

# The Chart of Accounts

No.	Account	Type	Time	Ordered By:	
100s	<b>Assets</b>	Short Term	< 1 year	Liquidity (how quickly they can be sold for cash) – quickest first	Assets
		Long Term	> 1 year	Longevity (useful life) – longest lasting first	
200s	<b>Liabilities</b>	Short Term	< 1-2 yrs	Maturity (those due first are listed first)	Liabilities
		Long Term	> 2 yrs		
300s	<b>Capital Drawings</b>	N/A	N/A	Only one of each account (except in a partnership – then by alpha order by partner's name)	+ Owner's Equity
400s	<b>Revenues</b>	N/A	N/A	Most significant to the business (List core revenues first)	
500s or 600s	<b>Expenses</b>	N/A	N/A	Alphabetical order	

← Temporary Accounts

Shows: Financial Position

**Balance Sheet**

To balance, you must have all accounts on your **Trial Balance**

Shows: Financial Performance

**Income Statement**

**HINT:** Accounts in the Chart of Accounts are *already listed in order*. This is the same order that they need to appear on the Trial Balance, Balance Sheet and Income Statement. Furthermore, the accounts are listed in numerical order by account number. This means that on a test you can easily order your accounts just by placing them in numerical order! For example, don't put an account numbered 125 before an account numbered 110, because (quite obviously) 125 comes AFTER 110.