

Developing a Chart of Accounts

(* = on the Schedule F)

Common Asset Accounts:

- Checking accounts
- Savings accounts
- Petty Cash
- Accounts Receivable
- Buildings & Structures
- Equipment
- Land (if owned)
- Perennials
- Vehicles
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Common Equity Accounts:

- Owner Equity
- Owner Draws
- or-
- Partner #1 Equity
- Partner #1 Draws
- Partner #2 Equity
- Partner #2 Draws
- or-
- Member Equity
- Member Draws

- Opening Balance Equity

Common Liability Accounts:

- Accounts Payable
- Credit Card (in some accounting programs, it's easier to treat these as bank accounts)
- Lines of Credit
- Loans
- Payroll Liabilities
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Common Income Accounts (to consider: if you separate income by sales channels, it's more challenging to also be able to run reports on sales of individual vegetables, etc):

- Farmers Market Income
- Wholesale Income
- CSA Income
- Restaurant Income
- or-
- Produce Sales (track sales channels by class)
- Meat Sales

- Grant Income
- Consulting Income
- Custom Hire Income (machine work) *
- Fundraising Income
- Sales of Livestock*
- Sales of Resale Items*
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*If you receive cooperative disbursements, agricultural program payments or crop insurance proceeds, those would also need to be tracked separately

Common Expense Accounts

Administrative Expenses:

- Bank Service Charges
- Business Licenses & Fees
- Charitable Contributions (use sparingly; most 'contributions' are better classed as advertising or should be paid out of a personal account)
- Computer & Internet Expenses
- Conferences & Education
- Dues & Subscriptions
- Meals & Entertainment
- Miscellaneous Expense (Try not to use! There's usually a better option)
- Office Supplies
- Professional Fees (lawyers, accountants, etc)

Advertising & Marketing:

- Advertising
- Farmers Market Booth Fees
- Market Supplies
- Promotions

Direct Farming Expenses:

- Animal Expenses:
 - Feed*
 - Veterinary, Breeding & Medicine*
- Chemicals*
- Conservation Expenses*
- Custom Hire/ Contracted Services *
- Equipment Leased*
- Farm gasoline, Fuel & Oil*
- Fertilizers & Amendments *
- Field Supplies
- Freight & Trucking*
- Intern/Volunteer Expense
- Irrigation Supplies

- Payroll * (called labor hired on the schedule F)
 - Wages
 - Payroll taxes
 - Worker's Comp
- Pest Management
- Post-Harvest Supplies
- Repairs & Maintenance *
- Seeds & Plants *
- Shop Supplies
- Supplies
- Small Tools & Equipment
- Soil & Compost*
- Storage & Warehousing *
- Testing
- Taxes

Overhead/Fixed Expenses:

- Automobile*
- Business Use of Home
- Depreciation*
- Insurance Expense
- Rent Expense*
- Telephone
- Interest * (separate out mortgage interest if you have it)
- Utilities*

- To Be Allocated (chuck things in here when you have questions as to how they should be classified)