairs and maint.	\$2,500.00
6020	Business Development	\$15,000.00
6021	Donations	\$2,000.00
6022	Marketing Related Dues & Memberships fees	\$3,000.00
6023	Entertainment - Business Meals	\$4,000.00
6024	Gifts - Business	\$1,000.00
6025	Networking Functions	\$2,000.00
6026	Travel Expense Non Billable	\$2,000.00
6027	BD Other	\$1,000.00
6030	Employee Benefits & Office Perks	\$8,000.00
6031	Celebrations: Birthdays, Happy Hours	\$1,000.00
6032	Education and Seminars	\$2,000.00
6033	Employee Exercise	\$500.00
6034	Metro Passes	\$1,000.00
6035	Office Lunch N Learns	\$1,500.00
6036	Parking	\$2,000.00
6040	Financial Related	\$12,000.00
6041	Bank Charges: Wire, ACH, Other Fees	\$1,000.00
6042	Bad Debt	\$2,000.00
6043	Depreciation	\$5,000.00
6044	Interest due on Line of Credit	\$2,000.00
6045	AP Discount	\$2,000.00
6050	Insurance Expenses	\$18,000.00
6051	Insurance - Auto	\$2,000.00
6052	Insurance - business liability	\$4,000.00
6053	Insurance - E&O	\$3,000.00
6054	Insurance - Health	\$5,000.00
6055	Insurance - Life/Disab.	\$2,000.00
6056	Insurance - office property	\$1,000.00
6057	Insurance - workers comp.	\$1,000.00
6060	Marketing	\$10,000.00
6061	Advertising	\$2,000.00
6062	Brochures and Printing	\$2,000.00
6063	Photography	\$1,000.00
6064	Social Media Costs	\$2,000.00
6065	Web Site	\$3,000.00
6070	Office Expenses Facilities	\$26,000.00
6071	Janitorial Service	\$2,000.00
6072	Kitchen Coffee, Snacks	\$3,000.00
6073	Office Petty Cash	\$1,000.00
6074	Rent	\$10,000.00
6075	Repairs and Maintenance	\$2,000.00
6076	Security	\$1,000.00
6077	Telephone: Land - Mobile - DSL - FAX	\$3,000.00
6078	Utilities Expense Gas-Water-Elec	\$3,000.00
6079	Off Exp Prod Other	\$1,000.00
6080	Office Expenses Production	\$16,000.00
6081	Code Books / Research Book / Magazines	\$1,000.00
6082	Computer and Software	\$3,000.00
6083	Contract Labor - Indirect	\$2,000.00
6084	Copier/Plotter/Equipment Rentals/Maintenance	\$2,000.00
6085	Furniture & Fixtures	\$2,000.00
6086	Licenses & Registrations, AIA	\$1,000.00
6087	Misc Office Supplies: Staples, Office Depot, Etc	\$2,000.00
6088	Postage / Couriers/ FedEx - Non Billable	\$2,000.00
6089	Off Exp Prod Other	\$1,000.00
6090	Professional Development Expenses	\$7,000.00
6091	Professional Membership Dues	\$1,000.00
6092	Professional License Fees	\$1,000.00
6093	Professional Exam Fees	\$500.00
6094	Professional Seminar / Conference Fees	\$2,000.00
6095	Professional Training / Educational Materials	\$1,500.00
6096	Professional Development Salary	\$1,000.00
6100	Payroll for Indirect Labor (Salary) Expense	\$236,900.00
6110	Indirect Labor: Principal	\$194,900.00
6111	Principal: Non-project Labor	\$194,900.00
6112	Principal: Marketing & Business Development Labor	\$25,000.00
6113	Principal: Pro-Bono Labor	\$5,000.00
6114	Principal: Paid Time Off (PTO)	\$12,000.00
6120	Indirect Labor: Professional / Technical	\$244,500.00
6121	Professional / Technical: Non-project Labor	\$220,500.00
6122	Professional / Technical: Marketing & Business Development Labor	\$2,000.00
6123	Professional / Technical: Pro-Bono Labor	\$2,000.00
6124	Professional / Technical: Paid Time Off (PTO)	\$2,000.00
6130	Indirect Labor: Administrative	\$61,000.00
6131	Administrative: Non-project Labor	\$50,000.00
6132	Administrative: Marketing & Business Development Labor	\$5,000.00
6133	Administrative: Pro-Bono Labor	\$0.00
6134	Administrative: Paid Time Off (PTO)	\$6,000.00
6140	Indirect Labor: Temporary / Hourly	\$12,000.00
6141	Temporary / Hourly: Non-project Labor	\$12,000.00
6142	Temporary / Hourly: Marketing & Business Development Labor	\$0.00
6143	Temporary / Hourly: Pro-Bono Labor	\$0.00
6150	Payroll Processing	\$5,000.00
6200	Professional Fees: Outsourced	\$10,000.00
6201	Accounting Fees	\$2,000.00
6202	Bookkeeping	\$1,500.00
6203	Coaching	\$2,000.00
6204	IT - Computer Maintenance	\$2,000.00
6205	Legal	\$2,500.00
6300	Retirement Accounts: Contributions & Fees	\$10,000.00
6311	401k Employer Contribution: Principals	\$4,000.00
6312	401k Employer Contribution: Employees	\$4,000.00
6320	ROTH Ira	\$1,000.00
6330	SEP Ira	\$1,000.00
6400	Taxes: Local	\$5,000.00
6410	Business Tax by City BH	\$1,000.00
6420	Business Tax by City CC	\$1,000.00
6430	Business Tax by City LA	\$1,000.00
6440	Business Tax by City SM	\$1,000.00
6450	Property Tax	\$1,000.00
6500	ASK ACCOUNTANT	\$1,000.00
7000	Other Expenses	\$3,000.00
7010	Bad Debt	\$1,000.00
7020	Loss on Assets	\$1,000.00
7030	Other Non-operating Expense	\$1,000.00
	TOTAL EXPENSES	\$710,400.00
	NET OPERATING INCOME	\$248,000.00
8000	Other Income	\$4,000.00
8010	Interest Earned	\$1,000.00
8020	Retained Bid Deposits	\$1,000.00
8030	Gain on Assets	\$1,000.00
8040	Other Non-operating Revenue	\$1,000.00
	NET INCOME	\$252,000.0