



Phoenix Rose
Accounting

CHART OF ACCOUNTS

What is a Chart of Accounts?

A Chart of Accounts (COA) is a categorized list of all financial accounts used in a business to track income, expenses, assets, liabilities, and equity. It provides a structured way to organize financial data for accurate reporting.

STANDARD CHART OF ACCOUNTS CATEGORIES

BALANCE SHEETS ACCOUNTS

1. Assets

- Cash and Bank Accounts (e.g., Checking, Savings, Petty Cash)
- Accounts Receivable
- Inventory
- Fixed Assets (e.g., Equipment, Vehicles, Real Estate)
- Other Current Assets
- Prepaid Expenses

2. Liabilities

- Accounts Payable
- Loans Payable
- Credit Card Liabilities
- Payroll Liabilities
- Sales Tax Payable

3. Equity

- Owner's Equity
- Retained Earnings
- Contributions & Withdrawals

PROFIT AND LOSS/ INCOME STATEMENT ACCOUNTS

4. Revenue

- Sales Income
- Service Revenue
- Other Income

5. Expenses

- Cost of Goods Sold (COGS)
- Bank Fees
- Dues and Subscriptions
- Rent
- Payroll & Benefits
- Office Supplies
- Marketing & Advertising
- Meals
- Insurance
- Internet
- Professional Fees
- Telephone
- Travel
- Utilities

Setting Up Your Chart of Accounts

- ❖ Use numbering to keep accounts organized.
- ❖ Group similar accounts together for clarity.
- ❖ Keep it simple - too many accounts can complicate reporting.
- ❖ Customize based on business needs while maintaining standard structure.

Best Practices for Managing Your COA

- ❖ Regularly review and update accounts.
- ❖ Ensure consistency in transaction categorization.
- ❖ Use sub-accounts for better reporting detail.
- ❖ Consult an accountant for structuring based on tax and reporting requirements.

Need Help? Phoenix Rose Accounting can assist in in setting up and optimizing your Chart of Accounts for accurate financial tracking.

Contact us at **info@phoenixroseacct.com** for expert financial guidance!